

## HOUSE OF REPRESENTATIVES—Wednesday, November 19, 1969

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*We do not grow weary; for though our outward man perish, yet the inner man is renewed day by day.—II Corinthians 4: 16.*

Our Father God, ever ready to strengthen the souls of Thy children, we pause at this noontide altar of prayer to lift our hearts unto Thee. Into our littleness breathe Thou the greatness of Thy power, into our misunderstandings bring Thou the understanding of Thy wisdom, and into our troubled hearts let there come the steadiness of Thy strong spirit. Lift us from lower levels of living that, loving Thee fervently and serving our fellow men faithfully, we may find our true selves in Thee.

We pray for our country. May the people of this free land not miss the right path amid the confusion of these times. With courageous hearts, creative minds, and confident hands, help us to bring order into the disorders of this world, to expel ill will with good will and to replace low prejudices with high principles that we may leave behind us a better world, where men live together in peace.

In the spirit of Christ we pray. 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. 14001. An act to amend the Military Selective Service Act of 1967 to authorize modifications of the system of selecting persons for induction into the Armed Forces under this act.

The message also announced that the Senate agrees to the amendments of the House to a bill and joint resolution of the Senate of the following titles:

S. 2000. An act to establish the Lyndon B. Johnson National Historic Site.

S.J. Res. 26. Joint resolution to provide for the development of the Eisenhower National Historic Site at Gettysburg, Pa., and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate to a bill of the House of the following title:

H.R. 7066. An act to provide for the establishment of the William Howard Taft National Historic Site.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12307) entitled "An act making appropriations for sundry independent execu-

tive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1970, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 5 and 14 to the foregoing bill.

### THE ILLUSION OF PHILIPPINE SUPPORT IN VIETNAM

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

Mr. VANIK. Mr. Speaker, today it is utterly shocking and disgusting to learn that our Government has paid \$36 million to the Philippine Government for a mercenary noncombat force of 1,500 in Vietnam.

This money was spent to perpetrate a fraud on both the American people and the citizens of the Philippines, to provide the illusion of Philippine support for American action in Vietnam.

The truth is an incredible shame.

### PERSONAL ANNOUNCEMENT

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

Mr. PETTIS. Mr. Speaker, it was with considerable distress that I found myself obligated to leave the floor prior to the vote on roll No. 272, on passage of H.R. 14705, Employment Security Amendments of 1969. I would like the RECORD to show that, had I been present, I would have voted "yea" on the bill.

### LIMITATION ON PAYMENTS TO FARMERS

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

Mr. FINDLEY. Mr. Speaker, it is my understanding that an early item of business today will be the conference report on the agriculture appropriation bill.

It is very clear from the committee report that the managers saw fit to acquiesce in the Senate provision which deletes the \$20,000 limitation on individual payments. The committee report on page 8 indicates that in the interest of fairness to wheat producers this should be eliminated.

I would like to call to the attention of Members of the House that on August 11, 1969, in making the announcement of the 1970 wheat program, the Secretary of Agriculture very plainly put this admonition, and this is the last item of his announcement:

Payments would be subject to any limitations that might be required by Congress in the Department of Agriculture appropriations.

Every wheat farmer in the country was on adequate notice that this limitation

might well affect the 1970 crop. I hope the House, if it has the opportunity, will instruct the managers to take the conference report back and insist upon this limitation on payments.

### RESERVE OFFICERS' TRAINING PROGRAM PROVIDES FINE MILITARY LEADERS

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

Mr. PIRNIE. Mr. Speaker, the Reserve officers' training program has served to provide our Nation with fine military leaders during our most critical years of this century. Colleges across our Nation have participated with commendable results. Officers derived from this source have teamed most effectively with the graduates of our service academies to give this country integrity and ability in leadership responsibilities which have been most exacting in times of extreme tension and technological change. It is exciting to note that over 18 percent of our astronauts received their commissions through the ROTC. Recognizing as we do the high requirements of mind and body to qualify for this assignment, we are proud that this program has been able to provide men of such distinction. It is to be hoped that our colleges will continue to be a reservoir of such dedicated leadership.

### CONFERENCE REPORT ON AGRICULTURAL APPROPRIATIONS BILL FOR 1970

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

Mr. CONTE. Mr. Speaker, it will come as no surprise to my colleagues to learn that the conference report on the agriculture appropriations bill for 1970, to be brought up shortly, no longer contains my amendment placing a \$20,000 ceiling on farm subsidy payments.

Despite the overwhelming vote of 224 to 142, in support of that amendment, our conferees have once again failed to sustain the House position.

At the proper time today, Mr. Speaker, I intend to move to recommit the conference report with instructions that our conferees insist on this amendment.

In addition to the reasons which led the House to support my amendment last May, there are, briefly, two other reasons why we must maintain our position today.

First, there is no indication that either the House Agriculture Committee or the Department of Agriculture has any serious intent to include a subsidy ceiling in pending farm legislation.

Second, due to a cotton acreage increase of 1 million acres announced on October 15, 1969, the size of giant subsidies will increase dramatically unless

we put a stop now to this runaway program.

Mr. Speaker, I urge all those who supported my amendment last May to support my motion to recommit.

Mr. Speaker, I understand there is going to be another parliamentary maneuver today to take this motion to recommit away from me and to place it in the hands of someone who does not believe in recommitting this bill without instructions. This is a farce on the taxpayers of this country. As P. T. Barnum would say:

You can fool some of the people some of the time, but you cannot fool all of the people all of the time.

**PERMISSION FOR SUBCOMMITTEE ON PUBLIC HEALTH AND WELFARE, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, TO SIT DURING GENERAL DEBATE TODAY**

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Health and Welfare of the Committee on Interstate and Foreign Commerce may sit during general debate today.

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

There was no objection.

**CONFERENCE REPORT ON S. 1072, APPALACHIAN AND REGIONAL ACTION PLANNING COMMISSIONS**

Mr. JONES of Alabama. Mr. Speaker, I call up the conference report on the bill (S. 1072) to authorize funds to carry out the purposes of the Appalachian Regional Development Act of 1965, as amended, and titles I, III, IV, and V of the Public Works and Economic Development Act of 1965, as amended, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

**CALL OF THE HOUSE**

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

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. 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. 278]

Abbitt	Belcher	Clark
Anderson,	Blackburn	Clay
Tenn.	Blanton	Cunningham
Andrews,	Brock	Dawson
N. Dak.	Burton, Utah	de la Garza
Ashley	Cabell	Denney
Baring	Cahill	Diggs
Barrett	Celler	Dingell

Downing	Kyros	Rooney, Pa.
Eckhardt	Landrum	Rostenkowski
Edwards, Calif.	Leggett	St. Onge
Fisher	Lipscomb	Sandman
Fountain	Mathias	Scheuer
Gallagher	May	Stephens
Gialmo	Moorhead	Stokes
Gray	Morgan	Stratton
Griffin	Murphy, N.Y.	Teague, Tex.
Halpern	Passman	Thompson, N.J.
Hansen, Wash.	Patman	Tunney
Harrington	Philbin	Utt
Jones, Tenn.	Powell	Watson
Kastenmeier	Pucinski	Wold
Kirwan	Rhodes	Wydler
Kuykendall	Rodino	

The SPEAKER. On this rollcall, 362 Members have answered to their names, a quorum.

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

**CONFERENCE REPORT ON S. 1072, APPALACHIAN AND REGIONAL ACTION PLANNING COMMISSIONS**

The SPEAKER. The Clerk will read the statement of the managers on the part of the House.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 12, 1969.)

Mr. JONES of Alabama (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers on the part of the House be dispensed with.

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

**CALL OF THE HOUSE**

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

The SPEAKER. The Chair will count. Does the gentleman from Massachusetts insist on his point of order?

Mr. CONTE. I do, Mr. Speaker.

The SPEAKER. Evidently a quorum is not present.

Mr. JONES of Alabama. 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. 279]

Abbitt	de la Garza	May
Anderson, Ill.	Denney	Montgomery
Anderson,	Dickinson	Moorhead
Tenn.	Diggs	Morgan
Andrews,	Edwards, Calif.	Morton
N. Dak.	Fallon	Murphy, Ill.
Ashley	Feighan	Murphy, N.Y.
Ayres	Fisher	O'Neal, Ga.
Baring	Flood	Ottinger
Barrett	Fountain	Passman
Belcher	Gallagher	Patman
Blackburn	Gray	Powell
Blanton	Griffin	Pucinski
Brock	Hansen, Wash.	Rees
Bush	Harsha	Reifel
Cabell	Howard	Rhodes
Cahill	Jones, Tenn.	Riegler
Celler	Karth	Rodino
Clark	Kirwan	Rooney, Pa.
Clay	Kleppe	Rostenkowski
Cleveland	Kluczynski	Ruppe
Culver	Landrum	St. Onge
Cunningham	Lipscomb	Stephens
Daddario	Long, Md.	Stratton
Davis, Wis.	Martin	Teague, Tex.
Dawson	Mathias	Thompson, N.J.

Tunney  
Utt

Watson  
Wold

Wydler

The SPEAKER. On this rollcall 350 Members have answered to their names, a quorum.

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

**PERMISSION FOR SUBCOMMITTEE ON GOVERNMENT PROCUREMENT, SELECT COMMITTEE ON SMALL BUSINESS, TO MEET DURING GENERAL DEBATE TODAY**

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the Subcommittee on Government Procurement of the House Select Committee on Small Business be permitted to meet during general debate this afternoon.

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

There was no objection.

**CONFERENCE REPORT ON S. 1072, APPALACHIAN AND REGIONAL ACTION PLANNING COMMISSIONS**

The SPEAKER. The Chair recognizes the gentleman from Alabama (Mr. JONES).

Mr. JONES of Alabama. Mr. Speaker, the conference committee on this bill worked very hard to produce a bill which would provide for the needs of the people in the Appalachian region and in the five other economic development regions—New England, Coastal Plains, Ozarks, Upper Great Lakes, and Four Corners—as well as extension of the EDA program for other depressed areas of the country.

The conferees devoted a great deal of time to resolving the differences between the House and the Senate before reaching agreement on October 21, 1969. The conference report preserves the essential features of the House bill, and the bill which emerged from the conference committee is a good piece of legislation.

Before describing the provisions of the bill, I wish to thank most profoundly my colleagues from the Public Works Committee who served as members of the conference committee. Mr. BLATNIK, Mr. WRIGHT, Mr. EDMONDSON, Mr. CRAMER, Mr. HARSHA, and Mr. CLEVELAND worked diligently and deserve the thanks of the House.

We also enjoyed the usual courtesy and cooperation of the Senate managers, all were helpful and cooperative.

I insert a table showing the authorizations by program in the RECORD at this point:

<i>Authorizations—Conference report, S. 1072</i>	
TITLE I—APPALACHIAN REGIONAL COMMISSION	
Section 102—Highways: <sup>1</sup> (new authorization) -----	\$150,000,000
Other programs for fiscal year 1970-71	
Section 105—Administrative expenses -----	1,900,000
Section 202—Demonstration health projects -----	90,000,000

TITLE I—APPALACHIAN REGIONAL COMMISSION—  
Continued

Other programs for fiscal year 1970-71	
Section 203—Land stabilization	\$15,000,000
Section 205—Mining area restoration	15,000,000
Section 207—Housing assistance	3,000,000
Section 211—Vocational education	50,000,000
Section 214—Supplemental grants	82,500,000
Section 302—Administrative expenses of local development districts and research	13,000,000
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	270,400,000
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TITLE II—REGIONAL COMMISSIONS, FISCAL YEAR 1970-71	
Authorization for Commission programs <sup>2</sup>	255,000,000
Authorization for regional transportation study	20,000,000
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Total	275,000,000
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Alaska—Authorization (for planning)	500,000
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Title I of EDA: Authorization for 1-year extension	500,000,000
Title III of EDA for fiscal 1970: Increased authorization for 1 year	25,000,000
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Total	525,000,000
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Total new authorization in the conference report	1,220,900,000

<sup>1</sup> Specific authorization of \$175 million per year for fiscal years 1970, 1971, and 1972, and \$170 million for fiscal year 1973. (This constitutes a reauthorization of highway funds provided for in the 1965 and 1967 versions of the legislation with the addition of \$150 million in this bill. Total highway authority, fiscal years 1965-73, \$1,165 million).

<sup>2</sup> Allocations: (1) Up to 10 percent of amount appropriated, for Secretary of Commerce technical assistance, and so forth. (2) Of the remainder, not more than 25 percent nor less than 10 percent to each regional commission.

The conference report contains three titles.

Title I extends the Appalachian Regional Development Act for a 2-year period beyond previous authorizations. The conferees approved a 2-year authorization of \$268,500,000 for all programs conducted under the act other than the construction of the Appalachian development highway system and the construction of local access roads. The nonhighway portions of the act would be extended through fiscal 1971 and the highway program would be authorized through June 30, 1973.

Title II of the bill authorizes funds for the other five regional development commissions in a total of \$275 million for fiscal 1970 and 1971. In addition \$500,000 is authorized for planning by the Federal Field Committee for Alaska.

Title III authorizes a 1-year extension of the grant programs under title I of the Public Works and Economic Development Act. Five hundred million dollars

is authorized for this purpose. Title III also increases the technical assistance authorization of that act by \$25 million.

Mr. Speaker, I have been a Member of the House for over 23 years, and in that time I have rarely seen a unique and innovative program like that administered by the Appalachian Regional Commission develop such a broad base of support and public acceptance. The testimony received by the Public Works Committee this year was uniformly laudatory. The bill produced by the conference committee is addressed to strengthening the program by a number of technical changes in the statute and providing a basis for progress during the tight budget which we are experiencing. The principal changes in the present statute which would be authorized by the conference report are as follows:

The program for construction of a development highway system and access roads in the Appalachian region was due to expire June 30, 1971, with a substantial amount of the original authorization unappropriated. The conference report sets up a schedule for progress on the system and the access road program by extending the authorization through 1973 and increasing the original authorization for these purposes by \$150 million. The authorization, which is on a contract authority basis, is \$175 million for fiscal 1970; \$175 million for fiscal 1971; \$175 million for 1972; and \$170 million for fiscal 1973. This schedule will permit the highway departments to proceed with longer term planning and more efficiency than is permitted under the present law.

The demonstration health program authorized by section 202 of the Appalachian Act is amended to set the Federal percentage of operating costs for 3 years at 75 percent after 2 years of 100-percent Federal funding. Current law provides for 50 percent. The law would also place emphasis on nutrition and child care projects in the Appalachian region, a matter which has received considerable and justified public attention. The health program is also amended to emphasize the need for the detection, diagnosis, and treatment of occupational diseases arising from coal mining, particularly the problem of black lung.

Section 205 of the act is amended to make it clear that mine restoration projects can be accomplished on a grant-in-aid basis. This amendment should make this critical program move faster than it has in the past.

Section 207 of the act is amended to authorize technical assistance through nonprofit organizations in the initiation of low- and moderate-income housing projects. This will serve to accelerate an already effective program.

Section 214 of the act is amended to permit the use of supplemental grant funds on sewage treatment projects which are prefinanced by State and local authorities under section 8(c) of the Federal Water Pollution Control Act.

Section 302 of the act is amended to permit local development districts to

receive assistance on the same basis as those supported by EDA and HUD funds.

An amendment offered by the gentleman from New Hampshire (Mr. CLEVELAND) when the bill was considered by the House and passed in the House was further amended in the conference to provide for a presidential study of the extent to which portions of upper New York State are geographically part of the New England or Appalachian regions and should be included in either of them. This study is to be completed by June 30, 1970.

Title II of the conference report amends title V of the Public Works and Economic Development Act to give the other regional development programs the wherewithal to initiate programs for which they have been planning since 1966. The bill expands the supplemental grant authority passed by the Congress in 1967 to permit the acceleration of various Federal grant-in-aid programs within these regions where funds under the basic programs are inadequate.

The conference, and indeed both Houses of the Congress, have sought to make it clear that the commissions are given new authority to implement their plans. The commissions are granted independent authority for planning, investigations, studies, demonstration projects, and training programs. The Secretary's expenditures of funds is limited to not more than 10 percent of the amount appropriated for each fiscal year. The remaining 90 percent of the sums appropriated is to be allocated to the commissions for the purpose of their implementing section 505 and section 509 of the act. The language of the conference report recognizes the diversity of these regions by authorizing demonstration projects to respond to the economic problems which may be unique to their areas.

After the Secretary has deducted the maximum of 10 percent, provision is made for a minimum of 10 percent or a maximum of 25 percent of the remaining appropriations to be allocated to any one regional commission. This is similar to the House bill and presents a reasonable basis for allocation of funds by the Secretary of Commerce.

As included in the House bill, the conference report provides for the coordination of EDA grants and loans with each Federal Cochairman and likewise of the Commissions programs with the Secretary of Commerce.

As I indicated previously, the bill also authorizes planning funds for the Federal Field Committee for development planning in Alaska. This action in no way interferes with the potential creation of a Regional Commission in the State of Alaska.

The Senate bill authorized \$100 million for transportation programs in the title V development regions. The conference report authorizes \$20 million to be used for investigations and studies for regional transportation needs. It was our feeling that planning in the transportation field has not proceeded to the point

of justifying a major and special transportation program, but that planning and investigation toward this end was warranted.

Title III of the bill extends the expiring portions of the Public Works and Economic Development Act through this fiscal year as requested by the Adminis-

tration. Authorizations are included for development grants and technical assistance. The conference report adds to the areas eligible for assistance the special impact areas designated by OEO or Secretary of Commerce under part D of title I of the Economic Opportunity Act of 1964. This is an effort to include areas in

major cities where there is profound economic need, but which are not eligible under current criteria.

Mr. Speaker, these changes and extensions of existing law are sound and desirable. I urge the adoption of the conference report.

Mr. Speaker, a table follows:

APPALACHIAN/EDA AMENDMENTS 1969—COMPARISON OF NEW AUTHORIZATIONS IN HOUSE BILL, SENATE BILL, AND CONFERENCE SUBSTITUTE

[In millions of dollars]

Section of act and description	House bill	Senate bill	Conference substitute	Section of act and description	House bill	Senate bill	Conference substitute
<b>Title I—Appalachian Act amendments:</b>				<b>Title II—EDA regions amendments:</b>			
202 Demonstration health projects.....	85.0	95.0	90.0	505 Planning and technical assistance.....	225.0	285.0	255.0
203 Land stabilization.....	15.0	15.0	15.0	509 Supplementary grants.....			
205 Mining area restoration.....	15.0	15.0	15.0	512 Planning—Alaska Federal Field Com-			
207 Housing assistance.....	2.0	3.0	3.0	mission.....			.5
208 Manpower development.....		10.0		513 Transportation systems study.....			20.0
211 Vocational education.....	50.0	50.0	50.0	Total, title V regions.....	225.0	285.0	275.5
214 Supplementary grants.....	75.0	90.0	82.5				
215 Cultural programs.....		1.0		<b>Title III—Other EDA amendments:</b>			
302 Development districts and research.....	8.0	15.0	13.0	105 Grants and supplemental grants.....		500.0	500.0
Total nonhighway programs.....	250.0	294.0	268.5	302 Technical assistance.....		25.0	25.0
201 New highway authorization (making		150.0	150.0	Total, other EDA amendments.....		525.0	525.0
total highway authorization 1,165).....		1.9	1.9	Grand total, all titles.....	476.9	1,235.9	1,220.9
105 Administrative expenses.....	1.9	1.9	1.9				
Total, Appalachia Act.....	251.9	445.9	420.4				

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

Mr. JONES of Alabama. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I do not believe in my time in the House, I ever have seen a conference report which has listed in it more often this sentence:

The House amendment contained no comparable provision.

This bill from the standpoint of the House must have been really rewritten in conference.

Mr. JONES of Alabama. That may be true. The reason for that was these are amendments in title I to the Appalachian Regional Development Act of 1965, and there are amendments to titles I, III, IV, and V of the Public Works and Economic Development Act of 1965. This covered a wide range of subjects. The Senate had some sections not in the House bill at all. They were meritorious and we accepted them with modifications of our own.

So we feel that the conference substitute is a better approach to this bill than we had heretofore.

Mr. GROSS. It has been difficult to hear the gentleman because of all the noise in the House. Do I understand this has been jumped from a 1-year to a 5-year program?

Mr. JONES of Alabama. No sir; it has not. The Appalachia program as regards grants-in-aid is extended for 2 years. The Appalachian highway program is extended for 2 years beyond the present 1971 date. The regional commissions under title V of EDA are funded for 2 years to 1971. Title I of EDA is funded for 1 year to 1970. Title III of EDA is funded for 1 year to 1970.

Mr. GROSS. How does the money figure stand up with the bill as it left the House?

Mr. JONES of Alabama. If the gentleman will turn to page 12 of the conference report he will see a breakdown of the three titles of the bill. The Senate

bill for Appalachia, as I recall, had a figure of \$294 million for 2 fiscal years. The House bill had a figure of \$250 million. The conference substitute authorizes \$268,500,000 for 2 years.

Mr. GROSS. It is \$268 million?

Mr. JONES of Alabama. It is \$268,500,000.

Mr. GROSS. I notice on page 15 of the report some very interesting language which reads as follows:

While the Secretary may withhold amounts from the initial allocation, he is required to allocate all amounts appropriated to the regional commissions prior to the end of the fiscal year for which appropriated.

This is not much of an inducement to the Secretary to save the taxpayers any money. He has to allocate the funds made available before the end of the fiscal year, come hell or high water. He has to get rid of the money if it is made available to him; is that correct?

Mr. JONES of Alabama. The reason for this is, the commissions have been planning for several years. They are now ready to act.

They had accumulated programs that require this money. Therefore, we felt this was appropriate language to see they get this money as the record shows they can use it.

Mr. GROSS. But, come what may, the Secretary has to allocate the money before the end of the fiscal year.

Mr. JONES of Alabama. I will yield to the gentleman from Oklahoma (Mr. EDMONDSON).

Mr. EDMONDSON. May I say to the gentleman, in responding to that question, that this does represent a compromise between the House position and the Senate position. The Senate position would have required a specific amount to be allocated and apportioned to each commission. The House position was that the Secretary should have leeway from 10 to 25 percent of the total allocation for each commission. So he can hold down the percentage that goes to

an individual commission. He can confine it to only 10 percent of the total for what an individual commission gets, if he feels it is not prepared and ready to go forward with the program.

However, under the compromise with the other body, he is required to go ahead and allocate to the commission at least that 10 percent before the end of the fiscal year. That is to assure that no other commission is left completely out of the funding picture in the allocation by the Secretary.

Mr. GROSS. Mr. Speaker, there are 25 other questions that I would like to ask the gentleman, but I cannot take all of the time. There is one further question if the gentleman will permit me.

Mr. JONES of Alabama. I yield to the gentleman.

Mr. GROSS. Is it now designed to make sure that that great resort area of upper New York State be included in the poverty kick under Appalachia? There is a study to be made, is there not?

Mr. JONES of Alabama. The floor amendment offered by the gentleman from New York (Mr. McEWEN), a member of the committee, was to make a study as to this area of New York which would be eligible to be covered by either the Appalachia program or title V of the EDA Act.

Mr. GROSS. It is going to be studied, and there is not much doubt about what the outcome of that study will be, is there?

Mr. JONES of Alabama. There will not be a duplication. I can assure the gentleman of that.

Mr. GROSS. There might not be a duplication, but they will be on the Appalachian dole in upper New York State, I am sure.

Mr. JONES of Alabama. I am quite sure the gentleman from New York would not be agreeable to that.

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

Mr. JONES of Alabama. I yield to the gentleman from New York.

Mr. McEWEN. In response to the gentleman from Iowa on upper New York State, that great resort area, I am pleased that the gentleman from Iowa is aware that there are resorts up there, but I would also like to point out to the gentleman from Iowa that I have the latest EDA map here, which shows that the dark green in northern New York and New England is an area of high unemployment. That area, by every definition of Appalachia, is a part of the Appalachian Mountain region. It suffers from the same economic factors—outmigration and low employment. It was for that reason that the gentleman from New Hampshire and I advocated this being brought in.

I want to say now to the gentleman from Alabama and the gentleman from Florida (Mr. CRAMER) and the others who were conferees on this bill, that I want to express my appreciation to them for holding this in. I think it is something that is very deserving and long overdue.

Four years ago a portion of New York State, which is not the deep green on this map, was brought under the Appalachia Regional Commission. This legislation now gives to the President the authority to make the study and recommend alternatives either under the New England Regional Commission or the Appalachia Regional Commission for inclusion of the northern part of New York State. This study should recognize the need of northern New York and northern New England for an east-west expressway.

I thank the gentleman for yielding to me.

Mr. GROSS. Will the gentleman yield for a quick observation?

Mr. JONES of Alabama. I yield to the gentleman.

Mr. GROSS. All I want to say is I guess attaching one more car to the Appalachia gravy train will not make a whole lot of difference.

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

Mr. JONES of Alabama. I yield to the gentleman from Kentucky.

Mr. CARTER. As a Representative from the Appalachia area, I want to tell you what this act has meant to my area.

In the first place, in the past 4 years there have been 14 new vocational schools built in our area. Secondly, there have been miles of roads built through the mountains. Third, we have had increased funding for our hospitals. We have improved the health care.

I want to tell you that it has helped greatly. You can call it a gravy train or whatever else you wish, but it has been extremely helpful to the people in my area, and I strongly support the bill and the conference report.

I thank the gentleman for yielding.

Mr. FALLON. Mr. Speaker, I rise in support of the conference report on S. 1072. This is legislation which further amends two outstanding programs which have had their beginnings in the Committee on Public Works—the Appalachian regional development program, and the Economic Development Act of 1965.

At the outset, may I pay special tribute to the House conferees for their fine

report which they present to this body today. May I particularly acknowledge the fine work of my old friend and colleague, the distinguished gentleman from Alabama, who was chairman of the conference and who has given us these further amendments to this fine piece of legislation. I refer to the Honorable ROBERT E. JONES, and his colleagues on the conference, the gentleman from Minnesota (Mr. BLATNIK), the gentleman from Texas (Mr. WRIGHT), the gentleman from Oklahoma (Mr. EDMONDSON), the able ranking minority member, the gentleman from Florida (Mr. CRAMER), the gentleman from Ohio (Mr. HARSHA), and the gentleman from New Hampshire (Mr. CLEVELAND).

I have been a strong supporter of these programs for a number of years and I know how effective they can be. I have seen them at work firsthand in various sections of our country and believe that programs such as the regional development concept which had its start in Appalachia, and which has been extended to the Economic Development Act as well, and direct grants and loans to communities and businesses as set forth under the terms of the Economic Development Act, have proved their value in stimulating the American economy and raising the standard of living of millions of our citizens who before the advent of these programs had little or no hope of raising themselves from the poverty and deep despair around which their lives were centered.

In closing I would urge again strong support for this conference report. I know that the amendments which will be accepted by this body today will continue to carry forth the concept of a true State-Federal relationship in this field that will in the long run pay dividends a thousandfold to all American citizens.

Mr. BLATNIK. Mr. Speaker, as a member of the conference on the House side which is submitting this conference for House approval today I strongly urge its adoption.

At the outset may I commend the conferees on the House side for their fine work on this involved piece of legislation and, in particular, my dear friend, the distinguished gentleman from Alabama (Mr. JONES). This legislation before you covers really three phases of the economic development program which the committee approved in 1965. The gentleman from Alabama (Mr. JONES) has dealt very capably with his analysis of the changes contained in the conference report as it covers the Appalachian regional development program and title V of the regional commissions now authorized under the Economic Development Act of 1965. I am prepared to address my remarks at this time to title III of the Senate legislation which was adopted in a modified form by the conferees. The bill as passed the House contained no similar provisions. Title III of the conference report covers amendments to other sections of the Economic Development Act of 1965 separately and apart from title V, the regional commissions.

One of the great features of the EDA since inception in 1965 is the fact that it has incorporated within it some

of the most successful portions of previous economic development programs such as the accelerated public works programs and the area redevelopment programs and has had added to it other far-reaching changes which over the years prove more and more effective in accomplishing the goal of this legislation which is to uplift and give all American citizens a full opportunity to participate in the prosperity which engulfs the major portions of this country.

Title III of the Senate version contains some very commendable sections and with some fairly minor changes. The House conferees accepted these amendments and they are before you today in the conference report. I would like to address myself briefly to the Senate amendments to title III as adopted by the conference.

The conference adopted the Senate amendment to title I, which provides for grants for public works and development facilities, to permit the Secretary of Commerce to waive all or any part of the non-Federal share of grant to an Indian tribe below the minimum 20 percent otherwise required.

The conference also adopted the Senate language authorizing funds for title I of the Economic Development Act for 1 additional fiscal year of 1970. This authorization is \$500 million.

The Senate bill amended section 301 of the Economic Development Act to authorize the Secretary to make grants for any demonstration project which he determines is designed to foster regional productivity and growth, prevent outmigration, and otherwise carry out the purposes of this act.

The House bill contained no comparable provision.

The conference substitute is the same as the Senate bill, limited, however, to grants for demonstration projects within a redevelopment area or areas.

The Senate bill amended section 302 of the Economic Development Act to increase the authorization for title III of that act for the fiscal year ending on June 30, 1970, from \$25 million to \$50 million.

The House bill contained no comparable provision.

The conference substitute is the same as the Senate bill in this regard.

One of the pressing problems of our time is the need to take care of those areas of our Nation both in the urban centers and in rural sections which due to the technicalities of the existing economic development program do not qualify for assistance under these acts. We have been faced for a number of years with the question of how we can resolve the problem of taking care of those areas of our country which need immediate attention but because of the technicalities of the law are contained within the areas larger than themselves which are so productive that they do not qualify for the eligibility or criteria under the Economic Development Act, and there, the pocket within these areas have been bypassed as well. There are about 30 million people in this country who are in these areas. More than 50 percent of our poor, nearly 14 million people whose annual earnings

fail to exceed subsistence levels live in metropolitan centers. Within these hard core areas which exist within our great urban developments it is fairly obvious that unless these areas are so developed they will continue to spread and spoil and contributed to the tremendous problems our cities now face.

The same problem exists within many sections of the rural portions of our country and the legislation now pending before you attempts to amend the law so as to allow these areas to qualify and receive the assistance which they so need under the terms of this legislation. This is brought about in the following manner.

The Senate bill amended section 401(a) of the Economic Development Act to require the Secretary to designate as redevelopment areas those areas selected for assistance under part D of title I of the Economic Opportunity Act of 1964. This section of the Senate bill also amended section 401(b) of the Economic Development Act to exempt from the area and boundary limitations contained in paragraph (3) and (4) of that subsection the areas selected for assistance under the Economic Opportunity Act of 1964.

The House bill contained no comparable provision.

The Senate language was adopted by the conferees and in addition the following language was accepted which does the following things:

First. The Secretary would also be authorized to designate as redevelopment areas those areas which he determines meet the purpose of section 150 of part D of title I of the Economic Opportunity Act of 1964 and otherwise meet the requirements of the Economic Development Act. The purpose of section 150 of the OEO Act is to establish special programs for the solution of critical problems in particular communities or neighborhoods—defined without regard to political or other subdivisions or boundaries—within those urban areas having especially large concentrations of low-income persons, and within these rural areas having substantial outmigration to eligible urban areas.

Second. The areas which the Secretary would be authorized to so designate would also be exempt from the population and boundary limitations in section 401(b) and (4) of the Economic Development Act.

Third. Areas selected for assistance under part D of title I of the Economic Opportunity Act or by the Secretary under the authority referred to in paragraph (1) would not be eligible to meet the requirements for establishing an economic development district in accordance with section 403(a)(1)(B) of the Economic Development Act and would not be considered a redevelopment area for the purposes of determining the continued eligibility of an area designated in accordance with section 401(d).

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

Mr. JONES from Alabama. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I thank the gentleman for yielding.

Mr. Speaker, I support the conference report and believe it should be approved overwhelmingly by the House.

I believe the bill passed by the House has been improved in several particulars, and particularly appreciate the funds that are added by conference for the Ozarks Commission and other regional commissions.

It also seems to me to be good policy to allow some latitude to the administration in the allocation of funds to the different commissions, and I am glad to report that the conference agreed substantially to the House position on this point.

As to criteria governing these allocations, some remarks appear to be in order in view of discussions in the other body on the question.

In discussing this question, one of the conferees from the other body, on November 5, said:

The funds authorized to each commission by the Senate were, of course, based on certain criteria, such as population, area, per capita income and ability to use funds for development programs.

The Conferees expect the Secretary in making his allocation, to give full consideration to these factors as well as to the proportionate amounts which the Senate adopted.

In addition, the Conferees expect the Secretary will submit to the Senate Public Works Committee notification of all factors utilized by him—including the weight given to each such factor—in making allocations to the Regional Commissions.

It might be well to comment on these remarks as well as the compromise provision that was developed in the conference relating to the authorizations for the regional commissions.

It could be pointed out that the formula developed—which is a minimum of 10 percent and a maximum of 25 percent to be allocated by the Secretary to each of the regions—was established to give the Secretary the flexibility needed in the allocating of funds to regions. All of the regions have not been in existence the same length of time and therefore, the planning and development of each region has not advanced uniformly. They are in different stages of organization, and therefore, some regions are more prepared to utilize the funds than others.

There are several other considerations that should be made regarding the determination of the amount of funds to be given each region. Section 501 of the act sets forth the criteria intended to guide the Secretary in his task of determining areas that should be designated as an economic development region because they have lagged behind the Nation as a whole in economic development. These criteria would imply goals for the commissions since it is presumed that the ultimate objective would be to eliminate the sources of economic lag and thereby result in the redesignation of the area.

Among the criteria to be considered by the Secretary are the rate of unemployment, the median family income level and the rate of outmigration of labor or capital.

According to the statistical data at

hand, the New England area had the lowest percent unemployed of the five regions as of 1960 with a 4.5-percent figure. Unemployment in the following regions was: Ozarks 5.4 percent; Upper Great Lakes 6.8 percent; Coastal Plains 5 percent, and Four Corners 6 percent.

Statistics show as of 1960 that New England had the highest median family income with \$6,128. The other regions were as follows: Ozarks, \$3,492; Upper Great Lakes, \$4,735; Coastal Plains, \$3,459; and Four Corners, \$5,080.

The other criterion that should be considered in allocating to the regions is one that relates to outmigration. This problem varies from region to region, with no evidence of net outmigration in several regions.

If funds were to be distributed to the regional commissions on the basis of need as evidenced by the income gap, the Ozark and Coastal Plains regions would receive the largest allocations. New England's per capita income is above the national average. Tables indicate that New England has a negative income gap of minus \$3,249. If funds were distributed solely under this criterion, Coastal Plains Commission would receive half of the money. Ozarks would receive 22 percent, Upper Great Lakes 15 percent, Four Corners 13 percent, and New England nothing. The above distribution would, of course, be unsatisfactory as far as New England is concerned; however, from an analytical point of view it is based on one of the eight designation criteria, specified by the law for designating regions.

Another potential measure of the problem of depressed regions is a lack of employment opportunities. The Federal Government has traditionally been concerned with the problem of unemployment. However, the unemployment rate alone may not be entirely appropriate for chronically depressed areas. To be counted as unemployed a person must be part of the labor force but when without a job he must be "looking for work." In depressed areas some people may be unemployed in that they are neither working nor seeking work because they are not able to find a job. The term "job gap" is the difference between the actual number of employed persons in the region and the number which would have been working if the proportion of the regional population working were the same as in the Nation.

Using this criterion the Ozark region has the greatest number of unemployed with the figure of 160,000 or 31 percent of the regions. The job gap for the balance of the regions are as follows: Coastal Plains 120,000, or 23 percent; Four Corners 110,000, or 21 percent; Upper Great Lakes 130,000, or 25 percent; and New England with zero or zero percent.

Of course, the bill as agreed to in conference properly assures at least 10 percent of the total allocation for commissions to each region, so these determinations are moderated by law to guarantee funding of each commission.

The state of planning in each of the five regions certainly must be considered

in the allocations by the Secretary. Progress with economic development planning within each region is not the same.

In summary, the bill as agreed to in conference assures funding to each regional commission, but many factors must be carefully measured by the administration in allocating funds to each of them.

The commissions, by aggressive and able planning and development of good programs and projects, will be able to shape their own funding destinies to a considerable degree.

We hope the day will soon come when adequate Federal funding is available to assure progress in each region in the same way the Appalachia program has developed.

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

Mr. ALBERT. Mr. Speaker, House approval of the conference report on S. 1072, Appalachian regional development, completes congressional action on a piece of legislation of far-reaching significance. In addition to authorizing an additional \$420 million for the Appalachian regional program, it provides \$276 million for the other regional commissions; namely, the Ozarks Regional Commission, New England Regional Commission, Upper Great Lakes Regional Commission, Four Corners Regional Commission, and the Coastal Plains Regional Commission.

This measure is another example of the type of congressional initiative and innovation which has been characteristic of the 91st Congress. As I have pointed out on earlier occasions, in connection with electoral college reform, tax revision, coal mine safety, and increased appropriations for education and clean water, the 1969 congressional session has in every major legislative area seen the Congress rather than the executive branch take the leadership in the formulation of major proposals.

The initial bill providing for an extension of the Appalachian Regional Commission was introduced by the chairman of the House Public Works Committee, the gentleman from Maryland (Mr. FALLON) and by the gentleman from Alabama (Mr. JONES) on January 17, 1969. Because the administration was not prepared to present its views, it was not possible to start hearings until March 25. The Assistant Secretary for Economic Development in the Commerce Department, Mr. Robert Podesta, did not appear until near the conclusion of the hearings on April 17. The House Public Works Committee in executive sessions then fashioned a measure which extended the Appalachian Regional Commission as well as the other regional commissions established pursuant to title V of the Public Works and Economic Development Act of 1965.

The product produced by the Public Works Committee was a well thought-out balanced measure and passed the House by an overwhelming vote of 273 to 103 on July 15, 1969. Today, the House

has approved the conference report on S. 1072 with a minimum of controversy. My congratulations to the gentleman from Maryland (Mr. FALLON), the chairman of the Public Works Committee, and to Congressman JONES of Alabama, for their success in steering this vital matter through the Congress. Their labors have given us a final product in which this House can well take pride.

One further observation I feel is in order at this point. The history of the Appalachian regional development bills in this body since 1965 is an excellent case study of what happens to progressive legislative proposals. In 1965 when Appalachian legislation was first considered by the House, the RECORD shows that a motion to recommit the bill on March 3 witnessed the Republican membership voting 92 to 44 in favor of recommitment and then 109 to 25 against final passage. In 1967 on September 14 our Republican friends voted 143 to 17 in favor of recommitment and 123 to 35 against passage.

This year, I am gratified to report that the sizable number of our friends on the other side of the aisle have finally seen the error of their ways. For when the House acted on this matter on July 15 Republicans voted 90 to 77 in favor—this time they did not even choose to offer a recommitment motion. While the Republican record of support did not approach that of the Democrats who voted 183 to 26 in favor, it was indeed commendable and shows that these regional programs must be succeeding and must be popular. I have personal knowledge that this is true in the case of the Ozarks Regional Commission which embraces my own congressional district.

Regional redevelopment thus follows in the path of so many other Democratic pieces of progressive legislation, social security, unemployment compensation, minimum wage, and so forth. At first they are violently and vociferously opposed by the gentlemen on the other side of the aisle, then reluctantly tolerated, and ultimately embraced.

My congratulations to the Republican Party upon another successful, if halting and reluctant step into the 20th century.

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

Mr. JONES of Alabama. I yield to the gentleman from New York.

Mr. FARBSTEIN. Mr. Speaker, I rise in support of the conference report.

Mr. Speaker, the conference report on S. 1072, the Appalachian Regional Development Act Amendments of 1969, represents the recognition that real improvement in our central cities is not going to occur until the economic base of our cities is significantly strengthened. It is most appropriate that this legislation come to us at a time when unemployment is on the rise and those at the margins of the employment force are once again facing separation from their jobs.

This legislation will, for the first time, make cities eligible for assistance under the Economic Development Act. Under EDA, grants and loans are made avail-

able to plan and develop facilities which will attract and hold job-producing businesses.

It has appeared strange to me that the cities, where economic development is so badly needed, were excluded from the very program which could have made permanent and lasting contributions.

Since 1965, the year of EDA's inception, I have been fighting to extend it to central cities so that they could move toward economic development. In 1966, the Public Works Committee held hearings on legislation I introduced, and reported out a bill which, unfortunately, died with the sine die adjournment of the 89th Congress. During 1967 and 1968, I again introduced legislation. Each time, the need for the adoption of the concept of economic development to the central cities became more impelling and the legislation I offered more refined. Finally, in April of this year I introduced H.R. 9832 with 25 cosponsors. Section 304 of the bill we have before us is the culmination of my long fight and a source of great pride to me.

It makes parts of our cities eligible for Economic Development Act assistance which "have especially large concentrations of low-income persons." Previously, almost every city was excluded from assistance from EDA because of the requirement that a jurisdiction's overall unemployment rate be over 6 percent. While the slums of New York may have had a 20-percent unemployment rate and 15 times the population of those areas which did qualify for EDA assistance, the fact that they were located in a city or county which, as a whole, had less than a 6-percent unemployment rate made them ineligible for assistance. Thus, no part was eligible; and the cities were denied the opportunity for grants and low-interest loans with which to plan and attract job producing business.

Section 304 of this bill makes eligible for EDA grants and loans those areas designated by the Director of the Office of Economic Opportunity under section 150 of the Economic Development Act as communities or neighborhoods—defined without regard to political or other subdivisions or boundaries—within those urban areas having especially large concentrations of low-income persons. The legislation would also give the Secretary of Commerce the same prerogatives as are now held by the Director of OEO to designate pockets of low-income persons as "special impact areas" and thus eligible for EDA assistance.

This legislation is a great step forward, but it is still not the entire answer. The criteria set down in H.R. 9832 was definite and automatic. There was no discretion on the part of anyone. The criteria set forth in S. 1072 are extremely general and thus leave a great deal of discretion to the executive branch. I see no reason for such wide discretion. It can only be used for political purposes.

Still, the legislation is a vast step forward, and we can wait for another day. The important thing is that central cities can now be eligible for economic development assistance. The human component is the real strength of our cities, but

when much of it is forced into a dysfunctional mode through lack of employment opportunity, the real strength becomes the city's chief weakness. We can now begin to undo this tangled web.

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

Mr. JONES of Alabama. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, I am concerned that there has been no basic improvement in the manner in which counties may qualify for participation in the Economic Development Act. The same qualifications with minor exceptions are being used today that were used in this program enacted 4 years ago, and these qualifications were basically taken from the old ARA program. At that time the Secretary of Agriculture designated many counties of the State to be eligible for ARA assistance if they were classified as a "poor county."

Although the EDA has succeeded the ARA, the same qualifications exist; namely, that a county must have a high percentage of outmigration or population and a high percentage of unemployment. Many counties in my State are just as deserving of help under this program as many of the counties in the east Texas section, but they cannot qualify and mostly for reasons that are technical. Since transportation and movement of people have changed so vastly in 10 years, a county today cannot show that it has such high outmigration or unemployment because people travel to adjoining counties—in Austin, Tex., for example, which is in my district—and any kind of survey made simply does not reflect today the same disadvantaged condition exists in one county as compared to another.

For 2 years, I have been trying to get EDA to loosen its qualifications and make this program more of a public works program, which in fact it should be. But EDA will not budge one inch. Earlier this year, I sent to the Public Works Committee full testimony explaining my concern. I have a bill drafted which I think will correct the problem.

However, in cases like today, we are always told that the bill is either being considered under a continuing resolution or that the section pertaining to eligibility is not involved. Now I see the Senate has changed the bill somewhat by amending section 401A of the EDA, which requires the Secretary to designate as redeveloped areas these areas selected for assistance under part D of title I of the Economic Opportunity Act of 1964. I am advised that this section refers to certain impacted areas and relates to problems of size and population. However, it does not appear that this will give help to the average county that is just as deserving of help as those counties eligible to participate now.

Many of us who believe in the principle of the EDA program find it impossible to support a project that will not allow our counties to participate. We see the so-called Appalachian program extended throughout the entire boundaries of the United States—not every county

or State but Appalachia now exists in five or six geographical areas of the United States and generally covers the whole country. This is not really then an Appalachian bill. Until the committee allows every county to be considered then I say you are not making available opportunities to the average county that might want to improve its conditions.

EDA has said that some counties could participate in planning money but this is not much help when all they can do is plan for programs along with several other counties in an area, yet when it comes to approving the project for this planning county, they are told that the county is not eligible.

This year I have drafted a bill that would amend the Public Works and Economic Development Act of 1965 to provide financial assistance to all areas within an economic development district. That bill would have read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 403 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3171) is amended by adding at the end thereof the following subsection:

"(1) Notwithstanding any other provision of this Act any area within an economic development district designated in accordance with subsection (a) of this section which area is not eligible for designation as a redevelopment area under section 401 of this Act, shall be deemed to be a redevelopment area for the purpose of receiving financial assistance under all titles of this Act for so long as such area is within such economic development district."

My measure would have been a fair and reasonable approach to allow other counties to participate in this program. The bill being considered today is a conference report, and therefore I cannot offer the amendment now. I hope that EDA might change their eligibility standards although it would appear that the counties in my district still are not eligible. I have one county in particular—Burleston County—which has tried for 3 years to be made eligible for participation, yet it has been given no consideration.

I realize that there is nothing I can do at this point, but I want to serve notice to the House Public Works Committee that I expect to make an all-out fight on this measure. It is not right when one county in my district which might be considered more disadvantaged than others cannot qualify for this program and yet the county next door to them is qualified, particularly when the neighboring county is in a fairly stronger economic condition. That does not make sense and until we can change the eligibility standards, this program ought to receive the closest scrutiny by the Congress.

Mr. JONES of Alabama. Mr. Speaker, I yield 5 minutes to the gentleman from Florida (Mr. CRAMER).

Mr. CRAMER. Mr. Speaker, I rise in support of the conference report.

Mr. Speaker, I believe the House and Senate conferees did as good a job as could humanly be done. We had weeks and weeks of conferences. We

cut out very substantial expenditure items included by the other body in this legislation. It is my opinion that we also made a number of improvements in it. We retained proper jurisdiction in the Secretary of Commerce. I think we now have the highway program in proper focus in Appalachia without going into expanding billions more on an expanded separate program. We are not getting into a totally new highway program similar to Appalachia outside of Appalachia as some proposed for the regions. This is 80 percent of Appalachian expenditure and to get into a duplicating effort when we are considering a nationwide "after-1975" highway program is foolish.

I think the conferees did an outstanding job despite the fact that there was an awful lot of disagreement between the House and the other body, and within the membership of the conferees, and I wish to commend the gentleman from Alabama for his patience and for the job he did relating to this legislation, as well as all the conferees.

Mr. Speaker, therefore I rise in support of the conference report and hope that it will be agreed to.

The conference version of S. 1072 is the result of a month-long battle ending in adjustments between both Houses. Nevertheless, I believe that the bill we have before us today fairly presents a solution to program needs which have been presented to both bodies.

A summary of the conference report has been given, so I will address myself to a few points which I consider to be of major importance.

#### AUTHORIZATIONS

S. 1072, as agreed to in conference, contains a total new authorization of \$1,220,900,000; \$420.4 million is new authorization for the Appalachian Regional Development Act, and \$800.5 million is new authorization for titles I, III, and V of the Public Works and Economic Development Act.

The detailed new authorizations are as follows:

	[In millions]
Appalachian Act:	
Administrative expenses (1970 and 1971) .....	\$1.9
Highways (through 1973) .....	150.0
Other programs (1970 and 1971) ..	268.5
Total .....	420.4
Economic Development Act:	
Grants and supplementary grants (through fiscal year 1970 only) ..	\$500.0
Technical assistance (through fiscal year 1970 only) .....	25.0
Regional transportation study .....	20.0
Regional assistance .....	255.0
Alaska planning (1970 and 1971) ..	.5
Total EDA .....	800.5
Total, S. 1072 .....	1,220.9

The new authorization for highways in the Appalachian Act, I will refer to later.

The authorization for Appalachian programs other than highways is \$268.5 million, and represents a compromise between the House version of \$250 million and the Senate version of \$294 million.

For the Economic Development Act, the \$500 million authorization represents a 1-year extension of title I of this act, which was scheduled to expire at the end of fiscal year 1969.

The \$25 million new authorization for technical assistance represents an increase for fiscal year 1970 and thus would bring the total technical assistance authorization to \$50 million for that fiscal year.

Title V regions under EDA would be authorized \$255 million for fiscal years 1970 and 1971, and an additional \$20 million would be authorized to carry out a regional transportation system study for all of these regions.

With regard to the authorizations for the title V regions, I would like to correct any misunderstanding which may result from an explanation made in the other body which suggested that the conferees agreed to a smaller authorization for these regions than the Senate bill provided.

S. 1072 initially provided \$175 million for these regions. The Senate committee added \$10 million for Alaska, and apportioned the \$175 million as follows:

[In millions]	
Ozarks .....	\$30
New England.....	55
Upper Great Lakes.....	25
Four Corners.....	25
Coastal Plains.....	40
<b>Total .....</b>	<b>175</b>
Alaska .....	10
<b>Grand total.....</b>	<b>185</b>

At this point in time, the Senate committee also provided \$20 million for regional transportation systems for each of the regions in a separate section of the bill. Later, these \$20 million authorizations were added to each regional authorization, except Alaska.

In conference, it was agreed that Alaska should not at this time be considered as a region and a separate authorization was made for planning money. It was also agreed that the regional transportation systems should first be studied to determine their needs, and a separate authorization was provided for the study.

In the absence of program funding for Alaska and in the absence of funding for transportation systems, the original Senate bill, apparently, would have provided \$175 million as itemized above.

In conference, it was agreed to authorize \$255 million for the regional commissions. After deducting a maximum of 10 percent for regional programs to be administered by the Secretary, the remainder is to be allocated to the regions on the basis of no less than 10 percent and no more than 25 percent to any one region. If all of this authorization would be appropriated, the apportionment would appear as follows:

Total amount.....	\$255,000,000
Less maximum 10 per cent for secretary .....	25,500,000
<b>Remainder for regions..</b>	<b>229,500,000</b>
Minimum of 10 per cent.....	22,950,000
Maximum of 25 per cent.....	57,375,000

So the conferees authorized at least \$229.5 million for the regions, which is

\$54.5 million more than was contained in the Senate bill, and allows a maximum of \$57.375 million for any one region, which is \$7.375 more than that for any region itemized in the Senate committee version. In addition, by adopting the House language, funding is assured for future regions which may be established.

#### HIGHWAY AND OTHER TRANSPORTATION PROGRAM

S. 1072, as agreed to in conference, contains a new authorization of only \$150 million for highway programs in the Appalachian region. The Appalachian highway program was also given a 2-year stretchout, through fiscal year 1973, and contract authority as provided under sections 106(a) and 118 of title 23, United States Code, which authority we believed to have been granted in the original act.

This will increase the total authorized for Appalachian highways to \$1,165,000,000. Up to this time, it was expected that the current authorization would provide for no more than 1,260 miles of the 2,700 miles of authorized development highways. The additional \$100 million authorization should allow construction of some 150 additional miles, still only half way to the 2,700 miles authorized to be completed. The Senate version would have permitted this \$150 million to be spent for right of way and engineering costs on sections of the development highway system whose actual construction was not expected to be accomplished under the act. In view of the commitment of future, as yet undetermined, highways needs which would have been obligated by this version, and to which I shall refer later, the Senate approach was stricken.

The Senate bill also authorized a maximum of \$20 million for a 2-year fiscal period for each of the title V Commissions for the planning, development and construction of regional transportation systems, including highways. The conferees wisely substituted a regional transportation system study, the results of which are to be reported to the Congress by January 10, 1971, with a total authorized amount for the study of \$20 million.

The importance of refraining from a commitment of future highway authorizations in the Appalachian and title V regions becomes apparent when we consider what must face the Congress in the coming year. During 1970, the Congress will be confronted with a new cost estimate for the Interstate Highway System, and a highway needs study which will include recommendations for an after-1975 highway program, and a report on the functional highway classification study. Thus, the Congress will have before it next year a complete review of the current highway program as well as a formulation of the next highway program. Until national needs are known, future commitments of highway programs should be held in abeyance, and are so held in the conference version of this bill.

#### REGIONAL BOUNDARY ADJUSTMENTS

One section of the Senate version of S. 1072, which the conferees left intact, I believe deserves mention. This section would amend title V of the Economic Development Act to provide that by res-

olution of either the Senate or House Public Works Committee, the Secretary of Commerce is directed to study the advisability of altering the geographical area of any region designated in order to further the purpose of the act. This matter of altering regional boundaries has been discussed in hearings on many occasions, and in my own State of Florida I know it will be of interest to those counties which have expressed a desire to be included in the Coastal Plains Region.

#### COORDINATION

One final comment with regard to the report before us today. In hearings and in private conversations, I have, in the past, heard of the possible existence of a misunderstanding or lack of communication between the Economic Development Administration and the title V regions in those areas where they overlap. In order to preclude any such misunderstanding, I offered in committee an amendment which requires that the Secretary of Commerce and each Federal cochairman shall coordinate, each with the other, their activities in making loans and grants under the act. The committee accepted this amendment as written, as did the conferees.

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

Mr. CRAMER. I am glad to yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Speaker, I strongly support the conference report on the Appalachian Regional Development Act amendments and the Public Works and Economic Development Act Amendments of 1969. I commend the excellent work of the conferees in arriving at a consensus that has produced a good bill. It is sound legislation that will further invigorate not only the economic growth of Appalachia, but also the other five economic development regions: Coastal Plains, Four Corners, New England, Upper Great Lakes, and the Ozarks within which most of my own Third Congressional District of Arkansas lies. While I want to express appreciation to all the conferees for their contribution, I would particularly commend the leadership given to the House managers by my distinguished colleague the gentleman from Alabama, ROBERT E. JONES, who served as chairman of the conference. I believe that the main thrust of legislative intent in the House version was left intact. The bill contains a number of imaginative new proposals. The authorization for regional transportation studies should be very valuable to the Ozarks Commission as we attempt to exploit to its fullest use the great natural resource that runs through the heartland of the region, the Arkansas River navigation project. In addition, transportation studies need to be made on how to best make use of access roads into the beautiful lake and mountain recreation areas that are not now being fully utilized. Consideration should also be given toward a study and then perhaps later a subsidization of arterial roads, badly underdeveloped for commerce as well as tourism. I also envision that under this new authority, the Commission will be able to initiate proper land-use planning study as it relates to the development of

adjacent areas of the Arkansas River Basin. This would further help make sure that the best use is made of the \$1¼ billion investment almost already in place there.

The additional authority to make base grants will give the administrators of all the regions a most valuable and needed tool with which to stimulate economic growth in those areas of our Nation that have been lagging behind.

Even though the Ozarks region is in a relatively early stage of development, I feel that it is off to a healthy start toward laying the groundwork in meeting its primary goal of closing the gaps between national per capita income and the per capita income of the Ozarks region.

Mr. Speaker, I am sure every Member of the House, is aware of the problems in inflation. I certainly know that we must act responsibly and with discipline in Federal spending. I say to you, however, that economic development programs which upgrade or create jobs represent an investment, in not only the economic strength of the Nation, but in actual potential dollar return to the Treasury. In my own Ozarks region alone, the Federal Government is losing almost a billion dollars a year in taxes because the average per capita income is 32 percent below the national average and I might add, 12 percent below the income of the average individual in the Appalachian region. Unfortunately, the gap is growing larger than decreasing. Per capita income in our area has been increasing since 1965 at the rate of \$117 per year compared with the national per capita income increase of \$191 per year. So, we must approach this problem with vigor and imagination to find the correct solution in meeting the commitment made by Congress in the passage of the Public Works and Economic Development Act of 1965, which affirmed that the Federal Government should "help areas and regions of substantial and persistent unemployment and underemployment to take effective steps in planning and financing their public works and economic development."

This bill is in the Nation's best interest. I predict with its passage, the Treasury in a reasonable time will receive a good return on the taxpayer's investment. At the same time, it will help to insure a more rewarding and fruitful life for many more of our citizens, and use more fully the Nation's resources.

This true Federal-State-local partnership approach brings new hope to the economically depressed in underdeveloped areas.

It will also aid in reverse migration which many feel is basic to relieving many of the urban social ills of our time. This legislation attacks the root causes of some of the crowded city population pressures with a relatively nominal investment that could have far more reaching affect than perhaps the many billions of dollars we are spending toward treating the symptoms. Again I commend the conferees of both bodies and I strongly

urge the adoption of this conference report.

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

Mr. JONES of Alabama. I yield to the gentleman from Iowa.

Mr. SCHWENGEL. Mr. Speaker, as the ranking member on the Republican side of the Subcommittee on Appalachia, I have given a great deal of thought to this legislation and have had an avid interest in it. I agree with the report. I counseled with a number of people associated with this and I rise in support of the legislation and hope that we can get on with its passage and on with the administration of the program.

Mr. JONES of Alabama. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE TO EXTEND

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Alabama?

There was no objection.

#### CALL OF THE HOUSE

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

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. WHITTEN. 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. 280]

Abbutt	Fisher	Patman
Addabbo	Gettys	Pepper
Anderson,	Gilbert	Powell
Tenn.	Griffin	Pucinski
Andrews,	Hanna	Rees
N. Dak.	Hansen, Wash.	Reifel
Ashley	Hébert	Rhodes
Belcher	Heckler, Mass.	Rodino
Blackburn	Hollifield	Rooney, Pa.
Cabell	Jones, Tenn.	Rostenkowski
Cahill	Kirwan	St. Onge
Celler	Kleppe	Scheuer
Clancy	Landrum	Steiger, Ariz.
Clark	Lipscomb	Stephens
Colmer	McDade	Stratton
Culver	McMillan	Teague, Tex.
Cunningham	Mathias	Thompson, N.J.
Dawson	May	Tunney
de la Garza	Moorhead	Utt
Denney	Morgan	Watson
Dent	Morton	Wilson,
Dickinson	Moss	Charles H.
Diggs	Murphy, N.Y.	Wold
Edwards, Calif.	Nelsen	Wylder
Evins, Tenn.	O'Neal, Ga.	
Feighan	Passman	

The SPEAKER pro tempore. On this rollcall 358 Members have answered to their names, a quorum.

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

#### CONFERENCE REPORT ON H.R. 11612, DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1970

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 18, 1969.)

The SPEAKER pro tempore. The gentleman from Mississippi is recognized for 1 hour.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, we bring you today the conference report on the fiscal year 1970 appropriations bill for the Department of Agriculture and related agencies. I hope I may have the attention of my colleagues, because I realize that in this area, as in many others, there are differences of opinion. There have been in the past, and the House conferees worked with full knowledge of that situation. However, we worked long and hard to bring before you a conference report that carries in it far reaching programs touching on many aspects of American life.

As I have observed many times in the years that I have been here, the Members not only differ among themselves as to background and beliefs. The various areas of our country they represent have the same differences in viewpoint. Any bill that carries with it the appropriation for all activities in any department of the Federal Government touches virtually every segment of the entire 50 States of the Union and, may I say, practically all of the nations of the world. I hope you will keep in mind that this is not simply a conference report touching on only one or two items that you might take a different view of. It is a comprehensive report whereby finally we are bringing together in one place the funds for the various activities under the supervision of the Department of Agriculture for the well-being of the American people.

For instance, in this bill we have provided for some 100 new starts on watershed programs, which are not only vital to saving the soil for the rural areas of our country but which have become vital to the water supply for the many cities and the urban population of our Nation.

Mr. Speaker, we have in this program not only the funds that provide water systems and sewage systems for protection against pollution throughout the rural areas of the United States. We have in this bill something over \$2 billion for food assistance programs for the American people. That would include, of course, the school lunch program and the

school milk program. There is also \$610 million for the food stamp program, which is the total amount authorized to be appropriated in the law.

I realize that in my opinion, based upon some erroneous conclusions to say the least and misinformation to say the most, that there has been some feeling with reference to limitation of form payments.

Many of you have heard me say in times past that I strongly opposed enactment of the Food and Agriculture Act of 1965, because those provisions intended to offset the ever using costs of essential items for those who engaged in agricultural production were made clearly identifiable. This was unique for agriculture, since the myriad forms of Federal assistance to other segments of the economy are often disguised and not easily tabulated.

If the Members will read the statement of the managers on the part of the House, they will find that this so-called limitation amendment would apply as it now stands to two crops, spring wheat and feed grains. Sugar was specifically left out by the amendment language. Wool was left out because the amendment applied only to planted crops. We have already planted winter wheat. So it would be only fair that winter wheat having been planted, we should make some exception in that regard.

May I say that insofar as cotton is concerned it never was within the limitation, because the basic act provided that in the event of a limitation on payments the so-called "snapback" provision under section 103(d) of the 1965 act—as was brought forward in 1969—automatically went into effect.

So, Mr. Speaker, insofar as such a limitation under this conference report is concerned, it would apply only to feed grains and spring wheat. It would be grossly unfair and inequitable to have such a provision in operation.

Further, Mr. Speaker, may I say to my colleagues, that this subject matter will doubtless come under the consideration of the appropriate legislative committees and the Congress prior to December 31, 1970, the date of the expiration of existing agricultural legislation. Certainly, you do not want to have such a limitation on two crops when certain others were left out.

Mr. Speaker, there is mighty little time left in the fiscal year. Here it is November 19. This bill should have been passed by the first of July under normal procedure. We have encountered a variety of reasons for its not having been passed before this late date.

But I bring to you as chairman of this conference, having served as chairman of the subcommittee for many years, what I consider a well-rounded conference report. It represents the consensus of the conferees who tried to do justice to the many programs and activities that are in this bill, some of which affect you and some of which affect me, all of which affect the 50 States of the United States, and many of the nations around the world that we continue to help.

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

Mr. WHITTEN. I will yield to my colleague for a question only.

Mr. FINDLEY. Mr. Speaker, I thank the gentleman for yielding.

The gentleman made mention of the problem confronted by planters of winter wheat, and suggested that in fairness they really should be exempted from a limitation on the payments, assuming this had been kept in the bill. Perhaps the gentleman is not aware of the fact that on August 12, in announcing the 1970 wheat program the Secretary of Agriculture issued an announcement which I am sure was available to all who signed up under the program, and the very last, and I would say most prominent item in this announcement read as follows: that payments would be subject to any limitations that might be required by Congress in the Department of Agriculture appropriations.

So I do not really feel that we need to worry too much about the problem of imposing a limitation upon wheatgrowers.

Mr. WHITTEN. I thank the gentleman for his comments. I agree that we need not worry much about the problem of imposing a limitation upon winter wheat-growers. I do not believe the Congress would do that. But I do think that the Secretary of Agriculture, in fairness to himself, had to include that kind of provision in his statement. I would say to the gentleman from Illinois, although I

understand that he, like myself, is not a farmer, that he should not have taken that to heart because, as the gentleman knows, the American people cannot count on what they read in the papers about what might become the law, and what might not become the law. If you would just compare two daily newspapers, you would see that if you took to heart all of the bills which are introduced and brought before committees of Congress, and tried to run your business in line with what might become the law, that you could not get your business off the ground.

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

Mr. WHITTEN. I will yield briefly to the gentleman from Tennessee.

Mr. KUYKENDALL. I thank the gentleman for yielding.

I would ask the gentleman if it is not true that not only does cotton by law not go under any limitation, but that the cotton program constitutes almost 40 percent of all of the savings that have been talked about here for the last couple of years. That all this great big savings that they still talk about, 40 percent of that would have been cotton, which is not included in any limitation. Is this correct?

Mr. WHITTEN. I thank the gentleman for his comments, but just now we are talking about passing a conference report, and I do not believe that this subject is appropriate at the moment because it is not included in the report.

I should say I agree with the gentleman. I have been trying to point out, as the chairman of the conference committee, that cotton never was under the amendment. I refer Members to the statement of the House managers for an explanation of this matter.

I would simply close by saying to you that this is a conference report covering all the tremendous numbers of activities of a great department of government. The managers on the part of the House did their level best to do justice to the items in disagreement. I would urge you to adopt it.

At this point, Mr. Speaker, I would like to introduce for the RECORD a comprehensive table reflecting the recommendations of the conferees and covering all the items in the bill:

DEPARTMENT OF AGRICULTURE  
TITLE I—GENERAL ACTIVITIES

Item	New budget (obligational) authority enacted to date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970 (revised budget)	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference action	Difference between conference action and—			
						New budget (obligational) authority, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
Agricultural Research Service:									
Salaries and expenses:									
Research:									
Direct appropriation	\$129,105,300	\$130,631,300	\$130,182,000	\$134,452,000	\$131,802,200	+\$2,696,900	+\$1,170,900	+\$1,620,200	-\$2,649,800
Transfer from sec. 32	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)				
Total, research	(144,105,300)	(145,631,300)	(145,182,000)	(149,452,000)	(146,802,200)	(+2,696,900)	(+1,170,900)	(+1,620,200)	(-2,649,800)
Plant and animal disease and pest control	88,039,500	91,176,500	89,493,000	92,126,500	90,809,750	+2,770,250	-366,750	+1,316,750	-1,316,750
Special fund (re-appropriation)	2,000,000	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	-2,000,000			
Total, salaries and expenses	219,144,800	221,807,800	219,675,000	226,578,500	222,611,950	+3,467,150	+804,150	+2,936,950	-3,966,550

## DEPARTMENT OF AGRICULTURE—Continued

## TITLE I—GENERAL ACTIVITIES—Continued

Item	New budget (obligational) authority enacted o date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970 (revised budget)	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference action	Difference between conference action and—				
						New budget (obligational) authority, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	
<b>Agricultural Research Service—Continued</b>										
<b>Salaries and expenses—Continued</b>										
Salaries and expenses (special foreign currency program).....	\$4,500,000	\$8,287,000	\$4,500,000	\$5,500,000	\$5,000,000	+\$500,000	-\$3,287,000	+\$500,000	-\$500,000	
<b>Total, Agricultural Research Service.....</b>	<b>223,644,800</b>	<b>230,094,800</b>	<b>224,175,000</b>	<b>232,078,500</b>	<b>227,611,950</b>	<b>+3,967,150</b>	<b>-2,482,850</b>	<b>+3,436,950</b>	<b>-4,466,550</b>	
Cooperative State Research Service: Payments and expenses.....	58,911,000	63,730,000	61,175,000	61,710,000	62,510,000	+3,599,000	-1,220,000	+1,335,000	+800,000	
<b>Extension Service:</b>										
Payments to States and Puerto Rico.....	81,605,500	113,131,000	112,391,000	114,131,000	114,006,000	+32,400,500	+875,000	+1,615,000	-125,000	
Retirement and employees' compensation costs for extension agents.....	9,536,500	10,240,000	10,000,000	10,240,000	10,240,000	+703,500		+240,000		
Penalty mail.....	3,299,000	3,500,000	3,400,000	3,400,000	3,400,000	+101,000	-100,000			
Federal Extension Service.....	2,838,000	4,038,000	3,338,000	3,838,000	3,838,000	+1,000,000	-200,000	+500,000		
<b>Total, Extension Service.....</b>	<b>97,279,000</b>	<b>130,909,000</b>	<b>129,129,000</b>	<b>131,609,000</b>	<b>131,484,000</b>	<b>+34,205,000</b>	<b>+575,000</b>	<b>+2,355,000</b>	<b>-125,000</b>	
Farmer Cooperative Service: Salaries and expenses.....	1,414,000	1,635,000	1,500,000	1,635,000	1,500,000	+86,000	-135,000		-135,000	
<b>Soil Conservation Service:</b>										
Conservation operations.....	118,873,000	118,786,000	118,786,000	118,786,000	118,786,000	-87,000				
River basin surveys and investigations.....	9,086,000	8,187,000	8,187,000	1,187,000	8,187,000	-899,000				
Watershed planning.....	6,419,000	6,209,000	6,209,000	5,000,000	6,209,000	-210,000			+1,209,000	
Watershed works of improvement.....	57,908,000	55,078,000	57,873,000	63,873,000	63,873,000	+5,965,000	+8,795,000	+6,000,000		
Flood prevention.....	24,224,000	20,223,000	20,223,000	20,223,000	20,223,000	-4,001,000				
Great Plains conservation program.....	16,160,000	14,000,000	15,000,000	15,000,000	15,000,000	-1,160,000	+1,000,000			
Resource conservation and development.....	6,357,000	8,452,000	7,452,000	10,252,000	10,252,000	+3,885,000	+1,800,000	+2,800,000		
<b>Total Soil Conservation Service.....</b>	<b>239,037,000</b>	<b>230,935,000</b>	<b>233,730,000</b>	<b>241,321,000</b>	<b>242,530,000</b>	<b>+3,493,000</b>	<b>+11,595,000</b>	<b>+8,800,000</b>	<b>+1,209,000</b>	
Economic Research Service: Salaries and expenses.....	13,473,000	13,562,000	13,450,000	13,562,000	13,450,000	-23,000	-112,000		-112,000	
Statistical Reporting Service: Salaries and expenses.....	14,853,000	15,055,000	14,950,000	16,375,600	15,412,800	+559,800	+357,800	+462,800	-962,800	
<b>Consumer and Marketing Service:</b>										
Consumer protective, marketing, and regulatory programs.....	118,264,500	135,254,200	130,867,000	134,695,500	133,595,500	+15,331,000	-1,658,700	+2,728,500	-1,100,000	
Payments to States and possessions.....	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000					
Special milk program: Transfer from sec. 32.....	(104,000,000)		(120,000,000)		(-104,000,000)			(-120,000,000)		
Direct appropriation.....				184,000,000	184,000,000	+84,000,000	+84,000,000	+84,000,000		
Child nutrition programs (school lunch program): Direct appropriation.....	188,474,000	117,500,000	117,500,000	122,500,000	122,500,000	-65,974,000	+5,000,000	+5,000,000		
Transfer from sec. 32.....	(64,325,000)	(194,266,000)	(194,266,000)	(194,266,000)	(194,266,000)	(+129,941,000)				
<b>Total, child nutrition programs.....</b>	<b>(252,799,000)</b>	<b>(311,766,000)</b>	<b>(311,766,000)</b>	<b>(316,766,000)</b>	<b>(316,766,000)</b>	<b>(+63,967,000)</b>	<b>(+5,000,000)</b>	<b>(+5,000,000)</b>		
Food stamp program.....	280,000,000	610,000,000	340,000,000	750,000,000	610,000,000	+330,000,000		+270,000,000	-140,000,000	
<b>Total, Consumer and Marketing Service.....</b>	<b>588,338,500</b>	<b>864,354,200</b>	<b>589,967,000</b>	<b>1,092,795,500</b>	<b>951,695,500</b>	<b>+363,357,000</b>	<b>+87,341,300</b>	<b>+361,728,500</b>	<b>-141,100,000</b>	
<b>Foreign Agricultural Service:</b>										
Salaries and expenses.....	21,903,300	23,937,000	22,937,000	23,937,000	23,437,000	+1,533,700	-500,000	+500,000	-500,000	
Transfer from sec. 32.....	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)					
Transfer from CCC.....	(2,112,000)	(107,000)	(107,000)	(107,000)	(107,000)	(-2,005,000)				
<b>Total, Foreign Agricultural Service.....</b>	<b>(27,132,300)</b>	<b>(27,161,000)</b>	<b>(26,161,000)</b>	<b>(27,161,000)</b>	<b>(26,661,000)</b>	<b>(-471,300)</b>	<b>(-500,000)</b>	<b>(+500,000)</b>	<b>(-500,000)</b>	
Commodity Exchange Authority: Salaries and expenses.....	1,895,000	2,321,000	2,100,000	2,321,000	2,321,000	+426,000		+221,000		

Footnotes at end of table.

DEPARTMENT OF AGRICULTURE—Continued  
TITLE I—GENERAL ACTIVITIES—Continued

Item	New budget (obligational) authority enacted to date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970 (revised budget)	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference action	Difference between conference action and—				
						New budget (obligational) authority, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	
Agricultural Stabilization and Conservation Service:										
Expenses, ASCS:										
Direct										
appropriation.....	\$142,857,400	\$128,870,000	\$147,420,000	\$146,000,000	\$146,000,000	+\$3,142,600	+\$17,130,000	\$-1,420,000		
Transfer from CCC.....	2 (63,486,100)	(62,483,000)	(62,483,000)	(62,483,000)	(62,483,000)	(-1,003,100)				
Total, expenses, ASCS.....	(206,343,500)	(191,353,000)	(209,903,000)	(208,483,000)	(208,483,000)	(+2,139,500)	(+17,130,000)	(-1,420,000)		
Sugar Act program.....	89,500,000	96,300,000	89,500,000	93,000,000	93,000,000	+3,500,000	-3,300,000	+3,500,000		
Agricultural conservation program:										
Liquidation of contract authorization.....										
Cropland adjustment program: Appropriation.....	(190,000,000)	(195,500,000)	(195,500,000)	(195,500,000)	(195,500,000)	(+5,500,000)				
Limitation on authorization for 1970 program.....		(99,300,000)		(99,300,000)			(-99,300,000)		(-99,300,000)	
Conservation reserve program.....	109,000,000	37,900,000	37,500,000	37,250,000	37,250,000	-71,750,000	-650,000	-250,000		
Emergency conservation measures.....	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000					
Indemnity payments to dairy farmers.....	300,000	200,000	200,000	200,000	200,000	-100,000				
Total, agricultural Stabilization and Conservation Service.....	428,557,400	347,600,000	357,620,000	360,050,000	360,050,000	-68,507,400	+12,450,000	+2,430,000		
Rural Community Development Service:										
Salaries and expenses:										
Office of the Inspector General: Salaries and expenses.....	12,994,000	13,925,000	13,389,000	13,925,000	13,657,000	+663,000	-268,000	+268,000	-268,000	
Packers and Stockyards Administration: Salaries and expenses.....	2,864,300	3,509,300	3,200,000	3,509,300	3,354,650	+490,350	-154,650	+154,650	-154,650	
Office of the General Counsel: Salaries and expenses.....	4,850,000	5,559,000	5,000,000	5,459,000	5,229,500	+379,500	-329,500	+229,500	-229,500	
Office of Information: Salaries and expenses.....	2,055,000	2,164,000	2,106,000	2,106,000	2,106,000	+51,000	-58,000			
National Agricultural Library: Salaries and expenses.....	3,332,750	3,226,750	3,200,000	3,226,750	3,226,750	-106,000		+26,750		
Office of Management Services: Salaries and expenses.....	2,957,600	3,069,000	3,000,000	3,050,000	3,025,000	+67,400	-44,000	+25,000	-25,000	
General Administration: Salaries and expenses.....	4,838,000	5,052,000	4,838,000	4,838,000	4,838,000		-214,000			
Subtotal, title I, general activities.....	1,723,678,650	1,961,088,050	1,685,916,000	2,213,958,650	2,067,889,150	+344,210,500	+106,801,100	+381,973,150	+146,069,500	
Agricultural conservation program: Advance authorization for 1970 program (contract authorization).....	195,500,000		195,500,000	185,000,000	195,500,000		+195,500,000		+100,500,000	
Total, title I, general activities.....	1,919,178,650	1,961,088,050	1,881,416,000	2,398,958,650	2,263,389,150	+344,210,500	+302,301,100	+381,973,150	-135,569,500	

## TITLE II—CREDIT AGENCIES

Rural Electrification Administration:										
Loan authorizations:										
Electrification.....	\$329,000,000	\$320,000,000	\$320,000,000	\$340,000,000	\$340,000,000	+\$11,000,000	+\$20,000,000	+\$20,000,000		
Telephone.....	120,000,000	123,300,000	123,300,000	123,300,000	123,300,000	+3,300,000				
Total, loans (authorization to spend debt receipts).....	449,000,000	443,300,000	443,300,000	463,300,000	463,300,000	+14,300,000	+20,000,000	+20,000,000		
Salaries and expenses.....	13,429,000	13,429,000	13,429,000	13,429,000	13,429,000					
Total, Rural Electrification Administration.....	462,429,000	456,729,000	456,729,000	476,729,000	476,729,000	+14,300,000	+20,000,000	+20,000,000		

Footnotes at end of table.

## DEPARTMENT OF AGRICULTURE—Continued

## TITLE II—CREDIT AGENCIES—Continued

Item	New budget (obligational) authority enacted to date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970 (revised budget)	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference action	Difference between conference action and—			
						New budget (obligational) authority, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
Farmers Home Administration:									
Direct loan account:									
Real estate loans.....	(\$83,000,000)	(\$69,600,000)	(\$83,000,000)	(\$69,600,000)	(\$83,000,000)		(+\$13,400,000)		(+\$13,400,000)
Operating loans.....	(275,000,000)	(250,000,000)	(275,000,000)	(275,000,000)	(275,000,000)		(+\$25,000,000)		
Soil conservation loans.....	(4,900,000)	(8,800,000)	(4,900,000)	(8,700,000)	(8,700,000)	(+\$3,800,000)	(-100,000)	(+\$3,800,000)	
Total, direct loan account.....	(362,900,000)	(328,400,000)	(362,900,000)	(353,300,000)	(366,700,000)	(+\$3,800,000)	(+\$38,300,000)	(+\$3,800,000)	(+\$13,400,000)
Rural housing direct loan account.....	(30,000,000)	(30,400,000)	(30,000,000)	(30,000,000)	(30,000,000)		(-400,000)		
Emergency credit revolving fund:									
Direct appropriation.....		31,918,000	31,918,000	31,918,000	31,918,000	+31,918,000			
Transfer from direct loan account.....	(25,000,000)					(-25,000,000)			
Rural water and waste disposal grants.....	28,000,000	28,000,000	40,000,000	46,000,000	46,000,000	+18,000,000	+18,000,000	+6,000,000	
Rural renewal.....	1,600,000					-1,600,000			
Rural housing for domestic farm labor.....	4,250,000	3,700,000	1,250,000	3,700,000	2,500,000	-1,750,000	-1,200,000	+1,250,000	-1,200,000
Housing for rural trainees.....		1,000,000					-1,000,000		
Mutual and self-help housing.....		3,000,000	1,250,000	3,000,000	2,125,000	+2,125,000	-875,000	+875,000	-875,000
Self-help housing land development fund.....	600,000	1,400,000	600,000	1,000,000	1,000,000	+400,000	-400,000	+400,000	
Salaries and expenses:									
Direct appropriations.....	60,218,000	84,885,000	65,000,000	67,500,000	66,250,000	+6,032,000	-18,635,000	+1,250,000	-1,250,000
Transfer from agricultural credit insurance fund.....	(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)				
Miscellaneous transfer.....	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)				
Total, salaries and expenses.....	(62,968,000)	(87,635,000)	(67,750,000)	(70,250,000)	(69,000,000)	(+\$6,032,000)	(-18,635,000)	(+\$1,250,000)	(-1,250,000)
Total, Farmers Home Administration.....	94,668,000	153,903,000	140,018,000	153,118,000	149,793,000	+55,125,000	-4,110,000	+9,775,000	-3,325,000
Total, title II, credit agencies.....	557,097,000	610,632,000	596,747,000	629,847,000	626,522,000	+69,425,000	+15,890,000	+29,775,000	-3,325,000

## TITLE III—CORPORATIONS

Federal Crop Insurance Corporation:									
Appropriation.....	\$11,517,500	\$12,000,000	\$12,000,000	\$12,000,000	\$12,000,000	+482,500			
Premium income.....	(2,140,000)	(1,648,000)	(1,648,000)	(1,648,000)	(1,648,000)	(-492,000)			
Total, administrative and operating expenses.....	(13,657,500)	(13,648,000)	(13,648,000)	(13,648,000)	(13,648,000)	(-9,500)			
Subscription to capital fund.....		10,000,000	10,000,000	10,000,000	10,000,000	+10,000,000			
Commodity Credit Corporation:									
Appropriation.....	4,188,112,500	5,215,934,000	4,965,934,000	5,215,934,000	5,215,934,000	+1,027,821,500		+250,000,000	
Contract authority.....	+1,579,078,000					-1,579,078,000			
Liquidation of contract authority.....	-350,467,000	-1,560,192,000	-1,560,192,000	-1,560,192,000	-1,560,192,000	-1,209,725,000			
Budget authority.....	5,416,723,500	3,655,742,000	3,405,742,000	3,655,742,000	3,655,742,000	-1,760,981,500		+250,000,000	
Limitation on administrative expenses.....	(31,500,000)	(32,000,000)	(31,500,000)	(32,000,000)	(32,000,000)	(+500,000)		(+500,000)	
Public Law 480:									
Sales, title I.....	100,000,000	427,400,000	400,000,000	420,000,000	420,000,000	+320,000,000	-\$7,400,000	+20,000,000	
Donations, title II.....	200,000,000	559,200,000	500,000,000	515,000,000	500,000,000	+300,000,000	-59,200,000		-\$15,000,000
Total, Public Law 480.....	300,000,000	986,600,000	900,000,000	935,000,000	920,000,000	+620,000,000	-66,600,000	+20,000,000	-15,000,000
Bartered materials for supplemental stockpile.....		1,500,000	750,000	1,250,000	1,250,000	+1,250,000	-250,000	+500,000	
Total, new budget (obligational) authority, title III, corporations.....	5,728,241,000	4,665,842,000	4,328,492,000	4,613,992,000	4,598,992,000	-1,129,249,000	-66,850,000	+270,500,000	-15,000,000

## TITLE IV—RELATED AGENCIES

Farm Credit Administration: Limitation on administrative expenses.....									
	(3,628,000)	(3,628,000)	(3,628,000)	(3,628,000)	(3,628,000)	(+192,000)			

See footnotes at end of table.

DEPARTMENT OF AGRICULTURE—Continued  
RECAPITULATION

Item	New budget (obligational) authority enacted to date, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970 (revised budget)	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	Conference action	Difference between conference action and—			
						New budget (obligational) authority, fiscal year 1969	Budget estimates of new (obligational) authority, fiscal year 1970	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
Title I—General activities.....	\$1,919,178,650	\$1,961,088,050	\$1,881,416,000	\$2,398,958,650	\$2,263,389,150	+\$344,210,500	+\$302,301,100	+\$381,973,150	-\$135,569,500
Title II—Credit agencies.....	557,097,000	610,632,000	596,747,000	629,847,000	626,522,000	+\$69,425,000	+\$15,890,000	+\$29,775,000	-\$3,325,000
Title III—Corporations.....	5,728,241,000	4,665,842,000	4,328,492,000	4,613,992,000	4,598,992,000	-\$1,129,249,000	-\$66,850,000	+\$270,500,000	-\$15,000,000
Title IV—Related agencies.....	(3,628,000)	(3,628,000)	(3,628,000)	(3,628,000)	(3,628,000)				
<b>Total, new budget (obligational) authority.....</b>	<b>8,204,516,650</b>	<b>7,237,562,050</b>	<b>6,806,655,000</b>	<b>7,642,797,650</b>	<b>7,488,903,150</b>	<b>-715,613,500</b>	<b>+251,341,100</b>	<b>+682,248,150</b>	<b>-153,894,500</b>
Consisting of:									
1. Appropriations.....	5,978,938,650	6,794,262,050	6,167,855,000	6,994,497,650	6,830,103,150	+\$85,164,500	+\$35,841,100	+\$62,248,150	-\$164,394,500
2. Reappropriations.....	2,000,000					-2,000,000			
3. Contract authorizations.....	1,774,578,000		195,500,000	185,000,000	195,500,000	-\$1,579,078,000	+\$195,500,000		+\$10,500,000
4. Authorizations to spend from debt receipts.....	449,000,000	443,300,000	443,300,000	463,300,000	463,300,000	+\$14,300,000	+\$20,000,000	+\$20,000,000	
Memoranda:									
1. Appropriations to liquidate contract authorizations.....	540,467,000	1,755,692,000	1,755,692,000	1,755,692,000	1,755,692,000	+\$1,215,225,000			
2. Appropriations, including appropriations to liquidate contract authority.....	6,519,405,650	8,549,954,050	7,923,547,000	8,750,189,650	8,585,795,150	+\$2,066,389,500	+\$35,841,100	+\$662,248,150	-\$164,394,500
3. Transfers from sec. 32.....	186,442,000	212,383,000	332,383,000	212,383,000	212,383,000	+\$25,941,000		120,000,000	
4. Transfers from CCC.....	65,598,100	62,590,000	62,590,000	62,590,000	62,590,000	-\$3,008,100			
<b>Total, new budget (obligational) authority.....</b>	<b>8,204,516,650</b>	<b>7,237,562,050</b>	<b>6,806,655,000</b>	<b>7,642,797,650</b>	<b>7,488,903,150</b>				
Less: Loan repayments, Rural Electrification Administration.....	-189,500,000	-189,300,000	-189,300,000	-189,300,000	-189,300,000				
<b>Net total, new budget (obligational) authority.....</b>	<b>8,015,016,650</b>	<b>7,048,262,050</b>	<b>6,617,355,000</b>	<b>7,453,497,650</b>	<b>7,299,603,150</b>				

<sup>1</sup>\$84,000,000 in direct appropriations plus \$20,000,000 available from sec. 32 would provide a total level of \$104,000,000 for special milk program.

<sup>2</sup>Unobligated balance from cropland conversion program, \$81,560,000.

<sup>3</sup>Contract authorization established under basic law.

<sup>4</sup>Deducting REA loan repayments from these totals has the effect of converting these figures to a basis comparable with the treatment of all other major loan programs in the Federal budget. Other loan programs operated through revolving funds net loan repayments against budget outlays, whereas REA loan repayments are covered into miscellaneous receipts of the Treasury.

Mr. WHITTEN. Mr. Speaker, at this time I yield to my Republican counterpart of the conference for the purposes of debate only, the gentleman from Minnesota (Mr. LANGEN).

Mr. LANGEN. Mr. Speaker, the chairman as usual has done such an excellent job, in conveying to you the decisions reached by your conference committee, that there is little left to say.

In reaching those decisions, I think it remains to be said that there is seldom a bill that comes before the House that has such a direct relationship to as large a volume of the populace as you will find within this appropriation bill. This bill has items in it which relate not only to agriculture and agricultural programs, but it also relates to preserving the natural resources of this country, the feeding of people in both cities and rural areas. It is of equal concern to educational systems in providing school lunches and school milk. It provides for recreational and work-training programs such as you will find in the Extension Service through the 4-H, homemakers, and any number of those kinds of programs which, over the years, have proven themselves to have been so effective and so well received on the part of the public.

It reaches out into the public service

area, in providing for protection for consumers in a good many areas.

In all of these your conference committee has done its best to see that they are properly financed for the remainder of this fiscal year.

I think also it needs to be noted that in arriving at these decisions at this time it was necessary to give some consideration to the fact that the big part of this fiscal year has already gone, and so the spending levels, even if established at the figures that the committee thought correct, would require somewhat less money than had those spending levels been able to have been started on last July 1.

I would call your attention to another area in which this bill reaches out, even into the foreign countries, for it provides money for Public Law 480 programs and the distribution of agricultural products and food in foreign countries. One that is of interest, I am sure, to a good many folks here, is the addition of \$500,000 for new export market projects.

We know that, in view of the surplus we have, being able to sell the additional products abroad is good business at this time.

The chairman has done an excellent job in calling your attention to possibly the more controversial item within the bill; namely, that referring to the \$20,000 limitation in payments.

Let me just say this. Do not think your conferees did not pursue this subject, attempting as best they could to uphold the House position. The fact is the circumstances were such that it did not leave us any means whereby we could pursue that objective, and do it equitably, to farm people across the country; nor could it be done in the manner providing ways and means whereby the Department of Agriculture could administer such a limitation at this late stage in the year. The difficulty is in attempting limitation of payments to crops planted during the fiscal year 1970 or crops harvested prior to or after that time. We struggled for a long time to find a medium where at this late stage of the year a limitation could be effected.

I should be frank to say that we just did not come upon such a solution.

For this reason the only practical way such a limitation can be accomplished would be to make it effective beginning with the crops in the crop year of 1971. By then we must have new farm legislation.

For this reason it is my opinion that your conferees came up with the best possible agreement that can be registered at this time.

I think I should make note of another item or two, particularly as they relate

to the conservation of soil in this country. Because, as you know, we see that the demands for food are growing and food distribution programs are growing and the population is growing. If we are not cognizant of the need for conserving our resources that are going to produce the quantity and quality of food in the future, we are just kidding ourselves, as we look ahead in that regard.

Your conferees, I think, have paid adequate attention to the preservation of our greatest of natural resources for the populations that are going to follow us. I am sure that the more than \$2.2 billion provided for the various food assistance programs is of interest to everyone. This is an increase of almost \$1 billion over last year.

Your conferees in six meetings have given careful consideration to all of the activities of the Department of Agriculture.

In view of these many significant items, I find it real assuring to recommend to the House the adoption of this conference report as it is before you at this time.

Mr. WHITTEN. Mr. Speaker, I thank my colleague.

At this time I yield 5 minutes, for purposes of debate only, to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, at the outset, I want to take this opportunity to thank the chairman of the committee, the gentleman from Mississippi, for giving me this time. I might say that when I was about to control the time the last time this bill was before the House I was also going to reciprocate at that time and give him time. Although we oppose each other on this issue, I think we do this in an intelligent manner. We disagree without becoming disagreeable.

Mr. Speaker, I intended today to move to recommit the conference report on H.R. 11612, the 1970 Agriculture appropriations bill.

My motion would have instructed the conferees to insist on my amendment placing a \$20,000 ceiling on farm subsidy payments which passed this body on May 27, 1969, by the substantial margin of 224 to 142.

I would have taken this step here today, Mr. Speaker, in view of that substantial vote, and in order to clearly establish the very firm commitment of this body to putting an end to the scandal of these huge payments.

Therefore the only hope to maintain the House position to hold the \$20,000 limitation is to vote down the previous question.

On September 24, 1969, after months of opportunity for analysis, the Secretary testified before our Agricultural Committee. To my deep disappointment, however, the Secretary offered no encouragement or support for those of us who have been fighting for a payments limitation.

Four months after advising the Members of this body that "it is possible to design a sound farm program" providing for some payment limitation, Secretary Hardin could do no better than to repeat that statement. Mr. Speaker, I am

sorry, but such a position is just not good enough.

I, too, share the reluctance of many of my colleagues to making this sort of change through an appropriations bill. But last May, when my amendment passed by such a wide margin, it reflected the overwhelming judgment of this body that there was no other way to put an end to this inequitable program.

There is today no basis whatsoever for altering that judgment.

I am sure, Mr. Speaker, that a good deal will be said in opposition to a motion to recommit, to the effect that the so-called "snapback provision" would seriously disrupt the cotton program and possibly nullify the savings my amendment would otherwise make possible.

But, while there is a good deal of controversy on the question of the costs generated by the effect of the "snapback," I have no doubt that, if my amendment is restored in conference, it will be a simple matter to follow that action with a bill to repeal that provision. The administration would certainly be forced to consider such a move. And I stand ready to support such an effort at the earliest possible time.

And so, the only real issue facing this body today is whether it continues to hold the view that led it to support my amendment 5 months ago. Since then, as I have said, there has been absolutely no movement, either within the administration or in our own Agriculture Committee, to offer us any hope that new farm legislation will be reported with a ceiling on farm subsidies.

And, even if we consider awaiting a new farm bill, and adding some similar amendment to that bill when it reaches the floor, some time in the next session, we must recall that our current farm program does not expire until the end of 1970. This means that a limitation on the farm bill could not take effect until 1971 at the earliest.

And, Mr. Speaker, there is another reason why I urge my colleagues to support this motion today.

On October 15, the Secretary of Agriculture announced an increase in the 1970 allotment for cotton of 1 million acres. As I pointed out on October 23—CONGRESSIONAL RECORD, page 31447—this will enable the large farmers to receive much greater subsidies in 1970. It is therefore even more essential now to put some control on this runaway program.

I submit, Mr. Speaker, that this Nation cannot, and must not, wait for 2 more years. We must act now if we are to gain some control over a program which presently permits such huge payments to a fortunate handful of corporate farming giants, while doing nothing to aid the small farmer. It is not surprising that nearly every poll shows that the great majority of farmers themselves favor a payments ceiling.

We cannot wait to take this important step to reorder our national priorities.

Despite some criticism of the pace of this Congress, I believe that important efforts have been taken to reorder those priorities.

This body has passed the most com-

prehensive tax reform bill in history, eliminating many of the worst inequities in our present tax structure.

Congress has begun moving toward far greater control of our runaway defense budget. We have passed in this body the greatest appropriation for education in history.

Two months ago the other body passed the most comprehensive bill for the elimination of hunger and malnutrition to date. I am hopeful that a similar effort will be supported in this body.

It would, in short, be tragic to reverse that trend today.

I cannot believe that those of us who supported this reform only 5 months ago will permit that effort to die here today.

I urge all of my colleagues who supported my amendment so strongly then to join me once again, in making our position crystal clear, and even though we have been outmaneuvered, let us knock down the previous question.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Missouri (Mrs. SULLIVAN) for debate only.

Mrs. SULLIVAN. Mr. Speaker, I will vote against the motion to recommit.

It is easy to vote the other way, particularly if you have no farms in your district. You can boast that you fight for Government economy and against subsidies for the rich.

But the fact is that if you kick the big farms out of the acreage limitation programs, you might as well kick out the programs entirely, for there would be no effective limitations on farm production. The resulting glut of farm output would take billions of additional Federal dollars in price support subsidies in order to shore up farm prices.

I hope the city Democrats will not be persuaded to join the Republicans in what amounts to a repudiation of Democratic Party agricultural policies. If the new administration wants to change those policies, let it recommend changes. But let us not run out on our own party program. I do not intend to do so today.

I have had my fights with the Agriculture Committee and the farm bloc in the House because of their shortsightedness and their reluctance to help our urban citizens. I have voted to help their constituents by supporting Democratic agricultural programs. They must learn to return the favor and help our city people. I suspect they are learning to do that.

Next year we will have to make basic decisions on both the food stamp program and the farm program. That will be the time to argue out this issue of acreage limitation payments. If we are going to change the whole approach and emphasis of both the food stamp program and the agriculture program, let us do it with full understanding of what we are doing.

This argument today is more political than economic, and if it is political, then let us vote as Democrats, and vote for the conference report.

Mr. WHITTEN. Mr. Speaker, I yield for debate only 3 minutes to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, I thank the chairman very much for yielding

his time. I will take that time and ask for no more.

First, I cannot resist making some comments on the remarks of the gentlewoman from Missouri. The position of her own party may be a little bit difficult to determine at times, but before the election last year the U.S. Department of Agriculture, then under the leadership of Orville Freeman, completed a report which included a finding that a payment limitation of this sort would not adversely affect the successful operation of the commodity programs.

Subsequent to the election a man who at an earlier time was Mr. Freeman's Under Secretary of Agriculture, John Schnittker, who certainly is a prominent Democrat, voiced the same views.

If we try to find a Democratic Party position in the person either of the Orville Freeman administration or former Under Secretary Schnittker then the limitation on individual payments should be entirely acceptable to my friends on the other side of the aisle.

In fact, I received a note from Mr. Schnittker earlier this year in which he congratulated those of us who had been urging a limitation of payments by means of the appropriation bill and said he thought there might be a chance for success even this year. I think the chances are very dim, indeed. They have just about faded away.

The final comment I wanted to make was that during the Senate consideration of this appropriation bill the Secretary of Agriculture indicated that the snapback provision which would take effect as a result of the limitation on payments would cost the taxpayers—he used the word “cost”—about \$160 million more. Subsequent events have proved that this is totally unfounded. In fact, adjusted figures prepared at my request by the Department of Agriculture showed that this is totally unfounded—indeed backward.

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

Mr. FINDLEY. If I may add one more sentence, I will be glad to yield.

For the reference of any Member who might like to determine the accuracy of my summary here, he can turn to page 31966 of the October 28 CONGRESSIONAL RECORD. In that CONGRESSIONAL RECORD I presented that adjusted table provided by USDA, which was based on the great changes in yield forecast for cotton, and the change in yield had a tremendous impact upon the outlook of the cost of the snapback provision.

I am glad to yield to the gentleman from Tennessee.

Mr. KUYKENDALL. Has the gentleman changed his tune in the last 2 years, so that the vast saving he was promising 2 years ago has become a \$100 million cost? That this vast saving is going to cost the taxpayers not \$186 million but just \$100 million more; is that correct?

In other words, the snapback is going to cost more?

Mr. FINDLEY. If the gentleman will permit me I will comment on his question.

It is impossible to project an exact figure, but my guess is the savings would be about \$200 million.

Mr. WHITTEN. Mr. Speaker, I yield for debate only such time as he may desire to the chairman of the Committee on Appropriations, the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, I rise to urge support of the conference report on the pending agricultural appropriation bill. It is the best that could be done under the circumstances.

The limitation on farm payments was stricken from the bill in conference. Clearly, legislation involving such a controversial and important legislative matter was inappropriate for consideration on an appropriation bill. I continue to strongly oppose a limitation on payments, feeling that such a provision would destroy the very foundations of a workable farm program.

Mr. Speaker, it would be a great mistake not to approve this conference report. There has already been too much delay. Producers need to know what the farm program is to be like for next year and the Department of Agriculture needs to know precisely what funds will be available for expenditure for farmer and consumer programs during the current fiscal year.

I urge the adoption of the conference report.

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

Mr. MAHON. I am pleased to yield to the distinguished Speaker.

Mr. McCORMACK. Mr. Speaker, we are now in the middle of November and we have several other appropriation bills to follow between now and adjournment. This conference report is before us. The conferees have worked very hard on it. I never knew any conference report of a comprehensive nature that was satisfactory to every Member. The immediate question before us, of course, is a sensitive one. On the other hand, we are faced with the realities of the situation. The conferees have done a very excellent job. There are a number of items in here that are of vital importance. There is more than one item which is of concern to the Members. I think the gentlewoman from Missouri (Mrs. SULLIVAN) made a very excellent statement a few minutes ago. Involved in this conference report is \$610 million for the food stamp program. Back a few months ago very few of us were optimistic that we could get such an appropriation this year. Yet there has been no difficulty on the part of the conference committee in agreeing to the \$610 million, which means a great deal to a lot of little Americans who are economically depressed. So I rise just for these moments to express the hope that the previous question will be adopted and that we recognize the benefits that flow from the bill and that those of us who represent city districts as well as farm districts will recognize that there are many parts of this bill that are of vital importance to the entire country whether we live in a farm community or whether we live in an urban community. And, I sincerely hope that the conference report will be agreed to.

Mr. MAHON. Mr. Speaker, I just want to say, having in mind what the distinguished Speaker has said, that the gen-

tleman from Mississippi (Mr. WHITTEN), chairman of this conference, and the gentleman from Minnesota (Mr. LANGEN) on the other side of the aisle, and all other members of the conference have worked diligently in an effort to put together a bill with which all Members could be reasonably well pleased. I would hope that we will have the previous question ordered on the conference report and get this measure behind us in order that we can continue to move on with the program.

I thank the gentleman from Mississippi for yielding.

Mr. WHITTEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. MICHEL) for the purpose of debate only.

Mr. MICHEL. Mr. Speaker, you will see by the conference report that I took a reservation on amendment No. 48 where the House receded from our \$320 million figure for REA to the higher figure in the Senate bill of \$340 million.

While I have been critical over the years on some of the practices of the Rural Electrification Administration, particularly with respect to the amount of money in more recent years going for generation and transmission lines, we have come upon additional information since the passage of our bill to cause me to take this exception.

On November 5, beginning on page 33196 of the RECORD. I discussed this subject at some length. It had to do with a series of articles appearing in the Chicago Tribune and authored by Mr. Ron Koziol, relative to some of the more significant loans of recent years that were approved for generation facilities and about which I had raised a number of questions when those applications were being considered. Very briefly, they involved the following:

#### HOOSIER LOAN

For \$100 million with about \$72 million already released. This generating plant and transmission system has been built but is standing idle because of a decision by the State supreme court that Hoosier has never obtained a certificate from the Public Service Commission of Indiana to operate the facilities. This idle plant, which should not have been built in the first place, probably will cost the taxpayers between \$10,000 and \$11,000 a day in delinquent interest as long as it stands idle. Even when the litigation is resolved, cooperative consumers will have to foot the bill for this unwise uneconomic plant.

The most ridiculous feature of this loan, however, is that the Government is financing facilities that will cost \$100 million to duplicate facilities which cost \$25 million and are already being used to serve the same customers.

#### LOUISIANA LOAN

This \$56 million loan has been the subject of Appropriations Committee discussions, congressional debate, and litigation for the past several years. As hearings before the Appropriations Committee have demonstrated, this loan will result in higher cost power for farmers and other cooperative consumers in Louisiana if the system is built as approved by REA. This loan has placed the Federal Government in the embarrassing posi-

tion of spending taxpayer dollars which, if the plant is built, could increase electric rates of rural people.

#### BASIN LOAN (NORTH DAKOTA)

This is the largest single loan in REA history—\$97 million—and was made October 25, 1968, just prior to the election. It was made despite the fact that the record before the Appropriations Committee showed that facilities previously constructed by basin from a \$36 million REA loan made in 1962 have more than adequate capacity to serve its customers for years into the future.

As a matter of fact, basin already has incurred a loss of \$2,500,000 for the first 3 years of operations with this plant. This large loss accrued although no payments on principal have yet been made by REA on this loan. The recent \$97 million loan is nothing more than throwing good money after bad, and there should be no advances of funds to basin until the entire situation has been fully investigated and reappraised. This loan was not designed to help REA borrowers, but to promote the scheme of Federal power zealots who want to control the power supply for the whole region.

#### BIG RIVERS LOAN

This generating and transmission cooperative, already federally financed to the tune of \$72 million received \$27,400,000 more in REA funds just 5 days before the new administration took office in January. This loan—and others—almost exhausted REA's loan authorization for fiscal year 1969, and caused the Appropriations Committees of Congress to urge the new Administrator to give priority to distribution loans in administering available funds.

The facts surrounding these cases have cast a new pall of suspicion over the whole REA program. It is time to call a moratorium on advances for these generation and transmission loans until they have been thoroughly restudied.

Surely, too, there should be a special review of REA loans made in the closing days of the previous administration in order that the type of long and involved litigation involving earlier loans might be avoided. If court cases could be avoided, the taxpayers and cooperative consumers would be saved millions of dollars.

So much for the REA—Mr. Speaker, and may I move on in the few remaining moments that I have to several other significant differences in this conference report from the House-passed bill.

The two really big items, as has been mentioned before, are the big increase in food stamps to the new authorized level of \$610 million and an additional amount of \$250 million for restoration of the capital impairment of the Commodity Credit Corporation. Incidentally, this still leaves the CCC even with this additional amount, roughly a quarter of a billion dollars shy of having its capital impairment fully restored.

Now with respect to the controversial \$20,000 limitation that was passed by this House by a vote of 224 to 142, I must say that I had just about concluded that I would reserve on this point also, for as Members of this House well know, I have

supported the concept of a limitation when the authorizing legislation has been before us, but I have opposed the limitation when it came as a rider to one of our appropriation bills. After hearing all the arguments pro and con over an extended period of time, I have come to the conclusion that we have no other recourse but to take the route as prescribed in our conference report. From a very practical point of view, the limitation would have no effect on the cotton program, which is really the prime target of such a limitation, for with the imposition of a limitation the cotton boys would simply go back to that so-called "snap-back" provision, which many of us opposed several years ago. But let us face it, we lost the battle then and the cotton boys in concert with their big city allies at that time, knew exactly what they were doing when writing this provision into the authorizing legislation. You can cuss it all you want to now, but it is the law, notwithstanding the warnings we spoke about years ago.

Another prime target of the limitation would be the big wheatgrowers, but I do not see how this could affect those who already planted their fall wheat. While the gentleman from Illinois (Mr. FINDLEY), read a communication from the Department of Agriculture earlier in this debate, warning of the prospects of a limitation, I do not think in good conscience the Congress could say in a body that this was sufficient notice to our farmers. So with cotton and fall planted wheat being excluded from the limitation, it narrows down to affecting feed grains only, and I would simply have to say that on its face this would be discriminatory.

Now let me say in conclusion that I am convinced that the Secretary, the Department, and the Agricultural Committees in both bodies have gotten the message about our feeling with respect to imposing limitations on any similar programs in the future. We are going to have a chance to rewrite a farm bill next year, and just as sure as we are sitting and standing here today you can bet your bottom dollar that there will not be any bill passed next year with any kind of payments involved unless there are some reasonable limitations.

I hate to be at odds with my very dear friend Mr. CONTE, a member of our full Committee on Appropriations, and his sidekick in this effort, my very dear friend and colleague from Illinois (Mr. FINDLEY), but they have had their day—they have made their points, good ones, to which I would surely have to subscribe in the main—but my bone of contention is the means by which they hope to accomplish their end.

I hope the Members will see fit to support those of us who are trying our best to reflect the will of the majority of this House and at the same time do it within the orderly procedures of this body. Vote up the previous question and while I make no special pleading that you support my straight motion to recommit, I will, as a matter of fact, offer it as a parliamentary device and means of getting this conference report adopted without

further delay, so that we can move on to all the other pressing business bearing down upon us.

Mr. WHITTEN. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I would like to express at this point, as the chairman of the conferees, my appreciation for the very splendid statement just made by the distinguished Speaker, not that I do not appreciate all of the other statements which have been made. However, in my 18 years of service as chairman of the Subcommittee on Appropriations for the Department of Agriculture I have never seen the day that the distinguished Speaker, the Honorable JOHN McCORMACK, was not in there pitching for the bill designated "Agriculture."

But, you know, if you study it, you will find that about half of this bill goes for food programs, meat inspection, and other items not generally linked directly with "Agriculture." Our distinguished Speaker has recognized what many Americans today do not seem to recognize and that is this: The first step toward providing food is to produce food. We must do those things that are of assistance to those who produce the food and keep them producing it. Certainly we can pass all the laws we want to and not meet the demand for food.

Mr. Speaker, I did not want to close this debate without paying tribute to the distinguished Speaker not only for his interest in agriculture but for his interest in all phases of American life.

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

Mr. WHITTEN. I yield to the gentleman from Massachusetts.

Mr. CONTE. I want to make an observation.

Mr. WHITTEN. I yield only for a question.

Mr. CONTE. I have the same high regard and esteem for the distinguished Speaker as does the gentleman from Mississippi and I believe the Speaker knows it. But in answer to all your crying about the lateness of the session and the need for speedy action on this farm bill, where were you earlier in the year when some of us were trying to get a food stamp bill out of committee and into the House? Here it is November 19 and you have not passed this bill as of today. Not because of any delay taken on our part, but merely because you did not move sooner in getting this bill on the floor of the House. If you were really bleeding for the food stamp portion of this bill, you would have been doing something about it months ago.

The gentlewoman from Missouri is to be commended and everyone on this side of the aisle should get up and join with me for putting this farm albatross right around the necks of the Democrats.

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

Mr. WHITTEN. I yield to the gentleman for a question only.

Mr. HAYS. I would like to point out in my question that I was fooled one time and voted for the motion of the gentleman from Massachusetts, and I would have again, until I saw him 2

hours after the motion to limit agricultural payments was defeated vote against the limitation on a similar amendment on subsidies to magazines.

Mr. WHITTEN. Mr. Speaker, I should have stuck by my original guns and moved the previous question earlier.

Mr. Speaker, I move the previous question on the conference report.

The SPEAKER. The question is on ordering the previous question.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 214, nays 172, not voting 45, as follows:

[Roll No. 281]  
YEAS—214

Abernethy	Foley	Moss
Adair	Ford, Gerald R.	Murphy, Ill.
Albert	Foreman	Murphy, N.Y.
Alexander	Fountain	Myers
Anderson, Ill.	Frey	Natcher
Anderson, Tenn.	Fuqua	Nelsen
Andrews, Ala.	Galifianakis	Nichols
Anunnzio	Garmatz	Obey
Arends	Gettys	O'Hara
Aspinall	Gonzalez	Olsen
Ayres	Goodling	O'Neill, Mass.
Bell, Calif.	Gray	Passman
Berry	Gubser	Patten
Betts	Hagan	Pepper
Bevill	Haley	Perkins
Blanton	Hammer-	Pickles
Blatnik	schmidt	Poage
Boggs	Hansen, Idaho	Poff
Bolling	Hathaway	Preyer, N.C.
Bow	Hays	Price, Ill.
Bray	Hébert	Price, Tex.
Brinkley	Henderson	Pryor, Ark.
Brock	Hicks	Purcell
Brooks	Hollfield	Quillen
Broomfield	Hull	Randall
Brown, Ohio	Hutchinson	Rarick
Broyhill, N.C.	Jarman	Reid, Ill.
Broyhill, Va.	Johnson, Calif.	Rhodes
Buchanan	Jonas	Rivers
Burleson, Tex.	Jones, Ala.	Roberts
Burlison, Mo.	Jones, N.C.	Rogers, Fla.
Bush	Karth	Rooney, N.Y.
Byrnes, Wis.	Kazen	Roudebush
Caffery	Kee	Ruth
Carter	King	St. Onge
Casey	Kleppe	Satterfield
Cederberg	Kluczynski	Schadeberg
Chamberlain	Kuykendall	Scherle
Chappell	Kyl	Sebelius
Clark	Kyros	Shipley
Clausen,	Landrum	Shriver
Don H.	Langen	Sikes
Collins	Latta	Sisk
Colmer	Leggett	Skubitz
Daniel, Va.	Lennon	Slack
Davis, Ga.	Lloyd	Smith, Iowa
Davis, Wis.	Long, La.	Smith, N.Y.
Dellenback	McClary	Snyder
Dennis	McClure	Springer
Dent	McFall	Staggers
Devine	McKneally	Stanton
Dickinson	McMillan	Steed
Dingell	Mahon	Steiger, Ariz.
Dorn	Maillard	Steiger, Wis.
Dowdy	Mann	Stubblefield
Downing	Martin	Stuckey
Dulski	Matsunaga	Sullivan
Edwards, Ala.	Meeds	Symington
Edwards, La.	Melcher	Talcott
Evans, Colo.	Michel	Taylor
Evins, Tenn.	Mikva	Thompson, Ga.
Fallon	Miller, Ohio	Thomson, Wis.
Feighan	Mills	Udall
Fisher	Mink	Ullman
Flood	Minshall	Vigorito
Flowers	Mize	Waggonner
Flynt	Mizell	Wampler
	Montgomery	Watkins

Watts  
Welcker  
White  
Whitehurst  
Whitten

Wilson,  
Charles H.  
Winn  
Wright  
Wyatt

Wylie  
Young  
Zion  
Zwach

NAYS—172

Addabbo	Fraser	Minish
Anderson, Calif.	Frelinghuysen	Mollohan
Ashbrook	Friedel	Monagan
Baring	Fulton, Pa.	Moorhead
Barrett	Fulton, Tenn.	Morse
Beall, Md.	Gallagher	Mosher
Bennett	Gaydos	Nedzi
Blaggi	Gialmo	Nix
Blester	Gibbons	O'Konski
Bingham	Gilbert	Ottinger
Boland	Green, Ore.	Pelly
Brademas	Green, Pa.	Pettis
Brasco	Griffiths	Philbin
Brotzman	Gross	Pike
Brown, Calif.	Grover	Pirnie
Brown, Mich.	Gude	Podell
Burke, Fla.	Hall	Quie
Burke, Mass.	Halpern	Rallsback
Burton, Calif.	Hamilton	Rees
Burton, Utah	Hanley	Reid, N.Y.
Button	Hanna	Reuss
Byrne, Pa.	Harrington	Rlegle
Carey	Harsba	Robison
Chisholm	Harvey	Rogers, Colo.
Clancy	Hastings	Rosenthal
Clawson, Del.	Hawkins	Roth
Clay	Hechler, W. Va.	Roybal
Cleveland	Heckler, Mass.	Ruppe
Cohelan	Helstoski	Ryan
Coller	Hogan	St Germain
Conable	Horton	Sandman
Conte	Hosmer	Saylor
Conyers	Howard	Scheuer
Corbett	Hungate	Schneebell
Corman	Hunt	Schwengel
Coughlin	Ichord	Scott
Cowger	Jacobs	Smith, Calif.
Cramer	Johnson, Pa.	Stafford
Culver	Kastenmeyer	Stokes
Daddario	Keith	Stratton
Daniels, N.J.	Koch	Taft
Delaney	Long, Md.	Teague, Calif.
Derwinski	Lowenstein	Tiernan
Diggs	Lujan	Van Deerlin
Donohue	Lukens	Vander Jagt
Duncan	McCarthy	Vanik
Dwyer	McCloskey	Waldie
Eckhardt	McCulloch	Whalen
Ellberg	McDade	Whalley
Erlenborn	McDonald,	Widnall
Esch	Mich.	Wiggins
Eshleman	McEwen	Williams
Farbstein	Macdonald,	Wilson, Bob
Fascell	Mass.	Wolff
Findley	Madden	Wyman
Fish	Marsh	Yates
Ford,	Mayne	Yatron
William D.	Meskill	Zablocki
	Miller, Calif.	

NOT VOTING—45

Abbutt	Edwards, Calif.	Powell
Adams	Goldwater	Pucinski
Andrews,	Griffin	Reifel
N. Dak.	Hansen, Wash.	Rodino
Ashley	Jones, Tenn.	Rooney, Pa.
Belcher	Kirwan	Rostenkowski
Blackburn	Landgrebe	Stephens
Cabell	Lipscorn	Teague, Tex.
Cahill	MacGregor	Thompson, N.J.
Camp	Mathias	Tunney
Celler	May	Utt
Cunningham	Morgan	Watson
Dawson	Morton	Wold
de la Garza	O'Neal, Ga.	Wylder
Denney	Patman	
Edmondson	Pollock	

So the previous question was ordered. The Clerk announced the following pairs:

On this vote:  
Mr. Edmondson for, with Mr. Ashley against.  
Mr. Cabell for, with Mr. Celler against.  
Mr. Griffin for, with Mr. Edwards of California against.  
Mr. Reifel for, with Mr. Morgan against.  
Mr. Teague of Texas for, with Mr. Kirwan against.  
Mrs. Hansen of Washington for, with Mr. Powell against.  
Mr. Jones of Tennessee for, with Mr. Pucinski against.

Mr. O'Neal of Georgia for, with Mr. Rodino against.  
Mr. Patman for, with Mr. Rooney of Pennsylvania against.  
Mr. Stephens for, with Mr. Rostenkowski against.  
Mr. Denney for, with Mr. Dawson against.  
Mr. Belcher for, with Mr. Thompson of New Jersey against.  
Mrs. May for, with Mr. Goldwater against.  
Mr. Lipscomb for, with Mr. Blackburn against.  
Mr. Camp for, with Mr. Wylder against.  
Mr. Watson for, with Mr. Adams against.  
Mr. Morton for, with Mr. Cahill against.  
Mr. Pollock for, with Mr. MacGregor against.

Until further notice:

Mr. Abbutt with Mr. Cunningham.  
Mr. de la Garza with Mr. Utt.  
Mr. Tunney with Mr. Wold.  
Mr. Andrews of North Dakota with Mr. Mathias.

Messrs. ECKHARDT, BYRNE of Pennsylvania, and RUPPE changed their votes from "yea" to "nay."

Mr. O'NEILL of Massachusetts changed his vote from "nay" to "yea." The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the conference report.

MOTION TO RECOMMIT OFFERED BY MR. MICHEL  
Mr. MICHEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. MICHEL. I am, in its present form, Mr. Speaker.

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

The Clerk read as follows:

Mr. MICHEL moves to recommit the conference report (House Report No. 91-657) on H.R. 11612 to the committee of conference.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

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

The question was taken; and the Speaker announced that the noes appeared to have it.

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

The yeas and nays were refused.

So the motion to recommit was rejected.

The conference report was agreed to.

AMENDMENT IN DISAGREEMENT

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment numbered 12: On page 8, line 2, strike out "\$61,175,000" and insert "\$61,710,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: in lieu of the sum stricken and inserted, insert the following: "\$62,510,000".

The motion was agreed to.

A motion to reconsider the votes by

which action was taken on the conference report and the motion was laid on the table.

#### GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the conference report just adopted, and to include certain tables, relating thereto; and that all Members may have 5 legislative days in which to extend and revise their remarks.

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

There was no objection.

#### APPOINTMENT OF CONFEREES ON H.R. 11702, MEDICAL LIBRARY AND HEALTH COMMUNICATIONS ASSISTANCE AMENDMENTS OF 1969

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11702) to amend the Public Health Service Act to improve and extend the provisions relating to assistance to medical libraries and related instrumentalities, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and appoints the following conferees: Messrs. STAGGERS, JARMAN, ROGERS of Florida, SPRINGER, and CARTER.

#### CONFERENCE REPORT ON H.R. 12829, INTEREST EQUALIZATION TAX EXTENSION ACT OF 1969

Mr. MILLS. Mr. Speaker, I call up the conference report on the bill (H.R. 12829) to provide an extension of the interest equalization tax, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 18, 1969.)

The SPEAKER. The gentleman from Arkansas is recognized.

Mr. MILLS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, what is involved here is a conference report on an extension of the interest equalization tax which, it will be recalled, passed the House on August 7, last, as I recall, by virtually a unanimous vote if not by an actual unanimous vote.

The bill itself would again extend this act, that we had previously enacted and previously extended, through March 31, 1971. The need for it was made quite evident in the report of the Committee on Ways and Means, and by the statements

of those of us who discussed it in August in the House.

The Senate did develop, as I recall, several amendments to the body of the interest equalization tax extension bill. They are entirely technical in nature. They were sought by the Treasury after the bill had passed the House, and agreed to by the Treasury, agreed to by our staff working with the Senate Finance Committee.

However, Mr. Speaker, in nearly all respects, the interest equalization tax as it appears in the conference agreement before you is the same as in the bill passed by the House. Let me describe the only important changes the bill makes in this tax. First, the bill as agreed to by the conferees extends the tax from September 30, 1969, to March 31, 1971. This is the same as the House version of the bill provided.

Second, the President's discretionary authority to vary the tax rates is modified so that a lower rate may be applied to new issues than to outstanding issues. This also was provided in the House bill. In addition, there are minor perfecting changes that were contained in the House bill.

The bill as approved by the House extended the tax from its August 31, 1969, expiration date to March 31, 1971. The Senate extended the tax from the September 30, 1969, expiration date to take account of the temporary extension of the tax which had occurred since the House passed the bill. Thus, the conference agreement makes the tax effective as of September 30, 1969, and continues it until March 31, 1971.

The House bill permitted a domestic financing company to elect in effect to be exempt from the tax if, among other things, it only makes loans in connection with sales of tangible personal property. A Senate amendment agreed to by the conferees permits the company to also make loans in the course of, and incidental to, carrying on its financing company business, such as salary or travel advances to employees. The bill as approved by the House also allowed these financing companies to treat their trade accounts and liabilities which are payable within 1 year as foreign funds out of which loans may be made. The conferees agreed to a Senate amendment to extend this period to 3 years in the case of accrued foreign tax liabilities, since under a number of foreign tax systems taxes are not payable until 2 or 3 years after the time of accrual.

Three other Senate amendments to the interest equalization tax to which the House conferees agreed are concerned with the treatment of certain types of lease transactions. Presently, there is an uncertainty as to the treatment, for purposes of the tax, of financial leases which are used as a substitute for debt financing. To resolve this uncertainty, the Senate added an amendment to the House bill to make it clear that an obligation arising under a lease which is entered into principally as a financing transaction is to be subject to the tax. This change is only for the purposes of the interest equalization tax, however, and is not intended to have any effect

on how these financial leases are treated for income tax purposes.

In addition, in order to insure that the tax does not adversely affect our exports where these financial leases are treated as debt obligations, the Senate amendments provide that export leases are to be exempted in a manner similar to debt obligations for purposes of the existing export credit exemption and also under the financing company provision.

In this regard, first an exemption from the tax, similar to the exemption presently available for export sales, is provided for leases where a U.S. person acquires a debt obligation of a foreign person which arises out of a lease of tangible personal property to the foreign person. For this exception to apply, the debt obligation arising from the lease either must be guaranteed or insured by a U.S. agency, such as the Export-Import Bank, or at least 85 percent of the value of the leased property must be attributable to the use of property which was produced in the United States or to the performance of related services by U.S. persons. Second, it is provided that a financing company of the type I referred to earlier also may acquire debt obligations which arise out of a lease of tangible personal property if at least 85 percent of the value of the property subject to the lease is attributable to property created in the United States or to the performance of services by a U.S. person.

There is no controversy whatsoever about these amendments.

But in addition, Mr. Speaker, an amendment was adopted that is somewhat controversial, I assume, and about which objection was made by the gentleman from New York (Mr. CELLER) to the bill going to conference by unanimous consent.

It will be recalled that this week the House did adopt a rule, the purpose of which was to send the bill to conference. Your conferees on the part of the House met with the Senate. We discussed the amendments which had been offered by the distinguished senior Senator from the State of Utah dealing with this matter, the recordkeeping in the case of the sale of shotgun and rifle ammunition.

The Senate amendment to which the House conferees agreed which does not deal with the interest equalization tax is concerned with the recordkeeping requirements in the case of purchases of shotgun and rifle ammunition. Regulations issued under the Gun Control Act of 1968 require a person selling ammunition to obtain the purchaser's name, address, date of birth, and some form of identification. The Senate amendment repeals these requirements for shotgun ammunition and ammunition suitable for use only in rifles generally available in commerce because recordkeeping in the case of this type of ammunition, used mostly by sportsmen, imposes a large and unnecessary burden on sellers and purchasers without contributing to public safety. Ammunition presently interchangeable between rifles and handguns, such as .22-caliber rimfire ammunition would continue to be subject to the recordkeeping requirements.

The House adopted the amendment by a vote of 65 to 16.

Our conferees were told that the Senate had taken this position because after thorough consideration of the matter that the conferees on the part of the Senate felt themselves, because of this separate vote on this issue, and the sort of landslide proportions of the vote, felt themselves unable to recede from the amendment.

The House conferees did then accept this Senate amendment.

Let me talk to you just a little bit about this, in addition to what I have already said. You probably heard the gentleman from Minnesota (Mr. MACGREGOR) point out the other day in the course of the debate on the rule sending the matter to conference that he had offered an amendment which was more extensive in nature than the amendment in the conference report, and that that amendment, even though it was more extensive, was agreed to by the House in connection with the consideration of gun legislation in 1968, but that the matter was eliminated in conference even though the House had by an affirmative vote adopted it.

What we are doing here is accepting a part of an amendment that the House has thus already approved. This amendment has the support, and I have with me a letter from the Under Secretary of the Treasury, Dr. Charles E. Walker, telling me it is approved by the Treasury Department which is, as you know, through the Internal Revenue Service, the agency that actually administers the operation of this registration program of the sale of shells and shotguns.

I will read from the letter, as follows:

The Department favors the Senate amendment to H.R. 12829 dealing with ammunition recordkeeping requirements. The Department has found that the records required of transactions in sporting type ammunition, primarily shotgun and rifle ammunition, are not effective as a law enforcement tool. The recordkeeping requirements, however, because of the volume of transactions in sporting ammunition tend to generate criticism from sportsmen and others and detract from the effective enforcement of other provisions of the firearms laws. The amendment does not affect the recordkeeping requirements concerning pistol and revolver ammunition, nor .22 caliber rimfire ammunition, nor does it affect the existing controls of interstate shipment and sales by licensees to prohibited persons. We believe, therefore, that the amendment is desirable.

As I have indicated, under existing law if one of your constituents goes to anyone operating a retail store and buys a box of shotgun shells, there is a registration requirement and a recordkeeping requirement that has to be performed by the individual retail merchant selling those shotgun shells. This, we are told by the Treasury, is a very onerous responsibility on those who have to keep the records.

As I remember, if I may call the attention of my colleague, the gentleman from Wisconsin (Mr. BYRNES) to this, in the conference we were told that these recordkeeping requirements are not effective as a law-enforcement tool; is that right?

Mr. BYRNES of Wisconsin. Yes; the nuisance created under that did not pro-

vide a beneficial effect so far as the enforcement of gun control legislation was concerned, which is the objective of the legislation.

Mr. MILLS. Yes; that is it and that is my recollection and I wanted the gentleman to correct me if I was wrong.

That is what is involved here, Mr. Speaker, and I would urge that the conference report be adopted even though there might be someone who does not like this particular amendment, because of the inherent nature and the great importance which I attach to the extension of the interest equalization tax.

It has already expired. It did so at the end of the period of the temporary extension on September 30, last. We have asked the Treasury to see to it that these transactions involving foreign securities and American dollars are enforced and supervised, even though we had not extended the legislation. If we do not extend it now, frankly, I do not know just when we will get back to an extension of that kind. I think it would give rise to an immediate stampede of American dollars into the purchase of foreign securities and into loans on foreign obligations and thus very adversely affect an already deplorable, as I see it, balance-of-payments situations right here in the closing days of the calendar year.

I would hope that those who, even though they might not like some aspects of the amendment, will see their way clear to support the conference report.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I am happy to yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. We already have a deplorable situation. In effect, we have an excise tax that expired on the 30th of September, and this report requires us to make it retroactive, which is a very undesirable way, under the best of circumstances, to meet a situation.

Mr. MILLS. It is bad enough with respect to income taxes, but it seems worse with respect to excise taxes.

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield to the gentleman from New Jersey (Mr. HUNT).

(Mr. HUNT asked and was given permission to extend his remarks.)

Mr. MILLS. Mr. Speaker, I yield to the gentleman from Oregon, a valuable member of the Ways and Means Committee.

Mr. ULLMAN. I thank the gentleman. Did I understand correctly that the amendment in question would not remove the reporting requirements on .22 rimfire target ammunition?

Mr. MILLS. It does not; because that matter, though it had been included in the amendment by the Senate Finance Committee, was deleted by a subsequent amendment adopted on the floor of the Senate. So the instant amendment has application only to shells of two varieties, shotgun shells and shells that are suitable and are usable in rifles.

Mr. ULLMAN. I want to congratulate the chairman for his effective work on this amendment and for accepting the amendment. But I would remind him that I have introduced legislation that would also remove the reporting requirements on .22 rimfire target ammunition,

and I would hope that sometime we might take that up.

Mr. MILLS. The gentleman's amendment is more in line with the amendment adopted by the House, the so-called MacGregor amendment; is it not?

Mr. ULLMAN. Yes.

Mr. MILLS. This amendment does not go quite that far, as I said; but I want to say again, Mr. Speaker, that I do not consider that the Ways and Means Committee—that is, the conferees on the part of the House—in accepting this amendment in conference, has assumed jurisdiction of some other committee's legislation. The truth of the matter is that the bill which the gentleman from Oregon (Mr. ULLMAN) had introduced and bills other Members of the House had introduced of like nature had all been referred, some of them even before the Senate adopted this amendment, to the Ways and Means Committee. The Internal Revenue Service Administers this. The original legislation was connected with the Internal Revenue Code. This bill amends the Internal Revenue Code, and that is why the Speaker saw fit to refer these bills as he did.

I yield to the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Speaker, I think there are a considerable number of us on the floor today who are happy that the committee of the distinguished gentleman from Arkansas has been entrusted with a part of this responsibility for removing some very objectionable nuisance language from the statute books. I commend the gentleman and his committee on what has been done. This is an important step insofar as it goes.

Mr. Speaker, it is of more than casual interest that the elimination of nuisance reporting on ammunition sales which is now proposed will bring last year's anti-gun bill more in line with the House version of that bill. It will be recalled that the House, by a decisive vote, refused to accept many of the more objectionable features such as ammunition sales recordkeeping which was later added in the Senate. Once the bill left the House, a new, more restrictive bill was written. Conference action and subsequent procedures were such that the House was never given an opportunity to improve the bill. Now the people back home are making their voices heard and it is interesting to note that some of the more zealous antigun advocates of last year have seen the light and are now piously helping to lead the march toward partial correction of last year's mistake.

It should be recalled, however, that by today's action we are taking only one step. We should not lessen our efforts until last year's bill is repealed or rewritten in more reasonable form.

The folly of excessively restrictive antigun laws is now beginning to show up clearly. Gun registration and owner licensing which are being tried in the States and cities is simply compounding the problems of the law-abiding citizen and the police officials with no measurable benefit against crime. These laws have not helped reduce crime but they have imposed tremendous new burdens on government officials and new un-

necessary costs on the taxpayer. It should be very obvious that crime is continuing to flourish and it is even increasing in many of the areas where antigun laws are the strictest. The Nation's Capital is a very good example. Some of the most stringent antigun regulations ever compounded are in effect here. Every gun owner must report his weapon and apply for a permit. Ammunition cannot be purchased until a permit to own a gun is shown. This includes long guns as well as handguns. Yet crime is up in Washington by a shocking percentage and many officials here and elsewhere, are ready to throw up their hands and admit nothing has been accomplished by actions to outlaw guns except to help insure that only the criminal will have weapons.

These situations are additional justification for what we do today. Removing the requirement for recordkeeping in the purchase of certain types of ammunition will eliminate some of the objectionable features of the bill. This will be welcomed by every hunter in the field and by every dealer who sells ammunition. The recordkeeping requirement of the new Federal law has multiplied the work of the dealer and provides an irritation to the hunter. It must be remembered, however, that this is only a part of the burden which accompanies the paper shoving, recordkeeping, irritations, and frustration of gun registration and licensing laws generally.

Mr. HUNT. Mr. Speaker, there appears in this morning's Washington Post an editorial on the pending amendment that would eliminate the requirement for recordkeeping with regard to sales of rifle and shotgun ammunition and their components. In the usual style of the Post, the editorial writers have gone off half-cocked, appealing to emotion rather than reason.

I consider the editorial to be a rather cynical reference to the motives of the majority of the Members of Congress who support this amendment, although they may not approve of the manner in which it was attached as a rider to an unrelated bill in the Senate. Fortunately, our representative government is more attuned to being responsive to all the people than is this one small element of the news media which is well known for its bias.

Contrary to the inference that the adoption of this amendment is a retrenchment in the resolve of Congress to fight crime, it has been my consistent belief that the primary emphasis of the Gun Control Act of 1968 was misplaced. Following the emotion that was whipped up by the news media and the subsequent highly effective antigun lobby, the intended impression was given that the gun commits the crime rather than the person with his finger on the trigger and the mental ability to choose whether or not to use it lawfully. With a variety of mixed emotions, the Congress passed the bill, some hoping that the criminal and other undesirables would not be able to obtain guns or the ammunition to make them lethal, as the Post says. Of course, everyone knows that any gun is to be treated as if it is loaded at all times.

Noticeably lacking from the legisla-

tion was a strong penalty provision to deter the use or possession of a gun in the commission or attempted commission of a crime. However, underlying the passage of the Gun Control Act, despite impassioned assurances to the contrary, was the notion by advocates of strong gun controls—as opposed to those favoring stringent criminal penalties—that this was the first step toward the eventual confiscation of all guns. This view was given substantial credence when the former President's Violence Commission released its report in July this year which recommended a national system of licensing that would remove from circulation more than 90 percent of the privately owned handguns in the Nation.

The Post editorial castigates the National Rifle Association—NRA—for its interest in gun-control legislation. And yet it makes no mention of the antigun lobbies that conducted a highly emotional and, in my estimation, highly irresponsible campaign in the months prior to the enactment of the Gun Control Act. I suggest that the Post make itself more familiar with the responsible and very worthwhile programs of the NRA which has not and should not apologize for its representation of those law-abiding citizens who own guns while at the same time maintaining that legislation should be directed to the criminal element whose unlawful use of a firearm must be severely punished regardless of any other controls. I have stated before and repeat here that the NRA has never contributed to a campaign in my behalf nor has a representative of the NRA ever visited my office or solicited in writing support of or opposition to any legislation.

The editorial makes a statement that—

A requirement that ammunition sellers keep a record of all sales and identify all purchasers helps the police solve crimes and catch criminals; it even makes criminals a little leery about buying ammunition.

Perhaps the Post would like to volunteer information to support that statement rather than deluding anyone that the recordkeeping requirements for the sale of ammunition have been even remotely useful in curbing the unlawful use of a firearm. As for making a criminal leery about buying ammunition, I fail to see how anyone who is not deterred from using a gun to commit a crime would be the least hesitant to buy ammunition. He might even use his stolen gun to get the ammunition without paying for it.

In conclusion, I am pleased to note that the Senate Judiciary Committee has approved legislation providing for mandatory sentences in connection with any Federal felony in which a firearm is used or carried, in addition to the punishment imposed for the crime itself. I have introduced similar legislation in the House, and if the Post would like to be constructive, I suggest and invite the Post to lend its support to the enactment of the measure.

The editorial to which I have been referring follows in its entirety:

A bandit wearing a ski mask and brandishing a long-barreled gun held up the Centreville branch of the Potomac Bank & Trust Co. Monday and escaped with more than \$1000. A service station in Southeast Washington was robbed the same day by two men, one wielding a sawed-off shotgun. It is true, to be sure, that a score or more of other robberies, shootings and assorted holdups occurring on the same day were accomplished by means of handguns; and there is no doubt that these are the weapons of choice for punks, grownup thugs and others bent upon relieving fellow-citizens of their lives or their possessions. When a pistol or revolver is lacking, however, a rifle or shotgun will serve well enough—provided the ammunition necessary to make it lethal is obtainable.

In a momentary outburst of revulsion against crime a year or so ago, Congress passed a law forbidding the sale of firearms and ammunition to certain classes of irresponsible, criminals among them. Unfortunately, this imposed a minor inconvenience on "sportsmen;" it meant that they were obliged to identify themselves when purchasing bullets. So, in order to ease this insupportable burden, Congress is about to exempt shotgun and rifle ammunition from the restrictions of the gun control law. This will make it easy for anybody, the law-abiding and the criminal alike, to buy bullets whenever they feel like shooting a deer or a gas station attendant.

It was kind of cute the way the gun lobby got this thing through. In the Senate, they tacked the repealer onto a House-passed bill extending the interest-equalization tax with which it had about as much to do as the price of putty. The argument was that rifles and shotguns are used only for fun and can't really hurt anybody. And now the House, which is under a lot of pressure from the administration to get the interest-equalization tax extended, is going to be compelled to accede to the Senate version when the bill goes to conference. It's really quite amusing, isn't it—except for the folks who get shot?

You may wonder why the National Rifle Association is so good at getting its way in Congress while the gun control groups are so ineffectual. It's not difficult. The NRA has behind it a lot of vested interests—gun manufacturers, gun dealers and others who make money out of firearms and believe in letting the bullets fall where they may. These merchants are able to pay for year-round lobbyists and elaborate propaganda campaigns; and they're always glad to help a helpful congressman around election time. The gun control people are mere amateurs who tend to think that when they're sent a telegram or written an editorial they've got a problem solved.

A requirement that ammunition sellers keep a record of all sales and identify all purchasers helps the police solve crimes and catch criminals; it even makes criminals a little leery about buying ammunition. But if you'll look at the list of senators who voted to pass the ammunition indiscriminately to anyone, you'll find prominent among them the loudest and most eloquent denouncers of crime and criminals, including of course, the greatest Roman of them all.

Mr. TAYLOR. Mr. Speaker, I rise in support of this conference report and am especially interested in the section which repeals certain provisions of the Gun Control Act of 1968.

I voted against these provisions when they were adopted back in 1968. The ammunition recordkeeping provisions of the Gun Control Act have been regarded by the public as burdensome and unnecessary and unwise. In January of this year I introduced a bill which would repeal all ammunition sales from the Federal

regulations under the Gun Control Act. As it now stands, licensed dealers for each ammunition sale must record the following information: Date; ammunition manufacturer, caliber or gage; quantity; purchaser's name, address, date of birth, and mode of identification, such as driver's license, social security card, and so forth. In some mountain areas hunters sometimes purchase only three or four shotgun shells rather than a full box. Obviously, the bookkeeping and time involved for ammunition sales—large or small—are a burden and hardship on both dealers and purchasers. It has caused some rural store operators to cease selling ammunition entirely, thereby inconveniencing hunters and sportsmen.

I am now pleased to have the opportunity to vote for legislation which repeals these requirements in regard to sales of shotgun ammunition and ammunition commonly used only in rifles generally available in commerce.

Mr. BERRY. Mr. Speaker, I want to commend the able chairman of the Ways and Means Committee and the conferees upon accepting the amendment of the other body with regard to repeal of that portion of the gun control law requiring registration for the purchase of shotgun and rifle shells. My only regret is the rim-fire 22-gauge shells were not included.

Personally, Mr. Speaker, I think the whole gun control law should be repealed. It has wholly failed to control crime which was the purpose of passage in the first place.

## GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may be permitted to extend their remarks at this point in the RECORD on the conference report.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Arkansas? There was no objection.

Mr. MILLS. Does the gentleman from Wisconsin desire me to yield further time to him?

Mr. BYRNES of Wisconsin. No, Mr. Chairman, you have explained the conference report fully, and there is nothing I can add.

Mr. MILLS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SAYLOR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count.

Mr. SAYLOR. Mr. Speaker, I withdraw my point of order.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count.

Evidently a quorum is not present.

The Doorkeeper will close the doors, and the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 334, nays 47, not voting 50, as follows:

## [Roll No. 282]

## YEAS—334

Abernethy	Edwards, La.	Long, Md.
Adair	Eilberg	Lujan
Adams	Erlenborn	Lukens
Addabbo	Esch	McCloskey
Albert	Eshleman	McClure
Alexander	Evans, Colo.	McDade
Anderson	Evins, Tenn.	McDonald,
Calif.	Fallon	Mich.
Anderson, Ill.	Fascell	McEwen
Anderson,	Feighan	McFall
Tenn.	Findley	McKneally
Andrews, Ala.	Fisher	McMillan
Annunzio	Flood	Macdonald,
Arendts	Flowers	Mass.
Ashbrook	Foley	MacGregor
Aspinall	Ford, Gerald R.	Madden
Ayres	Ford,	Mahon
Baring	William D.	Malliard
Beall, Md.	Foreman	Mann
Bell, Calif.	Fountain	Marsh
Bennett	Frelinghuysen	Martin
Berry	Frey	Matsunaga
Betts	Fulton, Pa.	Mayne
Bevill	Fulton, Tenn.	Meeds
Biaggi	Fuqua	Melcher
Biestler	Gallfianakis	Meskill
Bianton	Garmatz	Michel
Boggs	Gaydos	Miller, Calif.
Boland	Gettys	Miller, Ohio
Bow	Giaino	Mills
Brademas	Gibbons	Mink
Bray	Goldwater	Minshall
Brinkley	Gonzalez	Mize
Brock	Goodling	Mizell
Brooks	Gray	Mollohan
Broomfield	Green, Oreg.	Monagan
Brotzman	Griffiths	Montgomery
Brown, Mich.	Gross	Moorhead
Brown, Ohio	Grover	Morse
Broyhill, N.C.	Gubser	Moss
Broyhill, Va.	Hagan	Murphy, Ill.
Buchanan	Haley	Murphy, N.Y.
Burke, Fla.	Hall	Myers
Burke, Mass.	Hamilton	Natcher
Burleson, Tex.	Hammer-	Nedzi
Burlison, Mo.	schmidt	Nelsen
Burton, Utah	Hanna	Nichols
Bush	Hansen, Idaho	Nix
Button	Harsha	Obey
Byrne, Pa.	Harvey	O'Hara
Byrnes, Wis.	Hastings	O'Konski
Caffery	Hathaway	Olsen
Carter	Hays	O'Neill, Mass.
Casey	Hébert	Passman
Cederberg	Hechler, W. Va.	Patten
Chamberlain	Heckler, Mass.	Pelly
Chappell	Henderson	Pepper
Clancy	Hicks	Perkins
Clark	Hogan	Pettis
Clausen,	Holfield	Philbin
Don H.	Horton	Pickle
Clawson, Del.	Hosmer	Pike
Collier	Howard	Pirnie
Collins	Hull	Peage
Colmer	Hungate	Poff
Conable	Hunt	Freyer, N.C.
Conte	Hutchinson	Price, Ill.
Corbett	Ichord	Price, Tex.
Coughlin	Jacobs	Pryor, Ark.
Cowger	Jarman	Purcell
Cramer	Johnson, Calif.	Quile
Culver	Johnson Pa.	Quillen
Daddario	Jonas	Railsback
Daniel, Va.	Jones Ala.	Randall
Davis, Wis.	Jones, N.C.	Rarick
Dellenback	Karth	Rhodes
Dennis	Kazen	Riegle
Dent	Kee	Rivers
Derwinski	Keith	Roberts
Devine	King	Robison
Dickinson	Kleppe	Rogers, Colo.
Diggs	Kluczynski	Rogers, Fla.
Dingell	Kuykendall	Roth
Donohue	Kyl	Roudebush
Dorn	Kyros	Ruppe
Dowdy	Landrum	Ruth
Downing	Langen	St. Onge
Dulski	Latta	Sandman
Duncan	Leggett	Satterfield
Dwyer	Lennon	Saylor
Eckhardt	Lloyd	Schadeberg
Edwards, Ala.	Long, La.	

Scherle	Stubblefield	Weicker
Schneebeli	Stuckey	Whalen
Schwengel	Sullivan	Whalley
Scott	Symington	White
Sebelius	Taft	Whitehurst
Shiely	Talcott	Whitten
Shriver	Taylor	Widnall
Sikes	Teague, Calif.	Wiggins
Sisk	Thompson, Ga.	Williams
Slack	Thomson, Wis.	Wilson, Bob
Smith, Calif.	Tiernan	Wilson,
Smith, Iowa	Udall	Charles H.
Smith, N.Y.	Ullman	Winn
Snyder	Van Deerlin	Wright
Springer	Vander Jagt	Wyatt
Stafford	Vanik	Wylie
Staggers	Vigorito	Wyman
Stanton	Waggonner	Yatron
Steed	Waldie	Young
Steiger, Ariz.	Wampler	Zablocki
Steiger, Wis.	Watkins	Zion
Stratton	Watts	Zwach

## NAYS—47

Barrett	Fraser	Mikva
Bingham	Friedel	Minish
Bolling	Gallagher	Mosher
Brasco	Gilbert	Ottinger
Brown, Calif.	Green, Pa.	Podell
Burton, Calif.	Gude	Rees
Carey	Halpern	Reid, N.Y.
Celler	Hanley	Rooney, N.Y.
Chisholm	Harrington	Rosenthal
Clay	Hawkins	Ryan
Cleveland	Helstoski	St Germain
Cohelan	Kastenmeter	Scheuer
Conyers	Koch	Stokes
Corman	Lowenstein	Wolf
Daniels, N.J.	McCarthy	Yates
Farbstein	McClory	

## NOT VOTING—50

Abbitt	Edwards, Calif.	Powell
Andrews,	Fish	Pucinski
N. Dak.	Flynt	Reid, Ill.
Ashley	Griffin	Reifel
Belcher	Hansen, Wash.	Rodino
Blackburn	Jones, Tenn.	Rooney, Pa.
Blatnik	Kirwan	Rostenkowski
Cabell	Landgrebe	Roybal
Cahill	Lipscomb	Skubitz
Camp	McCulloch	Stephens
Cunningham	Mathias	Teague, Tex.
Davis, Ga.	May	Thompson, N.J.
Dawson	Morgan	Tunney
de la Garza	Morton	Utt
Delaney	O'Neal, Ga.	Watson
Denney	Patman	Wold
Edmondson	Pollock	Wydler

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Morton.

Mr. Pucinski with Mr. McCulloch.

Mr. Rodino with Mr. Andrews of North Dakota.

Mr. Edwards of California with Mr. Mathias.

Mr. Edmondson with Mr. Belcher.

Mr. Delaney with Mr. Lipscomb.

Mr. Rooney of Pennsylvania with Mr. Cahill.

Mr. Rostenkowski with Mr. Cunningham.

Mr. Griffin with Mr. Utt.

Mr. Morgan with Mr. Reifel.

Mr. Ashley with Mr. Landgrebe.

Mr. Teague of Texas with Mr. Blackburn.

Mr. Jones of Tennessee with Mr. Skubitz.

Mr. Abbitt with Mrs. Reid of Illinois.

Mr. O'Neal of Georgia with Mr. Watson.

Mr. Blatnik with Mr. Wydler.

Mr. Cabell with Mr. Camp.

Mr. Davis of Georgia with Mr. Wold.

Mr. de la Garza with Mr. Fish.

Mr. Flynt with Mr. Pollock.

Mrs. Hansen of Washington with Mrs. May.

Mr. Stephens with Mr. Denney.

Mr. Roybal with Mr. Dawson.

Mr. Patman with Mr. Tunney.

Mr. Kirwan with Mr. Powell.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

#### PERSONAL ANNOUNCEMENT

Mr. MacGREGOR. Mr. Speaker, on rollcall No. 281, the vote on the previous question on the agriculture appropriations conference report for fiscal year 1970, I was unable to vote. When the roll was taken I was at the Mayflower Hotel in Washington speaking on refugee legislation to participants in the National Conference on World Refugee Problems. Had I been present in the House I would have voted "no."

#### PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

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

There was no objection.

#### FOREIGN ASSISTANCE ACT OF 1969

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 707 and ask for its immediate consideration.

The Clerk read as follows:

##### H. RES. 707

*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. 14580) to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic economic, social, and political institutions, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, 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.

Mr. BOLLING. 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, those who listened to the reading of the resolution will note that this is an open rule providing for 3 hours of general debate on the foreign aid bill. As is usual, there is no controversy that I know of on the rule, but there is a great deal of controversy on the bill which is made in order by the rule.

Does the gentleman from Iowa desire me to yield to him?

Mr. GROSS. I would appreciate it.

Mr. BOLLING. I am delighted to yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for

yielding. I wish to commend the Rules Committee—I do not often have the opportunity—for bringing forth a wide-open rule for the consideration of this particular legislation. I assume that this will make it easily possible to offer amendments to the bill to cut most of the money figures 75 percent, and I sincerely hope that I may have the support of the distinguished gentleman from Missouri for the amendments which I hope to have the opportunity to offer to that end.

Mr. BOLLING. I would be delighted to reply to the gentleman from Iowa that I will support his right to offer any amendment that he chooses at any time to this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. Latta. Mr. Speaker, the purpose of the bill is to authorize fiscal 1970 funding, and partial 1971 funding, for our foreign aid programs in two broad categories: Economic assistance and military assistance. Additionally, the bill creates new administrative authorities to assure that increased private capital will be encouraged to participate in the developing countries.

Authorizations contained in the bill total \$2,189,400,000 for fiscal 1970. Of this total, \$400 million is for military assistance and \$1,789,400,000 is for economic assistance and administrative costs. This is \$441 million below the budget request for fiscal 1970.

Major categories of assistance under the umbrella of economic assistance authorizations are:

Technical assistance.....	\$422,620,000
Development loans.....	475,500,000
Alliance for Progress.....	337,500,000
Supporting assistance.....	414,600,000

Within these broad categories a number of programs are encompassed. The technical assistance programs are aimed at promoting the development of less developed friendly countries or areas. Either grants or loans may be made available. Bilateral, as well as multilateral assistance projects are eligible for assistance. The bill emphasizes the importance of technical assistance by authorizing a similar amount—\$422,600,000 for fiscal 1971 with the aim of insuring advanced planning.

The development loans program is also authorized for 2 years at the same figure, \$475,500,000. These loans are used by developing countries to create capital resources and insure locally created economic growth. They finance the construction of dams, factories, education, and health facilities, and the import from the United States of the raw materials needed to fuel industrial and agricultural development.

The Alliance for Progress also is authorized for 2 years at the figure of \$337,500,000 per annum. This will be used to make dollar repayable loans in Latin America.

In the same area, \$500,000 is authorized for assistance solely for Mexico to further a joint effort to shut off the illegal drug traffic.

Included in the bill is an authorization of up to \$40,000,000 for the U.S. share in

the cost of construction of a prototype water treatment and desalting plant in Israel. The U.S. cost is to be 50 percent or \$40,000,000, whichever is less. This particular project was not a part of the administration's request and is not in the budget.

The bill establishes the Overseas Private Investment Corporation as a U.S. agency under the Secretary of State. Its purpose is to promote and support the participation of American private enterprise in providing resources and talents to help the economic and social development of underdeveloped countries. It will complement, not compete with, the efforts of AID. The bill authorizes up to \$20,000,000 as working capital for the Corporation in each of fiscal 1970 and 1971. These funds will be derived from payments of principal and interest on AID loans. An 11-member Board of Directors will direct the activities of the Corporation and direct the staff. The chairman will be the Director of AID, ex officio. Six members, appointed by the President and confirmed by the Senate, will be from outside the Government. The remaining directors shall come from Government agencies involved in overseas investment and development, and shall be designated by the President.

The Corporation may not expend more than 10 percent of its available funds on any one investment or in support of any one investor. Beyond that it will serve primarily as an insurer of U.S. private industry in its development projects. It will insure or guarantee investments abroad on worthwhile projects and will be authorized to insure U.S. companies which participate in multinational projects as well as single company or national projects.

Supporting assistance is authorized in the amount of \$414,600,000 for fiscal 1970. All funds will be used in seven countries: Vietnam, Korea, Laos, Thailand, Dominican Republic, Haiti, and Nigeria. Ninety-three percent is earmarked for Vietnam, Laos, and Thailand. Such assistance is available to countries where the United States has immediate foreign policy interests. Its primary function is to increase a country's ability to defend itself against Communist expansion and to maintain economic and political stability.

Contingent fund authorizations for fiscal 1970 total \$15,000,000. The committee believes this to be sufficient, noting that a little less than \$14,000,000 was obligated in fiscal 1969.

Military assistance authorizations are also contained in the bill, totaling \$350,000,000 for fiscal 1970. Ninety percent of these funds will be spent in four countries: Greece, Turkey, Republic of China, and Republic of Korea to improve their defensive capabilities. Additional funds are authorized for Korea, totaling \$50,000,000 in each of fiscal 1970 and 1971, to improve its ability to repulse the increasing attacks across the truce line by the Communists.

Finally, the bill creates the Inter-American Social Development Institute. Its function is to give new direction and emphasis to U.S. assistance efforts in

Latin America. It will be funded by the transfer of up to \$50,000,000 of existing appropriated funds under the Foreign Assistance Act. It is to be a semiprivate organization working primarily on a people-to-people basis rather than through governments to improve the social and civic life in Latin America. Some 800 nonprofit organizations in the United States are now involved in this endeavor. The Institute will coordinate their actions and try to insure maximum benefits from their efforts.

Mr. Speaker, I would like to call the Members attention to the nine points in the minority report.

First. The program funded by this bill is only one part of our total foreign aid operations. More than a score of other laws authorize programs to funnel U.S. resources abroad. They vary in size, shape, and objectives but are uniform in that they all draw on the taxpayers of this country. For the next fiscal year they will shell out more than \$10 billion for the hydra-headed monster called foreign assistance.

Second. Almost \$19 billion remains in the pipeline from previous years appropriations for all these programs.

Third. Since 1946 we have sent abroad in one form or another \$122 billion. The net interest on what we have borrowed to give this sum away adds another \$60 billion.

Fourth. The public debt of the United States stands at more than \$360 billion. Interest alone on that debt is more than \$18 billion.

Fifth. Interest on Federal borrowing is now more than 7 percent. Compare this with the rate at which loans are now made under foreign assistance—2 percent for the first 10 years and 3 percent for the next 30 years.

Sixth. Federal taxes are at their highest level to say nothing of State and local taxes. We hear with increasing frequency of a taxpayers' revolt. If the taxpayers knew the full story of the extravagance and waste in this program, the threat would be even more real.

Seventh. With the increased unsettled conditions abroad, how much longer can defenders of this program argue that it is in our national interest; that it will promote security and development? Many of the recipients of our largesse are destroying their resources and themselves at a rate faster than we can try to save them.

Eighth. Three countries that have been receiving and will continue to receive funds under this bill—Thailand, Korea, and Taiwan—are now lending money to the United States at 6 percent interest.

Ninth. Last year Congress appropriated \$1.7 billion for this program, a reduction from the Executive asking price of \$2.9 billion. Can anyone point to any damage or disaster that resulted from this reduction? This year the asking price was \$2.6 billion. The committee has reported out \$2.1 billion. Clearly the House has an opportunity to do what the committee should have done—reduce the bill below last year's appropriation. Only then can it boast that it has made a reduction.

Mr. Speaker, I want to commend these

three gentlemen who signed the minority views for this very factual information, so that the Members of this House could have these facts before them today.

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

Mr. LATTI. I am happy to yield to the gentleman from New Jersey.

Mr. GALLAGHER. Just for the purpose of the record, since the chairman is not here, the gentleman said perhaps the bill should have been brought up at a considerably earlier date, and indicated that there was some footdragging involved.

The President's message did not come to the committee before May 2, and in the form of a bill before June 9. The committee met continuously on hearings, and finished hearings before the recess, in giving the matter a thorough review. The committee then sat marking up the bill all during that period of time and finished the markup of the bill on November 6.

With the short delay of the Rules Committee and the Armistice Day holiday it appears that there was no earlier date available. I thought we should include that in the RECORD, in the absence of the chairman, who himself sat through every minute of the long hearings and markup. Were Chairman MORGAN not in Bethesda Hospital I am sure he would make this reply for the RECORD.

Mr. LATTI. I should like to say, after this bill was reported from the committee there was ample time for it to be brought to the Rules Committee for consideration prior to the time it was. I believe the testimony before the Rules Committee will substantiate this.

Mr. Speaker, I am happy to yield 3 minutes to the gentleman from Washington (Mr. PELLY).

Mr. PELLY. Mr. Speaker, in the past I have actively supported legislative restrictions and trade sanctions against foreign nations who assert sovereignty to coastal zones which the United States does not recognize and countries that have seized and fined American fishermen and fishing vessels. I have especially denounced such nations for their unwillingness to agree to arbitration, mediation or settlement of our disputes by the world court.

As such, Mr. Speaker, I have long intended to tighten such restrictions and, for example, to introduce an amendment to the Foreign Assistance Act which this rule will make in order to cut off all funds of any nature to any such offending countries.

However, I have no intention of offering any such amendment today. On the contrary, I feel there is urgent reason at this time not to take any action to provoke enmity. This feeling on my part is due to the fact that cordial discussions were held recently with certain Latin American countries with whom our differences have been particularly acrimonious; namely, Peru, Chile, and Ecuador.

Furthermore, I am informed that after consultations with their respective governments and with each other, the delegates of these countries will meet with us again in the near future.

So I propose no amendment but rather

rise in support of policies as outlined by President Nixon.

In this connection, I am mindful of the fact that we are not popular in Latin America although our intentions have been good.

So I hope that the cause of friction will disappear and I believe indeed if the fishery dispute is settled it will pave the way for restored good will and adjustment of other disputes.

Mr. Speaker, of course I reserve the right later on to act in the interest of the American people and to support increased sanctions if necessary in the event there are continued seizures of American fishing vessels and if our talks fail and we get no response to our overtures.

On the other hand, as I said earlier I am in general support of some change in our Government's policy and in particular President Nixon's program for the reduction of nontariff barriers to trade by all industrialized countries against products of Latin America. Also, for support of increased technical and financial assistance to promote Latin American trade expansion; and for tariff preferences where needed.

Mr. Speaker, the settlement of fishery problems and the end of arbitrary action could indeed lead the way to renewed friendship and mutual confidence and respect.

Therefore, Mr. Speaker, I am not taking any provocative action today and support restoration of good neighbor relations.

Mr. LATTI. Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky (Mr. CARTER).

Mr. CARTER. Mr. Speaker, since 1946 our country has been engaged in giving aid and assistance to countries throughout the world. There is no doubt but that aid under the Marshall plan was extremely successful and did save Western Europe from communism. It is my feeling that few of us, if any, have anything but praise for the Marshall plan which restored the productivity of the countries affected. However, foreign aid has continued now for 23 years. The policy of each year granting and loaning to countries throughout the world large amounts of money has not been reflected in economic development in the various countries. Neither has it been the basis of strong friendship which should exist between those who needed help and those who give it. As has been said previously, "loan often loses both itself and friend." Of this there can be no question.

One of the most startling examples of the misuse of foreign aid is in the case of Haiti. This country expropriated oil properties of the United States. The United States has recognized over the years the right of a foreign country to expropriate property of U.S. nationals if an equitable settlement is made. In this case, Haiti did not make such a settlement. The Government of Haiti canceled a concession agreement in which Valentine Petroleum & Chemical Corp., of the United States had investments covered by aid investment guaranties. A board of arbitration subsequently found that expropriation had occurred and awarded compensation from AID to the said oil

company. That is, the Agency for International Development paid for a foreign expropriation of American property. In checking the total amount we have loaned Haiti since 1946, the amount is \$33.9 million. The amount in actual grants or gifts is \$81.8 million. It is a well-known fact that Dr. Francois said Franswa DuValier is known in many circles as "Papa Doc." He is the blood-thirsty tyrant who rules this country with a mailed fist. There is little doubt but that the aid from this country has kept this criminal in power over the thousands of people in Haiti. The purpose of the program should be to help the people and not to keep dictators in power. I strongly urge that aid to Haiti be discontinued.

On October 9, 1968, General Velasco, the dictator of Peru, confiscated International Petroleum Co., a Canadian subsidiary of Standard Oil of New Jersey. This again is not inconsistent with the policies of the United States if an equitable settlement is made. However, this settlement has not been arrived at and we continue to finance this regime. Since 1946 we have given—loaned—this country \$46.7 million and we have given in outright grants \$270.1 million. At the same time, Peruvians over the years have seized our tuna boats, our fishing vessels, even though they were far beyond the 12-mile limit recognized by the majority of the countries in the world. Again, we are financing a country which has no respect for the United States.

It is my feeling that if the American taxpayer knows that his money is being given and loaned to people who capture our fishing vessels, who expropriate our properties without payment and who riot when our emissaries visit their countries he will be unwilling to give 1 cent.

In the case of Ceylon which expropriated oil properties owned by Esso and Caltex, and as far as I can determine, no settlement has ever been made, we have loaned this small country \$60 million since 1946 with a repayment of only \$4.9 million and we have given grants to these people totalling \$76.4 million. If Ceylon is necessary to the defense of the United States, I know not how. I feel that the taxpayers of America are unwilling to burden themselves further with payment to this small island country.

Guatemala, which in 1953 expropriated 234,000 acres of land owned by the United Fruit Co., has received largess from the United States to the extent of \$77.8 million in loans and \$172.1 million in outright grants.

Brazil, in 1959, expropriated American and Foreign Power Co., and in 1962 expropriated a subsidiary of International Telephone & Telegraph Co. However, in this case, a supposedly satisfactory settlement was reached pending final evaluation by the courts in Brazil. Brazil has received the lion's share of aid to Central and South American countries. Our loans to that country total \$2.9 billion. Our outright gifts and grants amount to \$801.4 million.

Bolivia, which recently expropriated a subsidiary of Gulf Oil, has received \$205.8 million in loans and \$307.3 million in grants. In 1968, alone, she received in

grants \$9.5 million. When Governor Rockefeller of New York visited South America as an Emissary of the present administration, violent riots broke out in practically every country in South America.

And, Argentina, another recipient of "Uncle Sugar's" money, stores built by Americans for assistance to the people of Argentina were sacked and burned. At no time was this distinguished gentleman safe. The billions of dollars which we have showered upon the countries of South America have produced enmity—not friendship. It seems the best way we can incur the enmity of a foreign country is to start loaning or granting money. In a recent paper, as I recall, it was the "A Bolivian Big Wig" who stated that the United States should provide \$40 billion for future development of South America. To my way of thinking, the best way of helping South America would be to offer aid for family planning for birth control. It is the fastest growing country in the world. Overpopulation begets war and unrest. If we give aid, let it be given in this manner. I submit that the Foreign Aid Policy during the past 15 years has not only been an abysmal failure, it has kept in power dictatorial potentates and has not served the common people of the areas for which it is intended. To say something is wrong with the Foreign Aid Program is putting it mildly. It is difficult to find anything which is right. Therefore, Mr. Speaker, I urge this body to speak for the average taxpayer of the United States and vote against this abominable bill.

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

Mr. POLLOCK. Mr. Speaker, I rise in opposition to H.R. 14580, the Foreign Assistance Act of 1969. While I am not opposed to foreign aid per se, I feel that several of the expenditures authorized in H.R. 14580 are extremely ill-advised; other appropriations, though made to worthwhile projects, are simply too large.

Several factors have led me to conclude that this distinguished body should not pass H.R. 14580 in its present form. First and foremost, foreign aid appropriations totaling almost \$19 billion remain in the pipeline from previous years. Moreover, at a time when Federal, State, and local taxes are higher than ever before, the Committee on Foreign Affairs recommends \$2.1 billion, which is a substantial increase over last year's congressional appropriation of \$1.7 billion.

Every American family must live within its budget, and every American business lives with the hard reality that expenses cannot be permitted to exceed profits. The Federal Government should do no less in matters relating to fiscal responsibility. Given the financial situation confronting the Federal Government at the present time, it is simply poor economics to continue to appropriate vast sums of money for foreign aid, at least under the current system of laws and regulations. The true state of our financial affairs can be easily ascertained by looking at some indicative statistics. Thus, for example, the present public

debt of the United States is \$360 billion. The interest alone on this huge indebtedness is \$18 billion. In the area of foreign aid, we have sent abroad \$122 billion—122 thousand million dollars—since 1946. The net interest on what the Federal Government has borrowed in order to appropriate this sum stands at \$60 billion. Although the interest rate on Federal borrowing is now more than 7 percent, loans made under our foreign assistance program yield only 2 percent for the first 10 years and 3 percent for the next 30 years.

This bleak financial picture could, perhaps, be tolerated if our present foreign aid scheme truly served to promote world peace and our national security. However, the conclusion is inescapable that many of our foreign aid programs have completely failed to accomplish these noble goals. Thus, with our foreign aid expenditures, we continue to support dictatorships in Haiti and elsewhere. In addition, we go on appropriating funds year after year to international monetary organizations over which we have absolutely no control. As a result, moneys derived from American taxpayers often end up in the treasuries of governments which have national objectives that are inimical to our own goals and aspirations. Of special concern to me, as the House Member from the great fishing and maritime State of Alaska, is the fact that we continue to allocate funds to the Governments of Ecuador and Peru, both of which have unlawfully seized American fishing vessels in international waters. Another graphic illustration of the inadequacy of our present foreign aid program is that three countries—Thailand, Korea, and Taiwan, all of which will keep on receiving funds under H.R. 14580—are currently lending money back to the United States at 6 percent interest.

Mr. Speaker, as I stated earlier, I am not altogether opposed to foreign aid. Thus, if it were not for the \$19 billion which remains in the fiscal pipeline from the appropriations of previous years, I could support a bill which would reduce the total level of foreign aid expenditures, while completely eliminating allocations to some governments and projects. However, I am unalterably opposed to the version of the Foreign Assistance Act which is before us today. Since the stellar successes of the Marshall plan, our foreign aid programs have steadily deteriorated. Yet, we continue to spend billions without substantially improving our national security or accelerating the economic and social development of the countries which receive our aid. Given these bleak realities, I respectfully urge this distinguished body to vote against the Foreign Assistance Act of 1969 so that our foreign aid expenditures can be brought into line with the true facts of our economic situation and our international commitments.

Mr. BOLLING. 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. ZABLOCKI. 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. 14580) to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic, economic, social, and political institutions, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin.

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. 14580, with Mr. PRICE of Illinois in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from Wisconsin (Mr. ZABLOCKI) will be recognized for 1½ hours, and the gentleman from Indiana (Mr. ADAIR) will be recognized for 1½ hours. The Chair recognizes the gentleman from Wisconsin.

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

Mr. MORGAN. Mr. Chairman, we have before us today H.R. 14580, the foreign assistance authorization bill. It authorizes appropriations of \$2,189,400,000 for fiscal year 1970, and for three programs—technical assistance, development loans, and the Alliance for Progress—the amounts for fiscal 1970 are also authorized for fiscal year 1971.

The Executive request was for \$2,630,400,000. The committee cut it by about 17 percent.

The committee began hearings on the foreign assistance authorization on June 9, 1969, one week after we received from the Executive a draft of the proposed legislation. The committee has been working on the bill ever since.

We have been fully aware of the realities of the situation we face. We had to recognize that the Congress last year voted only a little over half the money requested by the President.

We knew that the new administration needed time not only to analyze and review the foreign assistance program, but to restudy our entire foreign policy, because, after all, foreign aid exists to implement U.S. foreign policy.

At the same time, we were confronted with the fact that our military operations in Vietnam are dependent on funds to support the economy of that country. The Executive requested \$415 million for this purpose.

We could not escape the fact that Korea, Turkey, and China are maintaining much larger armed forces than their economies can support. They need military assistance to keep the equipment of these forces in a state of readiness, and, except for China, they need economic aid to enable their economies to stand the strain.

Neither could we avoid the fact that some 60 less developed countries in Latin America, Asia, and Africa are depending

on the United States to support their efforts to develop their resources and improve the living conditions of their people.

Maybe these poorer countries have become too dependent on us; maybe we have intervened too aggressively in trying to help them solve their problems.

We know, however, that if we suspend our foreign aid or terminate it, the impact on these countries would be very serious. Their governments and their people are firmly convinced that without outside assistance, they cannot, in the foreseeable future, make the progress which they are counting on.

If they feel that the United States is abandoning them, it will be bad not only for them, but for us.

The more the committee went into the details of the problems which we face and the need for funds, the more convinced we became that we needed to keep the program going and to make adequate financing available.

The President has appointed a task force, made up of very distinguished citizens, none of whom has been identified with the foreign aid program, to review the entire situation and report next spring. I do not believe, however, that we can afford to mark time until the task force completes its work and submits its recommendations.

The United States is confronted with problems all over the world, many of them serious and some acute. These problems will not wait until the Peterson task force completes its work.

The committee has done a careful job in dealing with a complex situation. I believe the bill we have reported is realistic and reasonable considering the problems that confront us.

It deserves the most careful evaluation by the House. I feel confident that in its deliberations the House will find that the recommendations of the committee have merit.

Mr. ZABLOCKI. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, today we have before us H.R. 14580, the Foreign Assistance Act of 1969.

The route by which this bill has come has been a long and difficult one. In fact, it would not be here today were it not for the untiring and skillful efforts of the chairman of the Foreign Affairs Committee, the gentleman from Pennsylvania, the Honorable THOMAS E. MORGAN.

As you know, Chairman MORGAN was injured in a fall last weekend and presently is a patient in Bethesda Naval Hospital. Although on the mend, he is unable to lead the fight for foreign aid as he has done so ably on many previous occasions.

I have been in touch with him several times in the past several days since his accident, and he has asked me to tell all of the Members that he stands very firmly behind this bill, although he cannot be here in person to express his convictions.

I know that it must be a particular disappointment for Mr. MORGAN not to be here as we consider the Foreign Assistance Act of 1969. We are hopeful, however, that Chairman MORGAN will be with us tomorrow.

Circumstances made this a particularly difficult bill to shape—and, as a result, this is the latest date in memory that the bill has been brought to the floor.

The new administration, rightfully seeking to give its own imprint to the program, did not send over draft legislation until June 2. It was the latest date on which that had occurred.

The House Foreign Affairs Committee began hearings on June 9 and continued through August 1. The committee met in executive sessions during August, September, and October to mark up the bill.

I might note that we went over the bill line by line and that very many hours were spent in perfecting and strengthening the legislation.

The bill which is before us today is the result of those labors.

The bill authorizes an appropriation of \$2,189 million. This is \$441 million less than the amount requested by the executive branch. And it compares roughly with last year's authorization of \$1,974 million.

#### USES OF AID

I ask the Members of this body to give the most careful consideration to the use to which foreign aid funds are to be put. Each of us also should consider the consequences to our country if we discontinue or cripple the program.

It is much easier to attack foreign aid as an idea than to attack the specific programs for which the money is being spent.

If one believes foreign aid as giving away the taxpayers' money to inefficient and unappreciative foreigners, it does not make a whole lot of sense.

On the other hand, if we consider the need for maintaining U.S. military installations; the need for assisting in equipping the Allied armed forces; if we think about what would happen if we cut off our efforts in aiding underdeveloped countries to help themselves and to achieve some semblance of stability and security in the world, then Foreign Aid does make sense.

#### DEVELOPMENT LOANS

Mr. Chairman, I would now like to discuss the various authorizations, included in the bill before us.

The largest amount of money in the bill is for development loans—\$475,500,000. This is a cut of \$200 million below the Executive request.

The same amount is authorized for fiscal year 1971.

Development loans are repayable in dollars for both principal and interest.

Since foreign aid began in 1948, the United States has made development loans in the amount of \$7.3 billion and has collected \$1.1 billion in principal and interest. These loans are for as long as 30 years, and frequently there is a 10-year grace period before payments of principal and the full rate of interest, 3 percent, begin. Interest is 2 percent during the grace period.

Development loans have been programmed for 16 countries for fiscal year 1970. The biggest are: India—\$385 million; Pakistan—\$140 million; Indonesia—\$60 million; Turkey—\$50 million; Korea—\$30 million.

Development loans are provided only to countries where prospects for development are favorable and which have demonstrated progress toward development.

#### TECHNICAL ASSISTANCE

The bill authorizes \$422,620,000 for fiscal year 1970 and the same amount for fiscal year 1971. The Executive request was \$463,120,000 for fiscal year 1970. The committee cut it by \$40,500,000. The comparable appropriation for last year was \$337,600,000.

The authorization this year combines all the technical assistance authorizations in one place, and the Agency for International Development has reorganized its technical assistance operations to concentrate authority and improve the direction of the program.

The overall figure includes \$200 million for the familiar point 4 type of operation. A large part of this work is done by U.S. universities. Last year, 114 American universities held 293 contracts to provide technical assistance in many parts of the world.

The United Nations specialized agencies carry on a very large technical assistance operation. The United States makes voluntary contributions to these programs which have always been financed under the foreign aid bill.

The financing of the budgets of the United Nations and its specialized agencies are included in the State Department appropriation and are not involved in this bill.

U.S. contributions for United Nations technical assistance—\$122,620,000—are included in the overall authorization for technical assistance in this bill. This is shown on page 11 of the committee report.

In previous years, there was a specific authorization for voluntary contributions to the United Nations agencies, which included both technical assistance and peacekeeping operations, and the funds for Arab refugees. In this bill, the United Nations force in Cyprus and the Arab refugees—UNWRA—are to be financed with supporting assistance funds.

In this bill, funds for technical assistance to the Alliance for Progress—\$100 million—are also included in the total technical assistance figure.

#### ALLIANCE FOR PROGRESS LOANS

The bill authorizes \$337,500,000 for Alliance for Progress loans for fiscal year 1971. The Executive request was for \$437,500,000 for fiscal year 1970. We cut it by \$100,000,000.

The appropriation last year was \$255 million.

These loans are repayable in dollars for both principal and interest.

Loans have been scheduled for 16 Latin American countries. The largest amount, \$174 million, was planned for Brazil, \$91 million for Colombia, and \$75 million for Chile. These plans will have to be changed as a result of the \$100 million cut.

There have been unfavorable developments in Latin America. No loans have been programmed for Peru, and it may be necessary to cut off aid to some other countries.

The majority of the countries of Latin America appear to be friendly and co-

operative, however. Several countries are making real progress. The committee does not believe that it is in our interest to cut off or drastically reduce aid to our friends who are depending on us because a few governments have turned in the wrong direction.

#### DESALTING PLANT

The bill in section 209 authorizes an appropriation of not to exceed \$40 million, to be made available as needed over a 5-year period, to develop and construct a prototype large-scale desalting plant in Israel. The cost to the United States is limited to 50 percent of the total capital cost or \$40 million, whichever is less.

Israel needs the water, and this plant should do a lot for Israel.

It should also do a lot for the people of the United States and of the world generally. The proposed plant is to be several times larger than any desalting plant in the world.

A capacity of 40 million gallons per day is planned. The largest plant now in existence handles 7.5 million gallons, and one for 20 million gallons daily is under construction.

It is expected that an operation on this scale will bring down the cost of desalination substantially below current levels.

The Foreign Affairs Committee does not have much technical expertise in matters relating to desalination.

On page 21 of the committee report Members can note, however, that the Interior and Insular Affairs Committee has said that the development of foreign desalting projects should be accomplished under the foreign aid program.

The Committee on Foreign Affairs held hearings on this project. The testimony appears on pages 1385-1414 of the printed hearings on the Foreign Assistance Act of 1969.

Two of the engineers—Mr. Philip Sporn, for many years president of the American Electric Power Co., and Dr. Abel Wolman, professor emeritus of sanitary engineering at Johns Hopkins, both of whom have worldwide reputations in this field—analyzed the project and gave it their strong endorsement.

#### SUPPORTING ASSISTANCE

The bill authorizes \$414,600,000 for supporting assistance. This is a reduction of \$100 million below the Executive request. The appropriation last year was \$365 million.

The bill as printed is in error where, on page 61, line 18, it shows a 2-year authorization for supporting assistance. I will propose a correcting amendment on the floor, even though I personally hope it will not carry.

Supporting assistance is economic aid, but it is related primarily to the advantage the United States gets from giving assistance rather than the benefit the recipient country derives from our help.

Supporting assistance is provided to countries which maintain military forces larger than their economies can support, to countries who grant us base rights, to countries where it is in our interest to promote stability.

Only seven countries have been programmed to receive supporting assistance.

Vietnam was scheduled to get 73 percent of the money requested, and 93 percent was for three countries directly connected with the war in Vietnam—Vietnam, Laos, and Thailand.

The countries programmed for supporting assistance are as follows:

	1970	1969
Vietnam -----	415,000,000	305,000,000
Laos -----	36,260,000	40,990,000
Thailand -----	35,000,000	26,300,000
Korea -----	15,000,000	21,700,000
Nigeria -----	20,000,000	21,463,000
Haiti -----	1,500,000	1,796,000
Dominican Republic -----	300,000	355,000

The money for Haiti is for malaria control, which benefits neighboring countries as well as the people of Haiti.

#### CONTINGENCY FUND

The bill authorizes \$15 million for the contingency fund for fiscal year 1970. The Executive request was \$40 million. The appropriation last year was \$5 million.

Funds obligated under the contingency fund authority last year amounted to \$13,871,000 derived from previous years' appropriations in addition to the \$5 million for fiscal year 1969.

The contingency fund is intended not only to take care of unforeseen developments, but also to deal with situations where we expect U.S. aid to be needed but where there is no reasonable way of estimating the amount.

The Congress several years ago put a stop to using up money in the contingency fund not required for contingencies to finance other foreign assistance projects. As a result, the Executive has no incentive to pad the contingency fund request.

It is primarily a matter of judgment as to how much may be needed. The Committee felt that a little more than last year's requirement ought to be enough. We may be wrong.

#### MILITARY ASSISTANCE

Now Mr. Chairman, I would like to turn to the subject of military assistance.

The bill authorizes \$350 million for military assistance, worldwide, including funds for Spain to take care of the agreement for our use of Spanish bases.

In addition, the bill authorizes an appropriation of \$50 million for military assistance for Korea.

The Executive request was for \$425 million, including Spain but exclusive of the special authorization for Korea.

The committee cut the Executive request by \$75 million, but added \$50 million for Korea.

Almost 90 percent of the Executive request was for four countries: Korea, the Republic of China (Formosa), Turkey, and Greece.

There are 48 countries included in the 1970 military assistance program. Of these, 24 receive training only. Only 22 receive military hardware.

Military assistance for Latin America is planned for 16 countries. Only 11 receive military hardware and 10 of the 16 countries are programmed for less than \$1 million each.

Many people do not realize that our NATO allies in Western Europe—not Greece or Turkey—received \$12.3 billion

of grant military aid between 1950 and 1967, and that since 1962 these same countries have bought \$6.2 billion of U.S. military equipment with their own money. They are no longer getting military assistance from the United States.

TRANSFER OF FEDERAL EMPLOYEES TO INTERNATIONAL ORGANIZATIONS

Mr. Chairman, now I would like to turn to nontechnical provisions of the bill.

Section 7 of the bill, pages 79-83, amends title 5 of the United States Code in order to encourage Federal employees to accept assignments to serve with international organizations.

The problem which presently confronts the United States on this score is clearly stated in a communication from the General Accounting Office, which says, in part:

In our work we have become increasingly concerned that the United States frequently has been unable to find qualified prospects, to serve in these international organizations. In many instances, the staff of an international organization may be comprised of, say, 5 percent Americans and 95 percent from other countries when the United States is carrying 30 to 40 percent or more of the financial load.

The bill authorizes, in the case of a Federal employee who transfers to an international organization where the monetary benefits are less than he would receive if he stayed in his regular job, the payment to him, after his reemployment in his old job, of an amount equal to the difference between the pay, allowances, and other benefits he received from the international organization and the amount he would have received had he remained in his Federal job.

The bill also authorizes the employee to continue to participate in the Federal employee's group life insurance program during his transfer to an international organization and authorizes his employing agency to continue to make "employer" contributions to his insurance and retirement programs.

The bill further authorizes an increase in the maximum period for which a Federal employee may be transferred to an international organization from 3 to 5 years and, in special circumstances, to extend the period for up to 3 additional years.

Many projects and assignments of international organizations involve appointments of 5 years or longer to senior positions. The Congress is considering a private bill to permit an employee of the Department of Commerce to serve for 6 years as Director of the International Radio Consultative Committee of the International Telecommunication Union. This is a position of great importance to the United States.

THE PRIVATE SECTOR

In many respects, the bill this year is not very different from the existing foreign aid legislation. In others, however, it is. And it makes some important changes which our committee regards as improvements in the program.

The most significant of those changes is the new emphasis on private involvement in foreign aid.

In this regard, the bill proposes three important changes which are designed to promote private investment in development, and to support the efforts of American private, nonprofit organizations which are working abroad in the economic and social development fields.

The first of these is the creation of the Overseas Private Investment Corp. which would manage our existing business investment guaranty activities and buttress them with a modest amount of supporting capital.

I want to note here that I have had some personal reservations about this proposal. These are explained in the supplemental views which I attached to the committee's report on the bill before us. In essence, I believe that the Overseas Private Investment Corp., as proposed in the bill, is topheavy with supergrades. This is its major weakness which I would personally like to see corrected.

The second innovation in the bill is the extension of the guaranty program to foreign capital invested in small community development projects. This proposal originated with our distinguished colleagues, Congressman JOHN MOSS of California, and Congressman OGDEN REID of New York, and was approved by the Committee on Foreign Affairs.

The bill authorizes the United States to make partial guaranty of loans made by Latin American banks, credit institutions, cooperatives, and other lending organizations to organized groups and individuals for local agricultural credit and community development projects. These would be such things as wells, pumps, farm machinery, fertilizer, sanitation facilities vocational training, and similar projects.

A maximum of \$15 million of such guaranties can be outstanding, and they can be made in not more than five Latin American countries.

The United States will guarantee not more than 25 percent of the portfolio of such loans for any lender and not more than 75 percent of any one loan.

No more than 10 percent of the ceiling can go to any one institution.

Loans will not be made by the United States. They will be made and administered by local banks.

This is a 3-year pilot program designed to meet a problem which arises from the fact that banks and other lending institutions in Latin American countries have never gone in for making loans to small farmers or for community projects. These lenders normally make loans to larger borrowers.

The hope is that they will try to develop this new type of lending for community development purposes if they do not have to bear the entire risk.

No one knows whether this idea will work. The United States is not going to make any loans.

If the lenders are interested in this program, it ought to do some good; otherwise it will fail.

The idea is to try it out on a pilot basis without putting much money into it until it has been tested.

INTER-AMERICAN SOCIAL DEVELOPMENT INSTITUTES

The third major change in the bill involves the proposal to establish the Inter-American Social Development Institute in order to provide more effective support for long-term social development activities in Latin America. This Institute would also work through the private sector, endeavoring to multiply its input into development.

Its function will not be to take over work now being done by the Agency for International Development or other organizations in Latin America, but to put more emphasis on programs for increasing popular participation in economic and social development, and for building democratic institutions.

Certain programs now being operated by AID may be transferred to the Institute, including promotion of cooperatives, credit unions, savings and loan associations and the like.

The Institute will also try to eliminate bottlenecks retarding progress in education, agriculture, health, and housing.

The Institute is to operate through private rather than governmental channels on an institution-to-institution and people-to-people level.

The staff of the Institute cannot exceed 100.

No additional funds are authorized for the Institute but fiscal year 1970 AID funds, not to exceed \$50 million, are to be transferred to this Institute, and remain available until expended.

This last provision is very important to allow the institute to become organized properly and to concentrate on quality undertakings instead of on the quantity of money it should spend by a given date.

An authorization to appropriate such funds as may be necessary in future years is also provided.

The institute will be governed by a board of directors of seven, four to be appointed from private life and three from Government personnel concerned with inter-American affairs.

Members of the board serve without compensation but shall be reimbursed for actual and necessary expenses not in excess of \$50 per day, and for transportation.

Mr. Chairman, the three innovations which I have just described impart a new thrust to our foreign assistance program.

In our committee's view, these three changes are necessary and desirable. An overwhelming majority of the committee has supported them on a thoroughly bipartisan basis.

AID "PIPELINE"

Now if I might turn to a specific criticism of the aid bill which is often made by opponents. They charge that there are huge unexpended sums in the "pipeline" which can be used to fund future programs.

This is plainly not the case.

The commitment or use of funds for economic assistance is accomplished for the most part by the signing of an agreement between the United States and the recipient government. These agreements are binding documents and meet all legislative criteria for obligation of U.S.

funds. These could be loan agreements or project grant agreements for major capital projects, agreements to train some people in the United States or to furnish a U.S. technician as an adviser to a particular ministry, or agreements to finance the export of U.S. commodities to the recipient country. In all of these instances, the U.S. Government has entered into legal binding commitments with other governments.

Roughly one-third of the total pipeline as of June 30, 1969—about \$1.2 million out of \$3.6 billion—represented agreements to finance services or commodities on a grant basis. For most of these amounts additional steps in implementing process has been taken, that is, contracts signed for services; purchase orders signed for commodities; and personnel hired and moved overseas.

The remaining two-thirds of the AID pipeline was committed for specific loans. Loans must be funded in advance, and it usually takes a number of years before project construction is completed or all commodities are delivered.

For example, when AID lends a country \$10 million to buy American equipment for a power project, part of this \$10 million will show up in the AID pipeline for several years, until the last generator or transformer has been delivered and final payment made to the American manufacturer.

In the same way, funds committed for an AID program loan remain in the pipeline until agreed self-help measures are taken by recipient governments, letters of credit or import licenses issued for goods to be imported, bids let, and the goods shipped and delivered.

AID continuously reviews funds in the pipeline to make sure that all the funds committed to particular activities are in fact necessary for successful completion. Each year a small amount of pipeline funds are deobligated as a result of this review. AID's estimates of these deobligations are used to reduce requests for new appropriations. For fiscal year 1970, AID estimates that deobligations on prior year commitments will total \$178 million, which can then be used to meet specific program needs. The rest are needed for the purposes to which they are committed.

In short, AID cannot "live off the pipeline." New funds are necessary to avoid gaps in disbursement and, equally important, reduced ability to carry out essential self-help measures and loss of program momentum for development in the recipient countries.

#### CONCLUSION

Mr. Chairman, after 6 months of careful, deliberate, at times even agonizing review, the Committee on Foreign Affairs slashed the authorization contained in this bill by nearly \$441 million.

We did not do it because the Executive request was excessive, or the program unsound. On the contrary, I firmly believe that the full amount requested represented a realistic appraisal of what needs to be done if we are going to make any significant progress in staving off disasters—military, political, as well as economic and social—in the years to come.

Nevertheless, we cut the program to the lowest level ever reported by our committee. And we did it strictly on the basis of our domestic priorities, realizing that in this time of turmoil and far-reaching change at home, we must deal first with the problems closest to us.

We cannot, however, ignore what is happening outside our shores. For no man, and no nation, is "an island unto itself." And the future of this country, the realization of the American dream, are as much dependent in the long run on what happens at home as on developments in the larger world society of which we are part.

I believe that it would be risky to cut this program even more, or to suspend it entirely as suggested by some people. Either course could lead to consequences which we would all regret, and which could be very expensive to remedy.

For these reasons, Mr. Chairman, our committee recommends that the authorization for the foreign assistance program for fiscal year 1970 be approved in the form reported in the bill before us.

Mr. ADAIR. Mr. Chairman, I yield 15 minutes to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Chairman, we have all rejoiced at the news today about a second landing which has been made on the moon. The achievements of our intrepid astronauts are a cause of deep and lasting satisfaction to us all. Such news obviously overshadows the mundane work of Congress even when it considers a program of real importance such as foreign aid.

Mr. Chairman, my task today is to speak briefly about foreign aid. The gentleman from Wisconsin has already given a comprehensive picture of what this bill provides. Let me say at the outset I regret very much our distinguished chairman is not here, because his leadership has been of great value to the committee. I regret the aspersions cast upon the committee and I think on the chairman a few minutes ago during debate on the rule. There has been no foot-dragging in our committee and certainly it was not the chairman's accident which delayed bringing this bill to the floor.

A request was made of the Rules Committee the day after the report on the bill was available, and if anyone is to blame—and I am not suggesting anyone should be blamed—for a delay, it was because the Rules Committee was unable to find time to consider the application for a rule for 10 days after the Foreign Affairs Committee submitted a request.

Foreign aid unquestionably continues to be an important program, Mr. Chairman, criticized though it may be by some. I hope to address my remarks primarily to the newer Members of Congress. Most of us here have already taken a position on foreign aid in previous years. Our views are not likely to be changed, barring unforeseen major developments overseas—or perhaps some kind of new formula to justify our generosity to others less fortunate than we.

The newer Members, I am sure, need no detailed reminder that very real progress has been made in a number of developing nations. They know, too, of the importance of the assistance, military

and economic, which this country has provided. Take Taiwan, for instance. Its accomplishments have been phenomenal. The real income of its people has been doubled, literacy raised dramatically, diseases have been checked, and an economic boom generated which has led to solid self-generated development.

Iran and Israel are also success stories, though the shadow of war still hangs ominously over the Middle East. Korea, too, has made astonishing progress. A number of us visited Korea last March and saw for ourselves the vitality of its people and the strength of its economy. Our aid to Korea still continues because of the military threat posed along her borders, but the achievements of Korea are remarkable all the same.

Newer Members presumably know also, Mr. Chairman, that some major recipients of our aid have not yet reached the same rung on the achievement ladder. Nonetheless in many cases the prospects are good. In India and Pakistan, for example, much has been done to achieve self-sufficiency in food, and accelerating growth rates indicate that further progress is underway.

In other words, Mr. Chairman, there is solid evidence that the \$47 billion appropriated by this country for foreign economic assistance has paid dividends. True, in a world as diverse as ours, with the tough and manifold problems which many countries face, there have been some disappointments. Nonetheless we have seen results. How else can we account for the fact that this program has been carried on all these years, despite changes both in the executive branch and in Congress?

Mr. Chairman, President Nixon, in recommending the present program, underlined both the practical and moral reasons for foreign aid and its continuing importance. In his words:

U.S. assistance is essential to express and achieve our national goals in the international community—a world order of peace and justice.

In striving for a fresh approach the President stressed these points: First, enlistment of the energies of private enterprise for the purpose of economic development; second, a renewed emphasis on innovative technical assistance; third, greater reliance on multilateral aid; and, fourth, more emphasis on increased food production and family planning.

Let me quote further from the President's message:

There is a moral quality in this nation that will not permit us to close our eyes to the want in this world, or to remain indifferent when the freedom and security of others are in danger.

To my new colleagues especially I would stress what has been discussed here for many years; that is, that foreign aid can be explained in terms of our own self-interest.

To help maintain peace in the world is in our own self-interest.

To assist in the security of our allies is in our own self-interest.

The development of our less fortunate neighbor-nations is in our own self-in-

terest; when they become self-sufficient—as in Korea and the Republic of China—they become potential markets for our goods.

These, as the President says, are all good and practical reasons for our program.

The most original of the President's recommendations is the one dealing with the establishment of an Overseas Private Investment Corporation. Even opponents of foreign aid agree, I feel sure, that the burden of our international development program can and should be shifted increasingly from public to private resources.

The administration's proposal to set up a Corporation has as its basic objective stimulation of American businessmen in examining the possibility of profitable and productive enterprises in countries hungry for development.

The Corporation will be operated by men from private life who have business experience. I believe OPIC means business—a businesslike approach to foreign aid. After all, the profit motive was the prime mover in our own Nation's development. Why not use this profit motive in helping with the development of others?

The proposed Overseas Private Investment Corporation, with U.S. public policy interests well represented in its management, should give solid support to those private ventures which we consider most needed in the overall development process.

As the President has stated:

Each nation must fashion its own institutions to its own needs, but progress has been greatest where governments have encouraged private enterprise, released bureaucratic controls, stimulated competition and allowed maximum opportunity for individual initiative.

Some have expressed concern that OPIC will not have sufficient public control. However, under the proposed setup the AID administrator will be chairman of OPIC's Board of Directors and policy will be guided by the Secretary of State. Assistance will be rendered only to new projects which obtain host country approval. The Corporation will not be allowed to make loans to enterprises engaged in extractive operations. The operation of the Corporation will be subject to the Inspector General for Foreign Assistance, as well as the Auditor General in AID. Further, the Corporation will be subject to the Government Corporation Control Act.

Most importantly for Members of Congress, OPIC budgets for operations and administration will be subject to the congressional appropriations process, annual reports will be submitted to Congress and audits will be made by the General Accounting Office. The 2-year authorization of capital assures a return to Congress for any additional funds.

In short, OPIC complements the more traditional foreign assistance program. It provides not only capital, but an orderly and integrated movement of managerial and technical skills to the less developed nations.

Mr. Chairman, I should like to turn next to the provisions in this bill regarding development loans. They represent the biggest category, in terms of dollars,

of the various programs authorized by this bill. It is in this area that the Foreign Affairs Committee is recommending the largest dollar reduction from the President's recommendations.

The administration this year requested \$675.5 million for development loans. The committee has cut that figure by \$200 million, recommending only \$475.5 million. This a 30-percent reduction. But, some may say, this figure of \$475.5 million is still far more than appropriated last year; namely, \$300 million. Is that not a logical point of reference in what should be made available this year?

Perhaps such a look at last year's performance is inevitable, Mr. Chairman, but I submit that it is a poor way to judge what should be made available this year. Let us examine instead the reasons why Mr. Nixon is requesting more than twice as much for development loans as was actually made available last year.

Put quite simply, development loans are the primary means by which the United States encourages countries to take the self-help steps needed for their own economic development. These loans, repayable in dollars I might point out, finance American materials and technical services needed for the construction of schools and clinics, for the building of roads and to provide the spare parts needed for agricultural and industrial development.

In this connection, Mr. Chairman, I should like to point to the size of the cut in the development loan request for Latin America. A total of \$437.5 million for development loans was requested for the Alliance, but that figure was cut in committee by \$100 million, or 25 percent. In addition, some \$16 million was cut from the Alliance technical assistance request.

Why did the committee take this action, some may ask. Quite frankly, I know of no good reason. It was certainly not a result of careful scrutiny of the request. Presumably those who advocated such a very substantial cut in funds for our neighbors to the south were looking more at the \$255 million actually appropriated last year for Alliance development loans than to the justifications for this year's request.

A subcommittee of our Foreign Affairs Committee only recently declared, and I quote:

Concern for our national interest compels us to opt for (a renewal of) our commitment to the Alliance for Progress, and provide timely, effective support to the forces of peaceful, progressive change operating on the Latin American continent.

How can this sharp reduction be considered "timely, effective support?" If this reduction is sustained—and how can these funds be restored to the bill—how can it help but have the effect of exacerbating the frustrations in Latin America which already exist over the inadequacy of progress there? It would be even more inverse, in my opinion if still further cuts should be made.

The truth is, Mr. Chairman, that concessional aid from the United States is vitally needed. It supplements the much more substantial funds available from

the Inter-American Development Bank and the World Bank, and underpins the economic development so earnestly sought by our Latin American neighbors.

This kind of cutback reduces our own ability to contribute to these important goals, and jeopardizes the opportunity which our partners to the south have to achieve their development objectives.

It should be noted that on a worldwide basis a substantial part of the development loan funds requested—about 41 percent of the total—is planned for agricultural projects needed to finance the so-called green revolution. An impressive amount has already been accomplished in this area, with the use of new seeds, pesticides, more fertilizer, improved irrigation, and the like. A momentum has been built up which promises to break the mold of traditional methods of agriculture. Such a breakthrough could have momentous consequences.

It is for that reason that India, for example, is scheduled to receive some \$200 million in fertilizer alone. This \$200 million is roughly about the total amount made available last year to India for development loans.

If India continues to emphasize agricultural production, her rate of growth could be sustained at about 5 percent annually, nearly double the rate of the last decade. In the achievement of that goal, however, U.S. assistance is of critical importance. Our aid, together with that of other donors, is vital if there is not to be a slower rate of progress, and other problems as well.

If agriculture, which formerly had been a major drag on India's economy, can become a positive factor, the effect on other sectors of the economy can be far reaching. Private initiatives can be stimulated, new demands will develop for machinery, tools, tractors and consumer goods.

The key to this whole operation is sustained support. Self-sufficiency in food can be achieved—if help is provided now—in countries like India and Pakistan within a relatively short period. However, if less aid is available the growth rate must inevitably slow down. This will in turn slow down investment, increase unemployment, and increase the likelihood of social problems. What is involved, in other words, is the real possibility which now exists for rapid and orderly development in a vitally important area. Let us not forget that India and Pakistan represent two-thirds of the people of free Asia. If development falters—or even worse, if it fails—will our own interest be served?

The present bill provides for a 2-year authorization of \$422.6 million per year for technical assistance. This is \$85 million above last year's appropriation, but it is \$40.5 million below the amount requested. Of this total, there is \$200 million recommended for regional and bilateral assistance. The Alliance for Progress is to get \$100 million for technical assistance grants. Multilateral organizations are to receive \$122.6 million for technical assistance.

In the current bill, the administration is attempting to revitalize technical as-

sistance so as to increase the effectiveness of capital assistance and local development resources. Unquestionably, the highest priorities are agricultural development and reduction in population growth. Roughly 90 percent of next year's funds are required to continue ongoing country regional and inter-regional activities.

Mr. Chairman, in conclusion I should like to focus on an amendment, approved by our committee in which I have a personal interest, along with my colleague, the gentleman from New York (Mr. ROSENTHAL).

We sponsored an amendment to the bill which would authorize the Secretary of State to participate in the development of a large prototype desalting plant in Israel. The cost to the United States, other than its administrative costs for study, design, construction, operation of such a prototype plant, would not exceed 50 percent of the total capital cost of the facilities associated with the production of water, or \$40 million, whichever is less. Israel herself would add approximately \$100 million to the U.S. contribution.

In 1967, President Nixon, upon returning from a trip to the crisis-torn Middle East, said there was an increasing awareness in the United States that Western assistance would be required in that troubled section of the world if any peace settlement there was to become permanent. He specifically mentioned two underlying causes of the major difficulties between Israel and the Arab States—refugees and the critical shortage of water.

The shortage of fresh water in the Middle East—and particularly in Israel—is rapidly approaching alarming proportions. The severity of the water shortage problem in Israel is evidenced by the fact that the last of the meager water resources in that country will be fully utilized by the 1970's. More than 95 percent of the available fresh water has already been tapped and the remaining natural waters in the south of Israel will probably be exploited fully within the next few years. With its population expected to increase by 1.6 million persons by 1981, Israel will have to produce 36 million additional gallons of water daily by that time if it is to avert very severe problems. If the arid lands in the south of Israel cannot be cultivated because of a water shortage, the already densely populated sections of the country will become quickly overcrowded and economic development will be stifled.

While desalination plants already are in operation in some countries—including one in Israel and one in Florida—the cost of providing water has been prohibitive, more than \$1 per 1,000 gallons. The Office of Saline Water of the Department of the Interior has estimated that a 100-million-gallon-per-day desalination plant can operate at less than 25 cents per 1,000 gallons, a figure which compares favorably with the cost of today's chemically purified water. With the U.S. assistance proposed under our amendment, the plant in Israel would produce water at a cost of approximately 35 cents per 1,000 gal-

lons. It is expected that the plant—once in operation—will produce nearly 40 million gallons of water per day, 10 times the current largest yield from existing desalination plants, as well as generate 450 megawatts of electricity.

The desalination project carries with it a vast potential for establishing a base for cooperation in agricultural ventures between Israel and the Arab States. Israel's neighbors, particularly Jordan, also face water shortages and the development of desalination technology could show the way for the construction of similar plants in Jordan and other countries in the Middle East. The proposed plant would provide irrigation for some 25,000 acres in the Ashdod region of Israel. It would also disperse electrical power to the nearby Gaza area where increasingly arid conditions threaten the citrus industry of the 350,000 Arab residents and refugees. Further, the water, and also electrical power can be piped to the south to provide both energy and irrigation for the development of the Negev Desert.

Israel is uniquely suited for the desalination plant. It has the knowledge and the scientific and technical personnel to assume the responsibility for constructing and operating the plant and for performing the many maintenance duties involved. In addition, its urgent need for water makes Israel willing to accept the financial burden of construction of the desalination plant.

The importance of this project to the United States should be obvious. The proposal itself provides an opportunity for this country to participate in a technologically advanced desalination project in order to further the objectives of developing large-scale processes. Our country will receive and will have available for domestic and worldwide use all of the technical data and operating information from this project. We will be granted permanent rights to receive data, and will have access to the plant for observation of its operations and improving science and technology in the desalination fields. Further, it is expected that the plant itself will be procured from the United States. This plant will serve as an important pilot operation for plants which will be required in the not too distant future in the southwestern part of the United States. Participation in this project will also provide an excellent opportunity to study a system of water use for agriculture.

I should like to quote from the former Assistant Secretary of Interior on the recommended action of the previous administration to build such a plant in Israel:

In summary, while the project is vital to Israel in terms of water supply and power, its significance to the United States is the opportunity to improve and advance science and technology in the field of saline water conversion and to contribute materially to development of low cost desalination processes. We believe we should take advantage of this opportunity and we urge the early enactment of this proposal.

Mr. Chairman, I believe the present bill is a modest response to urgent world needs. Our foreign assistance program

amounts today to less than 1 percent of our gross national product. Because of domestic political considerations this figure has declined over the past 20 years so that now the U.S. ranks eighth in spending on foreign assistance as a percentage of gross national product.

But what we must understand is that our response is not only an allocation of dollars but also in new ideas and new projects. The purpose of these projects and ideas is to attempt to raise the value of our aid dollar. This is the reason for the new stress on technical assistance, for an Overseas Private Investment Corporation and for the creation of an Inter-American Social Development Institute to carry out development programs in Latin America through private channels.

I urge you to read the policy provisions of the bill. They restate the aims of the present legislation: to help build a world community of economically viable nations; encouragement of the cooperation of other nations in the task of development; the concentration of assistance in countries with the greatest development promise; the emphasis on food distribution and family planning—all these and more show a new determination by this administration to beef up our aid programs and to make them more meaningful in today's world.

Mr. ZABLOCKI. Mr. Chairman, I yield 10 minutes to the gentleman from Florida (Mr. FASCELL).

Mr. FASCELL. Mr. Chairman, there is little I can add to the remarks made at the opening of the general debate by the ranking member of the Committee on Foreign Affairs, the gentleman from Wisconsin (Mr. ZABLOCKI), regarding the overall thrust of the bill before us today.

In a thorough and detailed manner, the gentleman from Wisconsin (Mr. ZABLOCKI) reviewed the foreign assistance program proposed for fiscal year 1970 by President Richard M. Nixon, the reasons for it, and the changes recommended in it by the Committee on Foreign Affairs.

I believe that he has presented a concise but persuasive case for the approval of the bill in its present form, and I want to congratulate him upon that accomplishment.

I also want to take this opportunity to pay tribute to Dr. THOMAS E. MORGAN, chairman of the Committee on Foreign Affairs—who, because of an injury, cannot be with us today—for the patience, impartiality, and deep concern for the future of our Nation which he displayed in presiding over our committee's deliberations during the past 5 months.

He has afforded the executive branch, public witnesses, and each one of us members of the committee, ample opportunity to present our views and proposals, and to have them considered carefully by the full committee.

Dr. MORGAN is a wise and experienced chairman and, in the words of a recent newspaper article, a truly gentle man. It is a great personal pleasure and honor for me to be working with him on the Foreign Affairs Committee.

Before turning to that part of the bill which deals with matters that come under the jurisdiction of my subcommittee,

I would like to make two brief observations about the bill as a whole.

First, the Foreign Assistance Act of 1969, as reported by our committee, contains the smallest authorization in the history of the program bearing that name.

The reasons for this appear to me significant and deserving of note.

In reviewing the program proposed by the administration, our committee took note of the fact that a number of studies have been and are currently in progress, aimed at suggesting the shape of U.S. foreign policy undertakings for the next few years.

This reappraisal of our foreign policy operations will not be completed until the spring of 1970. At that time, President Nixon is expected to make his proposals to the Congress. For all practical purposes, therefore, the program for fiscal 1970 is a transitional program.

Our committee took this factor into consideration and decided to keep this transitional program as small and compact as possible. And we trimmed some \$441 million from the executive branch recommendations.

My second observation is that although the bill before us has been pared to the bone, it does contain several new elements and a new thrust.

The bill emphasizes greater involvement of the private sector in the complex task of reshaping man's environment and building the base for a more peaceful, orderly and just world community.

It does so by creating the Overseas Private Investment Corporation which will expand the flow of private capital for development.

It does so also by establishing the Inter-American Social Development Institute which is designed to get more assistance of the grassroots level in Latin America in order to enable the Latin American people to participate more fully and more effectively in improving their living conditions.

And it does so, finally, by upgrading the portion of our aid which will be provided in the form of technical assistance to help others make better use of their own resources through the adaptation of our American skills, know-how, and technology.

These two features of the Foreign Assistance Act of 1969—the barebones authorization and the new thrust—are very important. I hope that they will receive full support from the House.

Now I would like to turn to those sections of the bill which relate to Latin America.

The Subcommittee on Inter-American Affairs which I have the honor to chair has devoted many months to a thorough review of our assistance programs in that part of the world.

Beginning last March, we conducted nearly 4 months of hearings, analyzing the 8-year record of the Alliance for Progress, its achievements and its failures, and the relevance of its objectives to the conditions which obtain in our hemisphere in the year 1969.

At the conclusion of those hearings, we submitted a report of our findings and

recommendations to the Congress. Every Member of the House was mailed a copy of that document. It is entitled "New Directions for the 1970's: Toward a Strategy of Inter-American Development."

In that report, our subcommittee—with active bipartisan support—suggested that the future of development in Latin America has a vital, direct bearing on the health and prosperity of our own Nation, and on the security of the Western Hemisphere.

And we recommended that if the goals to which our Nation and the nations of Latin America are committed are to be attained, a new partnership will need to be developed in the Western Hemisphere, a partnership dedicated to man rather than matter, whose basic goal will be the improvement of the human condition for the peoples who inhabit our two continents.

I was indeed delighted to find this same theme running through the report which Gov. Nelson Rockefeller submitted to President Nixon, and in the President's own pronouncements and actions of the past few weeks.

The bill before us today can bring us at least part way toward that new partnership.

It provides \$100 million in technical assistance for Latin America.

It supports this proposed transfer, or sharing, of human skills and technology with \$437.5 million in development loans.

And it creates two instruments which will provide added impetus, and a new direction, to our cooperation in Latin America's development.

The first of these is the proposed Inter-American Social Development Institute which will support, on a continuing basis, long-term social development undertakings in this hemisphere.

The second is the community development loan guarantee program, originally proposed by our distinguished colleagues, Congressmen JOHN MOSS, of California, and OGDEN REID, of New York, which will, for the first time, provide for a sharing of risks between our Government and Latin American lenders in order to stimulate the flow of local capital for small community development projects.

These, in our view, are very significant departures from the program which has been in effect during the past few years. They will provide tangible means for implementing in an imaginative way and through the private sector the American people's deep, humanitarian concern for the masses of the Latin American people and, in Governor Rockefeller's words, for "the quality of human life" in our hemisphere.

The proposed Institute is especially important in this regard because it will remove from the arena of government-to-government relations, and year-to-year political fluctuations which accompany them, the task of modernizing the Latin societies and the building of basic democratic institutions such as cooperatives, credit unions, and others.

I may mention at this point that while the Institute was recommended by the Subcommittee on Inter-American Affairs, it was approved without a dissenting vote by the full Committee on Foreign Affairs and parallels in its essen-

tials the recommendations issued 3 months later in the Rockefeller report.

Mr. Chairman, in commenting further on the details of the program proposed in H.R. 14580 for Latin America, I would like to note that the \$100 million in technical assistance is intended to benefit every country of that continent with the exception of Cuba and Haiti.

The bulk of development loan funds—some \$340 million in the program proposed by the administration—was to be concentrated in three countries: Brazil, Chile, and Colombia.

Our committee felt that, considering the conditions which obtain today in some of those countries, the proposed program was unrealistic. And we cut that part of the program by \$116 million. We feel that the amount remaining in the bill is sufficient to continue without any serious interruption the important work of capital and infrastructure development which is in Latin America during this transitional period.

Let me add a word here about the military assistance program for the Western Hemisphere.

As Governor Rockefeller's report and studies published by our own subcommittee point out, Communist and other radical subversion continues to present a serious threat to the internal security, as well as economic and social development, of a number of countries of Latin America.

In order to cope with that threat, our sister republics of this hemisphere will continue to require equipment and training for internal security purposes.

The amount provided for these purposes in this bill—some \$21.4 million—is the minimum that can be authorized without incurring some serious risks with the stability and security of our hemisphere.

I want to make it very clear that the legislation before the House would continue three very important restrictions on U.S. military aid to Latin America.

The prohibition against the furnishing of sophisticated weapons remains in effect.

The \$25 million ceiling on grant military assistance is continued.

And the \$75 million ceiling on all types of military aid, whether by grant, credit, guaranty or cash sale, is left undisturbed.

Mr. Chairman, I will have some additional things to say in the course of our debate on the bill before us, particularly when the bill will be read for amendments.

For the time being, let me restate my own conviction that the provisions of this legislation which would implement our partnership for development with Latin America are reasonable and necessary for the future well-being of our hemisphere.

I hope and I urge that they be approved by the House without change.

Mr. ADAIR. Mr. Chairman, I yield 15 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Chairman, with Thanksgiving due next week, Christmas cannot be far behind. And, if the House runs true to form, foreign moochers around the world can give thanks next week, secure in the knowledge that the

same old eager beaver Uncle Santa Claus will be around with a freshly plucked load of Christmas greenery.

What Americans will get for Christmas, in addition to a continuance of added-on taxes, more debt, and more inflation, is not known at the moment. You can be sure that no foreign pooh-bah, with a soft heart and a head to match, will visit our shores to play Santa Claus to us.

This bill, Mr. Chairman, would authorize another gigantic giveaway of the wealth of this Nation.

The promoters and managers of this program clearly operate on the basis that: "Nothing is easier than the expenditure of public money. It does not appear to belong to anybody. The temptation is overwhelming to bestow it on somebody."

That is their theme, their guiding beacon, their obsession.

In the relatively few years they have been in business, these bureaucrats have spewed out the staggering total of \$182,583,000,000, including interest on the money borrowed for this huge fiasco.

The handout artists have lavished the resources of American taxpayers on all but 14 nations of this earth—and those left out nations include such giants as Monaco, Barbados, Bhutan, Liechtenstein, Andorra, Muscat, and Nauru.

These spenders are as indifferent as a calf in the meadow to the bald fact that, while they continue their squandering binges abroad, this country is on the brink of a financial crisis.

But they are not the only ones to blame—these starry-eyed, worldwide do-gooders. The real culprit has been the Congress of the United States which has continued to appropriate these fantastic sums year after year.

Past experience has taught that the supporters of this program will give as little accounting as possible, and therefore it is incumbent upon some of us in the minority to spread some of the facts upon the record in the hope that the ordinary, everyday men and women across this land, whose pockets have been continually picked, may yet learn the true story.

Mr. Chairman, for years the leaders of this country have operated on the blind, misguided theory that money—endless amounts of it—could and would cure the ills of the entire world. Their dictum was that you can buy friends, buy peace, buy prosperity, buy happiness all over the surface of the globe simply by spending money.

And, of course, they told us there is no end to the wealth of the United States. No bottom to the barrel.

Last year, you will recall, even that champion of spending other people's money, Lyndon Johnson, had to admit that the bottom of the barrel had been reached. The Government's financial situation had become so desperate and so obvious that he agreed to a spending limitation in exchange for passage of the 10-percent surtax that was heaped upon the backs of the already staggering American public. The tax was levied with full force and effect but the spending limitation went with the wind that

generated it. The public was again hoodwinked.

The reckless, mindless, headlong rush to throw away our money in every corner of the earth is one of the prime causes of the rampant inflation in this country.

Inflation, in turn, has almost destroyed the world markets for American-made products. They are too expensive. But there is more to it than this. Let me give you an example.

Over the years we have borrowed \$3.6 billion—and are paying interest on it—to give away to Japan. Today, the Japanese can buy raw material for making steel, ship it to Japan, process it into steel, ship the steel to this country, and still sell it cheaper than the mills in Pittsburgh can afford to.

And on November 3, the U.S. Tariff Commission brought this entire, incomprehensible chain of events full circle when it ruled that American steelworkers are eligible for U.S. Government aid if imported steel products cost them their jobs.

How can anyone defend this sort of thing to American taxpayers, and especially a steelworker who is on relief? Almost every Member of the House knows the effects in his own district of the Revenue and Expenditures Control Act of 1968.

In passing that legislation, Members of the House and Senate were, in effect, saying to the American taxpayer, "Look, we realize that we have spent too much on too many programs. We simply have to cut back or face economic and financial ruin."

So, certain domestic programs were reduced. But what happened to the foreign aid program?

Absolutely nothing. The handout artists went their merry way, spending at the same level as before.

If you will read the hearings of the committees that deal with the approval and financing of various domestic programs of the Government, you will find complaint after complaint that this or that program has been canceled, curtailed, or simply not started, but not foreign aid.

The Corps of Engineers, for instance, was given by the House only enough money to begin construction of 25 out of a total of 161 needed flood control, water supply, and pollution control projects.

In fiscal 1969, the Corps of Engineers and the Bureau of Reclamation delayed or stretched out 139 projects already underway throughout the United States and the corps had to issue 101 notices to contractors that its funds were exhausted.

These delays, deferrals and nonstarts will greatly increase the ultimate costs of these projects to the taxpayers, to say nothing of the fact that the benefits from these programs will be long delayed.

While the citizens of this country were being denied the fruits of public works projects because of a lack of money, the foreign handout specialists on July 1, this year, were sitting smugly on a bankroll or pipeline of \$18,708,000,000—

the unexpended balance in the foreign aid pipeline.

You can set your watch by the anguished howls that go up from these starry-eyed spenders whenever a modest reduction is even proposed in their swollen budgets. Each year, these international do-gooders parade up to Capitol Hill, piously protesting that their money requests are the absolute minimum on which they can exist.

Yet they have almost \$19 billion they have not spent while scores of communities here at home must go without flood control projects and other water resource programs.

Because of the unbelievable fiscal mess left by the reckless spenders of the last administrations, President Nixon has ordered a 75-percent cutback in Federal construction.

Construction of \$39 million of needed hospital facilities, for example, has been deferred by the Veterans' Administration. Yet, while medical facilities for our veterans were being held up because of a lack of money, the AID boys had just finished handing out \$205,900,000 to the corruption-ridden Government of India.

What in the world is going on when the foreign aiders can toss almost \$206 million to India, but are unable to find \$39 million to take care of the medical needs of our veterans?

To compound this idiocy, Mr. Chairman, the AID specialists are back on Capitol Hill at this very moment asking for another \$399.5 million to give India in fiscal 1970.

We have spent ourselves so far down into the financial hole that just the interest alone that we have had to pay on what we have borrowed to give away amounts to \$60.5 billion.

To further illustrate the absurdity to which we have carried this spending binge, consider the cases of Thailand, Korea, and the Republic of China.

The United States has borrowed the \$1.2 billion given to Thailand, the \$7.8 billion handed Korea, and the more than \$5 billion poured out to Taiwan.

And now we learn that last year the Johnson administration went on its knees to these three nations, begging them to lend us \$135 million at up to 6 percent interest. What a spectacle.

I submit that the ordinary American—the ordinary adult human being anywhere—would not be unreasonable in assuming that if a country is so solvent that it can lend \$15 million, as Korea did, it no longer needs foreign aid. But the handout artists at AID are asking for \$49.8 million more for Korea in fiscal 1970—\$4 million more than they gave them last year.

Similarly, if Thailand is in such good shape that it can make this Government a loan of \$100 million, the average man or woman might reasonably conclude that it also does not need foreign aid.

But the giveaway boys are asking, this year, for \$45 million for Thailand—an increase of \$9.2 million over what they got last year.

Does it strike anyone here as strange that the AID people are asking this Con-

gress to borrow \$94.8 million to give Thailand and Korea in fiscal 1970 when there is already a total of \$599 million balance in the pipeline for them?

Perhaps someone would like to explain to the House why, for instance, the AID agency should be able to offer the Legislature of South Vietnam a \$40 million bribe in the mere hope that it will enact a land reform law when the Corps of Engineers, at the same time, was forced by budget restrictions to close down a river channel project in Louisiana.

From what I have read about the curtailment of this river project, the contractor involved stands to lose as much as \$1 million as a result. In addition, 250 employees of the firm were suddenly thrown out of work in an area where there was no other employment for them. And I wonder how many Members of the House are aware that while facing a financial and inflation crisis here at home, the AID agency had the money to finance a program to train bartenders in Panama?

Mr. Chairman, how can anyone justify this sort of thing to an American housewife who, when she shops for food and wearing apparel, finds inflation driving prices through the roof?

Who among you wants to tell her that her Government can afford to train bartenders in Panama but can not stop inflation at home?

Now let me turn to another facet of this year's giveaway program.

Much propaganda has been coming from Foggy Bottom recently concerning the proposed establishment by the hand-out artists of a gimmick they call the Overseas Private Investment Corporation—OPIC.

The AID agency propagandists, of course, loudly sing the praises of this so-called Corporation and insinuate that it is a way to take the Government out of the foreign assistance business and let private industry run it with private industry's money.

Nothing in this world, Mr. Chairman, could be further from the truth. What these AID people are attempting is to create yet another layer of bureaucratic blubber.

First of all, the foreign aiders have been in the business of guaranteeing the overseas investments of U.S. corporations for 20 years. They have been running an insurance company, in effect, and they have made a profit doing it.

Several years ago they came to the House, bleeding at every pore, insisting that the minimum appropriation they had to have to back this insurance program was \$180 million.

They did not get it, and the American people owe a debt of gratitude to the gentleman from Louisiana (Mr. PASSMAN) and his Appropriations Subcommittee for cutting them down to \$30 million.

I am sure that my friend from Louisiana will agree with me that even the \$30 million was unnecessary.

By charging a premium for their insurance on foreign investments on the part of U.S. firms, the AID boys have actually accumulated a kitty of \$68 million. They have had to pay out approximately \$12 million for losses suffered by

the insured American businesses in these years, and since those same firms paid in approximately \$80 million in insurance premiums, you wind up with a \$68 million fund. But, as you might expect, these bureaucrats are not satisfied. They did not turn over this \$68 million to the Treasury, where it might have been used to reduce the public debt.

There it sits—\$68 million. It is a bewitching sight to a bureaucrat. It is tantalizing. Hypnotic. The urge to spend it is overwhelming, but under the existing rules, the AID boys cannot touch it. What a shame. So what to do?

Why, create a corporation. You take most of the AID employees, who, right now—today—are running this foreign investment guarantee program, and put them on the so-called corporation's payroll. Then you ask for additional employees, create a high-powered and expensive board of directors, and you are almost ready to do the identical business that was being done by AID. Almost, but not quite.

There is the matter of the \$57.4 million of appropriated reserves held by AID. Transfer that to the so-called Corporation and you begin operations with more than \$130 million.

But, just in case Members of Congress are suckers enough to fall for it, they, the foreign aiders, are asking for an additional appropriation of \$40 million for a program that, under a different name and with an inflated staff, would have more than a \$130 million surplus the day it is created.

If these people have been able to amass a fund in excess of \$130 million over the years and have sustained only \$12 million in losses, why should we give them another \$40 million?

More than that, why should we permit these empire builders to split off this one, self-sustaining segment of the AID Agency and allow them to add still another costly layer of Federal bureaucracy?

Each year when this legislation reaches the floor, most of the members of the press, some of them unwittingly, refer to it as the foreign aid bill. Whether deliberately or not, these journalists give the American people the clear impression that this bill authorizes all of the foreign aid supplied by the United States.

It is a shame that these reporters, upon whom the people of this Nation should be able to rely, do not have the time or inclination to make it clear that this bill represents less than a third of what the foreign aiders are planning to give away this year; that what they really want is ten and a half billion dollars for foreign aid this year.

If this Congress is foolish enough to give it to them, and with the amount already in the pipeline, the total foreign aid money available would be \$29,236,000,000.

They have already been given, over the years, \$18,708,000,000 more than they have been able to spend. That money is available for use right now, today, and don't let anybody tell you it is not because we have given the foreign aiders a blank check to use it virtually anywhere and in any way they see fit.

Great chunks of our wealth are an-

nually given to the various international lending agencies that have sprung up like mushrooms all over the map, and while the United States puts up the bulk of the money to finance these outfits, we have virtually no say in its distribution.

The average American has only a superficial idea of what actually is going on.

If you ask the average American taxpayer to describe the Asian Development Bank, he would probably say it's some bank in Asia, but he would not, I submit, know that much of its money will come out of the U.S. Treasury—\$200 million so far.

If the Asian Development Bank funded every loan commitment it has right now, there would still be \$255 million on hand, yet they want us to put up another \$20 million this year.

Turn to the African Development Bank and you have a similar story, if not a more pitiful record.

And the foreign aiders have us headed, pell-mell, toward putting up \$6 million for an East Caribbean Development Bank which has not even been established. If the bank does, some unfortunate day in the future, come into existence, the Foggy Bottom boys say they are not interested in the United States becoming a member. But they are positively ecstatic over the thought of giving it \$6 million, free as the wind.

I do not pretend to be alert enough to keep track of all these international giveaway agencies. In addition to the three I have named there is the Export-Import Bank—which is really a hydra-headed monster—the Inter-American Development Bank, the International Development Association and very likely five or six that hatched late yesterday afternoon and are already asking for money. And I have not included in this list the handout agencies of the United Nations, which are so numerous as to almost defy tabulation.

Mr. Chairman, I will have to give the foreign aiders credit for being smart in one way. They saw, long ago, that the spewing out of our wealth was becoming an extremely sore subject with the taxpayers of this country, so they invented these international lending organizations as a clever way to get the money through another window. They saw that Members of Congress were catching hell from the people back home for this mindless spending of billions, and they also saw that here was a way to avoid the long hearings and criticism that has become a mark of these so-called foreign aid programs.

Their propaganda machine went to work with a vengeance, proclaiming far and wide that these international organizations were more efficient than the AID agency. Indeed, it is hard to see how one of them could be less efficient than the outfit in Foggy Bottom, but the question is: How does anyone know?

The simple fact is, Mr. Chairman, we do not really know how inefficient these lending agencies are because we have given away our right to look at their books.

This country is pouring literally hundreds and hundreds of millions into international lending organizations and the

General Accounting Office is absolutely barred from making any audit of their books to see what is going on.

Despite the fact that the advocates of ever more foreign aid have tried to clothe these international lending outfits with the magical powers of superefficiency, the evidence is that they are every bit as bad as AID.

Let me offer but three examples:

First. An AID-financed water filtration plant was completed and standing there, ready to go into operation, for 2 years before the international lending agency that was supposed to build the pipeline from the water source to the city got around to finishing the job.

Second. An international lending agency put up the money for three housing projects in a country, and when the hundreds of houses had finally been built—complete with indoor plumbing and wired for electricity—it developed that there was neither electricity, water, nor sewer systems in operation. You could have moved into one of those houses and spent all day flicking switches, turning faucets and trying to flush toilets without anything happening.

Third. One of these international lending organizations spent millions on a colonization project designed to move farmers to productive land. When last observed, only half the scheduled number of families had been relocated, and those who had were working at nearby banana plantations rather than cultivating their new farms.

The conclusion is inescapable. There is no reason under the sun to believe that these international lending organizations can do one bit better than the AID Agency, but we have abrogated our responsibility to the taxpayers by giving up the right of this Government to demand a strict accounting of what is done with the millions we give them to give away.

Mr. Chairman, if those people who choose to gather in front of various public structures in this city from time to time to read the list of American dead in the tragic war in Vietnam, chose instead to read the list of waste, frauds, sham, friends lost, enemies made and hopes dashed—which makes up the record of this foreign aid venture—those people would never finish reading.

If they stood on the steps of this Capitol and accounted for—one by one—the dollars that have been taken from the American people to be poured down every conceivable drain on this earth in the name of foreign aid—they would never go home.

I am no more in favor of the almost unlimited and mindless domestic spending programs that were the hallmark of the last two administrations than I am enraptured with this foreign aid fiasco. You have but to look around you to see what they have wrought.

But the time has come when the elected Representatives of the American people had better start paying prime attention to the needs of their own countrymen.

It is time that we stop being our brother's keeper, all over the globe, and

let him keep himself while we tend to our own monumental problems here at home.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Connecticut (Mr. MONAGAN).

Mr. MONAGAN. Mr. Chairman, I support H.R. 14580, the legislation which we refer to as the foreign aid bill.

I believe, as I have said before in supporting similar legislation, that the availability of military and economic assistance for allocation to friendly and meritorious countries in other sections of the world is a tool that the Executive should have in order effectively to carry on the foreign policy of the United States.

A statement of the countries which receive the major portion of the military assistance clearly indicates the necessity for the continuation of this assistance in the pursuit of our own national security, and even if these sections were excluded from this bill, it is clear that arrangements would be made elsewhere in the Government to assist nations such as Vietnam, South Korea, Turkey, and other nations on the periphery of the Communist world and particularly sensitive to the pressures resulting from their exposed position.

The power to give assistance for purposes of internal security is also an important portion of this bill.

I believe too that it is vital that the President should have the ability to extend economic assistance to friendly regimes on a bilateral basis through grants or loans, and the granting of this power and the authorization of funds to support it is the main purpose of this legislation.

It is clear that we bring this bill to the floor today in a time of crisis in the field of foreign assistance. There are those who maintain that we should retire from this field entirely; there are those who believe that assistance should be furnished entirely through multilateral agencies; and there is a body of opinion—gradually diminishing—which supports the continuation of our existing form of participation.

The fact that the report of the Foreign Affairs Committee contains seven separate views, thereby resembling certain Supreme Court decisions, testifies to the confusion and differences of opinion which exist in the field of foreign aid today.

This confusion is understandable and I readily admit that I have shared the growing feeling of doubt about the efficacy of the aid program that has gradually made itself apparent in the country and also in the world at large since it is no secret that aid programs are no longer viewed with the idealism and optimism with which they were first invested.

There are many reasons for this disenchantment. To begin with there has been a confusion in the objectives of various types of aid. Some have been purely political, some have been related to short-range economic needs, some have concerned long-range development, some have assisted mature but devastated

countries, while others have gone to new and undeveloped nations. Clearly to expect similar results from all such programs was unrealistic and yet this expectation did exist.

Another element was the expectation of recipient nations that assistance would solve the hard problems that can be resolved only by Spartan measures in economics and finance and a resultant disillusionment when the easy result did not seem to be forthcoming.

Another factor was the frequent appearance of a marked lack of managerial and organizational capacity on the part of the U.S. agency administering the various aid programs.

A further element was the basic question whether in view of rapidly increasing population, the improvements which were effected by the aid program and which were demonstrable and real, actually had any effect in the long-range and comprehensive picture.

Added to this was the growing question whether in many cases—one thinks of the United Arab Republic—the granting of massive assistance in one form or another did not serve as a temporary crutch to a government which prevented it from trying to walk on its own, however painful that might prove to be.

Perhaps the most irritating factor has been the attitude of some countries that we had the obligation to help them, but they had not counter obligation to support us or even to be neutral on issues in which we were concerned. Some recipient nations in fact seemed to believe that it was incumbent upon them to be boorish where relations with us were involved.

In listing this category of difficulties one might feel that I should finish as an opponent of the legislation, but I do not reach this conclusion. Looking over the years, I believe that much valuable work and in fact much irreplaceable assistance has been provided through this legislation. From the day of the Marshall plan down to the present there are examples of nations which have been helped to self-sufficiency or brought further along through this program. In education and health and in the provision of food production, transportation, economic and industrial development much has been done that otherwise would not have been possible to provide the growth and opportunity which people of every country in the world are seeking.

Although the multinational agency is a valuable instrument in the assistance field, it is well known that all agencies are not equally effective and even where it is highly desirable, are beyond the control of those who create and finance them.

Finally it seems clear to me that the Executive should have flexibility, control and the capacity to take reasonably prompt action in cases where he believes this to be in the interest of the United States. This ability is provided by the bilateral aid program and by no other.

In my opinion it is in the interest of the United States, therefore, that we continue this program, reduced as it is in size from those which have gone before and reduced also from the percentage of

our gross national product which might well be devoted to this purpose.

For these reasons therefore I support this legislation and urge my fellow Members of the House to do likewise. I do believe, however, that a review of the program, its objectives and its public support is essential and I am looking forward with interest to the results of the study which the administration has promised.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. FARBSTEIN).

Mr. FARBSTEIN. Mr. Chairman, I am going to ask unanimous consent to revise and extend my remarks in connection with the subject of OPIC. I anticipate that tomorrow in the course of the 5-minute rule it will be necessary to discuss this again.

Mr. Chairman, I would like to make a short statement in connection with one item in the bill. This deals with the question of the United Nations Relief, Rehabilitation, and Works Agency for the expansion of vocational and educational training for Arab refugees.

This year I notice that the bill calls for an additional appropriation of \$1 million and another \$1 million for 1971. Now, there were originally about 700,000 refugees in the camps in the Middle East following the war in 1948 that took place between the Arab States and Israel. This number has since increased to about 1.4 million. That is besides those who have left the refugee camps and gone to work in various countries of the area. This has become a way of life, evidently, but if this is what they want, I do not suppose that there is very much I or anybody else can do about it. It seems to me that this is not an appropriate time, though, to increase the moneys that we are appropriating here for the refugees simply because those refugee camps now in the main have been taken over by the terrorists in the Middle East. Not only have the camps or most of them been taken over by the terrorists there, but those camps are being used for training purposes and the young children for whom the schools are being built and who are being fed and clothed are being trained as terrorists in these refugee camps. In previous years, recognizing that the entire subject of the Arab refugees was a very delicate one but was nevertheless being taken advantage of unduly by the kings of the host countries in which the camps were located—the kings were using the refugees as a whip with which to beat Israel over the head—I felt it was time something should be done to make them realize that we know what is going on. So there was adopted at my behest and the behest of one of the gentlemen on the other side of the aisle an amendment to the foreign aid bill cutting down the appropriation of the United States to UNRRA. We contribute 70 percent of it, incidentally. We cut down 5 percent of the appropriation that we gave to UNRRA one year. It passed. I thought perhaps the host countries would come to the realization that something should be done and the refugees should be

taught various kinds of work to hold jobs and sent to school and educated. However, multiplication goes on. I think this is being done intentionally by the kings in the host countries, because they know now how they can use these additional children. Incidentally, maybe 60 percent or even more of the inhabitants of the refugee camps are children. They are being used as a weapon against Israel. Incidentally, they are also being used as a weapon against Lebanon now. I do not propose at this time to offer any amendment to cut the sum which we contribute to UNRRA for the benefit of the refugees, because that area today is a tinder box as is. I do not believe anyone should throw a match that might perhaps light up that tinder box and cause it to explode.

Nevertheless, I would like the RECORD to show that if I am here next year and if this same situation continues I will then not hesitate at all to offer an amendment reducing our appropriations to UNRRA which is used for the purpose of assisting the Arab refugees and trust that it will pass.

Mr. Chairman, I support the creation of the Overseas Private Development Corporation, the one new development in the present bill.

The concept of a specialized corporation to enlist private investment more effectively in development is not new. Such a corporation was proposed by the International Private Investment Advisory Council (IPIAC) and in another report submitted to President Johnson by the Advisory Committee which was chaired by Prof. James A. Perkins, of Cornell.

Both panels recommended that some kind of a corporate entity be established to take over the investment promotion functions of the Agency for International Development. The objective was to provide a vehicle which could insure a more rapid expansion of private enterprise in less developed countries.

The Private Investment Center in the Office of Private Resources in AID now administers the investment incentives program. Experience has shown that because of the administrative machinery within the Agency for International Development that they have not been able to make quick enough decisions in their responses to requests for investment assistance. As a result many business people have withdrawn their requests for guarantees and have dropped the projects. Private projects in developing countries take a long time to plan and implement. If incentives are to be effective, the investors must be assured that the incentives involved will be available when needed. In effect there is a need to shorten the time within which decisions can be made by the Office of Private Resources, administration flexibility, and to make it more responsive to the business needs of the U.S. investor. This is the purpose of OPIC.

Now what is OPIC.

It is an agency of the U.S. Government under the general guidance of the Secretary of State. Its purpose is to promote and support the active participation of American private enterprise in pro-

viding resources and talents to help further the economic and social development of less developed countries. The Corporation's activities will complement the development assistance objective pursued through the AID programs and other development programs in which the United States participates. It must conduct its activities in consonance with the activities of AID and with the international trade, investment and financial policies of the U.S. Government.

It has been suggested that OPIC will have authorities substantially similar to those already administered by the Office of Private Resources and therefore is not necessary. I disagree.

OPIC, unlike the Office of Private Resources, will be a small specialized organization designed to meet both public and private business needs. It will provide a continuing staff of managers with specialized skills. It will be able to compete for, attract and hold top management and staff with requisite business skills, and because of its specialized purpose, its institutional identity, the strong private representation on its board and the built-in flexibility of the corporate form it will be able to make sound, businesslike decisions more rapidly than is now possible.

OPIC, through its businesslike corporate methods and its joint public-private makeup, will also be better able than a Government agency to monitor the performance of the projects it promotes.

And there are provisions in this bill which will insure that the objectives of OPIC will be consistent with the overall foreign policy objectives of the United States. As stated, OPIC will operate under the general policy guidance of the Secretary of State, and the Administrator of the Agency for International Development will be Chairman of the Board. In addition, four other officials of the U.S. Government will serve on the Board of Directors.

The remaining six members of the 11-man Board come from private life. Of these six at least one shall have had experience in small business, one in organized labor, and one in cooperatives. I believe that the composition of the Board will insure that OPIC does not overemphasize the interests of large businesses at the expense of the small- and medium-sized businessmen, or the interests of the investor at the expense of U.S. foreign policy objectives.

Thus, private investment will not compete with official government-to-government economic assistance. It will supplement and complement other economic development programs. It will be integrated with U.S. foreign economic policy.

In addition to the points that I have discussed, there are other provisions and safeguards in the bill that, in my opinion, will help make OPIC a valuable foreign assistance policy tool.

We often hear complaints that there is not enough congressional oversight over too many programs and that as a result the intent and objectives of the legislation are not achieved.

In my opinion, the provisions pertaining to OPIC in this legislation will enable the Congress to maintain close scru-

tiny over the operations of the Corporation.

First, the capitalization of the Corporation is for only 2 years. At the end of that time the officers of the Corporation will be required to appear before the Congress and justify any request for new capital.

Second, the Corporation is required to submit to the Congress after the end of each fiscal year a complete and detailed report of its operations during such fiscal year.

Third, the Corporation is subject to the Government Corporation Control Act and accordingly will be required to maintain accounts and submit budgets as required by that legislation.

Now, let me turn to the internal management of the Corporation. In order to insure better internal management in the daily affairs of the Corporation and to maximize the quality, coverage and security services of OPIC, the Auditor General of the Agency for International Development shall serve as the Auditor General of OPIC and will report to the Board of Directors of the Corporation. The President in his foreign aid message announced his intention to establish an Auditor General operation in the Agency for International Development to "provide a better means of continuous management inspection." On June 16, 1969, the AID Administrator appointed an Auditor General and established a single integrated organization for all auditing and investigating forces. The committee took note of this and approved the appointment of the Auditor General at level V of the Executive Schedule.

There is another important restriction placed on the Corporation which I feel is in the national interest. It has been recognized that there are political repercussions that often accompany investment by extractive industries in less developed countries. To assure that no U.S. Government funds may be used for this purpose the committee wrote in a prohibition that loans made from the direct investment fund shall not be made to finance operations for mining or any other extractive idea.

Finally, I want to discuss what I consider to be an exciting proposal, one which adds a new dimension in the investment guaranty program. Thus, the bill establishes a 3-year pilot program of community development loan guarantees in Latin America.

The program is restricted to five countries and the total amount of guarantees outstanding at any one time during the trial period may not exceed \$15 million.

It is envisioned that this authority will be used to encourage private banks, other credit institutions, cooperatives and private nonprofit development organizations to make small loans on reasonable terms to organized groups and individuals to carry out self-help community development projects for which there is no other financing available.

Guarantees issued by OPIC for this purpose will be confined to 25 percent of any portfolio of loans, subject to an additional stipulation that the liability of the United States may not exceed 75 percent of any one loan in such a portfolio.

It is the hope of the supporters of this program that it would induce private banks and other lending institutions in the developing countries to participate more completely in providing capital for investment purposes. Taken in conjunction with the efforts of OPIC to attract increased private U.S. capital, it could have the effect of causing the private sector, both at home and abroad to become more involved in the development process.

Mr. Chairman, I offered legislation earlier this year which would have established a quasi-public corporation. I envisioned the use of private as well as public moneys. However, I soon became aware that my proposal was too new to be accepted at this time. Although OPIC does not satisfy me completely, I do believe that it is a step in the right direction. It will facilitate the attraction of private capital into the development process. It will permit timely decision-making. And it will be a valuable tool for the President in formulating U.S. foreign policy.

Mr. ADAIR. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan (Mr. BROOMFIELD).

Mr. BROOMFIELD. Mr. Chairman, I rise in support of H.R. 14580, the Foreign Assistance Act of 1969. I do so with the knowledge that there are a great many forces competing for appropriations this year, more perhaps than any other year in recent memory.

There is the deep concern on the part of many Members of this body that we cut Federal spending wherever possible as part of the effort to curb inflation. There is a determination to redirect as much of our resources as possible to treat the ills of our urban areas and fulfill other domestic needs. And, there is an overall concern that we take special precautions this year to insure that the money we do spend is used efficiently and wisely.

All of these are important and fundamental considerations which have my support.

The Foreign Assistance Act of 1969, as recommended by the Committee on Foreign Affairs, was tailored to fit these important considerations and still fulfill the legitimate responsibilities of the United States to the developing nations of the world.

The tenor of this year's foreign aid program was set in May when President Nixon asked Congress for an authorization of some \$2.7 billion for fiscal 1970—the smallest foreign aid request ever made by a President of the United States since 1948.

Despite this bare-boned request, the committee heard a great many witnesses, gathered an impressive amount of testimony, and deliberated on that request at length.

The result was a reduction of more than a half-billion dollars in the President's request.

The bill before this body today represents the work of a great many people within the administration and outside it to produce the most efficient and economical foreign aid proposal possible.

Against this background, it is important to reexamine the reasons for maintaining this very minimum foreign aid program.

The preamble to the bill sets forth its purpose in very simple terms. It is:

To promote the foreign policy, security, and general welfare of the United States by assisting the peoples of the world to achieve economic development within a framework of democratic, economic, social, and political institutions.

The recent report of the Commission on International Development, chaired by the Honorable Lester B. Pearson, former Prime Minister of Canada, states that purpose in more graphic terms.

It says:

The widening gap between the developed and the developing countries has become a central issue of our time.

Economic assistance, the report continues, is a major factor in helping "the poorer countries to move forward, in their own way, into the industrial and technological age so that the world will not become more and more starkly divided between the haves and the have-nots, the privileged and the less privileged.

The report maintains:

International development is a great challenge of our age. Our response to it will show whether we understand the implications of interdependence or whether we prefer to delude ourselves that the poverty and deprivation of the great majority of mankind can be ignored without tragic consequences for all.

Those words reaffirm the conclusions of most thoughtful persons who have looked carefully at the arguments for and against foreign assistance. That conclusion is simply that it is in the self-interest of the prosperous nations of the world to invest some of their affluence to insure that the gap between them and the rest of the world does not become greater than it already is.

A great many nations less prosperous than the United States have made that judgment and are active participants in assistance programs to the developing nations.

There is no doubt that the United States has led the world in its contributions to foreign aid programs. But the bulk of our investment came in the years of the Marshall plan immediately after World War II.

Since then, with some fluctuations, the trend of U.S. participation has been downward.

Measured on a percentage basis against gross national product, the United States ranked seventh among the 15 principal aid donors of the world in 1968.

That year we devoted a little more than one-third of 1 percent—0.38—of our gross national product to aid programs placing us behind France, Australia, Netherlands, Belgium, the United Kingdom, and West Germany.

As the annual budget of the United States approaches \$200 billion—more than one-third of it devoted to military and defense programs—it would seem at least appropriate to invest \$2 billion in programs to help the underdeveloped na-

tions build economic and political stability.

That investment seems logical for a number of reasons, not the least of which is the fact that with stability those nations might eventually assume a portion of that defense burden themselves.

Many do not realize that our aid programs are an investment in the short-range sense, as well as the long range.

AID loans are repaid with interest—all in dollars.

Further, as Dr. John Hannah, the new Administrator of the Agency for International Development, pointed out in testimony before the committee:

Few people realize that over 98 percent of the commodities financed by AID this fiscal year will be purchased in the United States, thus providing jobs and additional income for American businesses and labor, and market development for our exporters.

While I am convinced that the long-range interests of the United States are served by providing assistance to the developing nations, I am by no means satisfied that we have used the most effective and efficient methods to provide this help.

Although I consistently have supported the concept of foreign aid during my 13 years in Congress, I have frequently objected to the mismanagement, poor judgment, and outright waste that occasionally has characterized the administration of some of these programs.

The erection of monuments to American generosity in countries which, instead, needed technical assistance and the tools to deal with their real problems was for years a major drawback in the program. These monuments took the form of large industrial complexes in countries without modern industrial skills, expensive dams and river projects in countries where hydroelectric technology was still primitive, and super-highways for nations still largely dependent on horse-drawn transportation.

In this connection, I was instrumental a few years ago in blocking U.S. participation in the Bokaro steel plant in India, a project which U.S. experts agreed was impractical because of the plant's remoteness from the raw materials necessary for steel manufacturing.

Similarly, I have never held to the belief that the American taxpayer has an obligation to assist nations which have governments openly and deliberately hostile to the United States.

When former Indonesian President Sukarno repeatedly and deliberately insulted our Government, I joined with some of my colleagues to cut off all U.S. assistance to that country.

We have an obligation, in my judgment, to make our aid programs contingent upon the same basic principles of mutual respect and human dignity which apply to all of our other dealings with the nations of the world.

For these reasons, I am especially pleased with the foreign-aid recommendation offered by the committee this year. It represents not only an effort to come up with an efficient program stripped of excess but also a program which builds on the lessons of the past and strikes out

in new directions under a new administration.

That new administration is a key to the character of this program.

As many of my colleagues will recall, Dr. Hannah, the former president of Michigan State University, was one of the draftsmen of the original point 4 program under President Truman.

It is the effectiveness and momentum of that program which had such dramatic impact in Europe and Japan that we seek to recapture in this program.

Dr. Hannah proposes to do this through a variety of approaches, chief among them a renewed emphasis on technical assistance—which was one of the fundamental values of the old point 4 program—and a new stress on involving the private sector in economic assistance.

A Task Force on International Development Assistance and International Education, chaired by Dr. Hannah, made this recommendation in its report filed last January:

We believe it to be vital that there be increased emphasis on technical assistance and institution building, and on the improvement of the relationships between the aid agencies of the U.S. Department of State and other units of the Federal government, foundations, voluntary organizations, business, higher education, and the public.

For the first time in this bill the role of private investment in foreign aid is given proper perspective and encouraged through the creation of an Overseas Private Investment Corporation.

The Corporation is designed to provide businesslike management of investment incentives already available in a way which will contribute to the economic and social progress of the developing nations.

This bill also recognizes that while many of the developed nations of the world now participate in foreign aid programs of their own, many still do not.

Through our own example and by channeling more and more of our aid into multilateral and international agencies, the bill seeks to encourage more nations to participate and to inspire those already involved to do more.

Further, the bill gives special recognition to the two central problems affecting the progress of every developing nation—the need for furthering food production and family planning on a worldwide basis.

During the past decade the world has witnessed dramatic breakthroughs in food production but only a start at attacking the problems of population growth.

In testimony before the committee last July, Secretary of State Rogers had this to say about these two basic problems:

Another decade of continued effort on the part of the less developed nations will still be needed if widespread famine is to be avoided. But this appears within the realm of the possible, with continued help from the United States and other aid donors.

It cannot be done, however, without increased attention by rich and poor alike to the reduction of population growth. More and more countries which we are assisting are undertaking family planning programs. We

proposed to devote as large a part of our AID program as we reasonably can to help the less developed countries come to grips with this problem.

The military assistance portion of this bill represents approximately the same minimum investment in the defense of those developing nations threatened externally as was authorized last year. It is an investment which will hasten the day when U.S. military influence and involvement can be reduced throughout the world.

A case in point is the special \$50 million authorization for the modernization of the Republic of Korea's military forces. I proposed this addition to the committee which recommended its incorporation in the bill.

Korea remains one of the most vulnerable and volatile areas of the world, second only to Vietnam in its potential for violence. In recent years, our preoccupation with Vietnam has led us to minimize the dangers there and to neglect the need for a strong South Korean military force.

This authorization will assist in the strengthening and modernization of that highly trained military force in anticipation of the time when U.S. troops will no longer be required for the defense of the Republic of Korea.

In conclusion, it is important to keep in mind that this is fundamentally a transitional year for foreign aid.

A new President and a new administration have proposed fundamental shifts in direction and emphasis as well as a number of innovations. But the full impact of these will not be felt immediately.

We have seen probably the most extensive outlines of this new policy as it will affect Latin America. Using the exemplary work of Gov. Nelson A. Rockefeller's Presidential Mission for the Western Hemisphere as a guide, President Nixon on October 31 set forth the first principles of this new policy.

In addition to improved economic assistance programs, the President stressed the importance of increased technical assistance, improved cooperation in connection with tariffs and trade, more emphasis on multilateral aid, and finally a fundamental understanding of the limits on what we can accomplish.

In the President's words:

As we seek to forge a new partnership (with Latin America), we must recognize that we are a community of widely diverse peoples. Our cultures are different. Our perceptions are often different. Our emotional reactions are often different. Partnership—mutuality—these do not flow naturally. We have to work at them.

This awareness that what has been done in the past must be improved upon, this emphasis on the need for reexamination and innovation is the central theme of the new administration's approach to foreign assistance.

The Presidential Task Force on International Development, headed by Mr. Rudolph A. Peterson, is now conducting a comprehensive review of our present efforts and will make its report and recommendations next March.

Together with the already completed

work of the Pearson Commission and other private and public studies, we will soon have a new blueprint from which to build more efficient and effective assistance programs for the 1970's.

Foreign aid is a responsibility we cannot afford to ignore from the standpoint of our long-range interests. At the same time, it is a program which must be made more efficient and economic because of our immediate needs at home.

President Nixon said in his message to Congress last May:

Foreign aid cannot be viewed in isolation. This is a statement with a double meaning, each side of which is true.

If we turn inward, if we adopt an attitude of letting the underdeveloped nations shift for themselves, we would soon see them shift away from the values so necessary to international stability. Moreover, we would lose the traditional concern for humanity which is so vital a part of the American spirit.

In another sense, foreign aid must be viewed as an integral part of our overall effort to achieve a world order of peace and justice. That order combines our sense of responsibility for helping those determined to defend their freedom; our sensible understanding of the mutual benefits that flow from cooperation between nations; and our sensitivity to the desires of our fellow men to improve their lot in the world.

Mr. ADAIR. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. TAFT).

Mr. TAFT. Mr. Chairman, I thank the gentleman for yielding me this time. I shall try to be as brief as possible. However, there is one aspect of this program which in my opinion is important to discuss today. It is a growing problem, one that is with us and one that relates to the overall efficacy of any foreign aid program upon which we embark.

However, before I discuss it, I would like to say how very important I think it is that this House give full consideration and a proper measure of support to the foreign aid program. Tomorrow the House will work its will in this connection. I would like to repeat in a general way before getting on with the specifics the injunction that I put before the House last year.

If we fail to pass the foreign aid program, I care not who the President of the United States may be or what party he might represent, in order effectively to carry on the foreign policy of the United States we would soon find ourselves embarking upon most of the present facets of such a program because they are in our long-range national interests.

Mr. Chairman, it may be said that it is wasteful and there needs to be corrections that should be brought about in its administration, but overall it is a weapon, an arm of our foreign policy, which, under the circumstances in which we find ourselves today, it would be most unwise to omit and overlook.

Now, Mr. Chairman, the specific area I would like to talk about relates to the question of population control. This has been an increasingly important area of our foreign aid program.

A vitally important element in this legislation is the provision of \$100 million for population and family planning pro-

grams. The House Committee on Foreign Affairs has taken the lead in providing adequate funds for this program—\$35 million in fiscal year 1968, \$50 million in fiscal year 1969, and now \$100 million in fiscal year 1970—because the committee feels that this is an area of extreme and urgent concern which until very recently AID has not given sufficiently high priority. It should be clear that this earmarking is intended for fiscal year 1970, even though portions of the bill to which it applies may end up with fiscal year 1971 authorizations as well.

The statistics of the population crisis are well known—the prospect of 7 billion people on earth in the year 2000, 80 percent of them in the impoverished, underdeveloped countries, population growth rates in these countries of 2.5 to 3.5 percent, or populations doubling in some 20 years, food production barely keeping pace with population growth, and per capita economic gain approximately halved by the effect of increased populations.

The dimensions and urgency of the issue have been widely described over the last few years. It is impossible to deny that a serious problem exists that can undermine much of the impact of our foreign assistance program.

How best to solve the population problem and give the peoples of the developing world a better chance to improve their lives is not yet fully known. Many elements are involved. Certainly better family planning methods, perhaps a once a year injection, are needed, methods which are adaptable to the customs of people in these countries, and more trained personnel to run family planning, maternal and child health clinics, better equipment, a regular supply of contraceptive needs. At the same time, broad educational programs should be expanded to make the possibilities of family planning familiar and accessible to all. The available know-how and resources, not only of governments but also of private family planning groups, of the International Planned Parenthood Federation and of United Nations organizations must be mobilized and brought to bear in this field. IPPF has done an especially outstanding job coordinating with both private and public programs.

The funds provided to AID in this legislation are to be used on a grant or loan basis, in whatever ways they can be most effective in line with the wishes of the peoples involved. Studies have already shown the majority of women in developing countries do want to control their family size. Dr. Alan Guttmacher, the distinguished U.S. physician, who testified before our committee estimated that there were some 25 million abortions annually—evidence of the great demand to check excess fertility. At the same time he pointed out that, typically enough, a group of village women he met in Indonesia were very interested, but not prepared to walk 15 miles to a clinic. Until family planning facilities and personnel are really within reach of the rural population, birth rates will not fall appreciably.

It should be noted that the report on pages 19 and 20 makes it clear that research on population programs is included under section 205 as well as elsewhere, and it is our hope that the earmarking technique will encourage increased research grants and loans.

Although the process of education and the successful adoption of a new social pattern such as a small, planned family is obviously not achieved overnight, there is already encouraging evidence that governments are recognizing the importance of the population problem and that, in some areas, birth rates are indeed beginning to fall measurably as a result of systematic family planning programs. Government family planning policies or programs are underway in some 30 countries in Asia, Africa, and Latin America. Few of these have been operating long enough to produce recorded declines in birth rates but the demand for and use of family planning is clearly increasing in these countries.

In both Korea and Taiwan, for instance, government-sponsored family planning efforts, assisted by the Population Council, the International Planned Parenthood Federation and also recently by AID, are showing measurable effects. In Korea one out of every four women has an IUD. Birth rates are believed to have dropped from about 45 per thousand in 1961 to about 34 in 1967. In Taiwan, birth rates have dropped from about 38 in 1961 to 29 in 1968.

In Singapore, Malaysia, and Hong Kong programs based primarily on use of oral contraceptives have had very considerable success. Figures based on crude birth rates, for several countries where vital statistics are reliable, show the remarkable decline. Crude birth rates do not take fully into account age structures, but on the whole most of the decline stems from a genuine drop in fertility rather than merely a decline in the number of women of child-bearing age, as follows:

CRUDE BIRTH RATES FOR KOREA, TAIWAN, HONG KONG, AND SINGAPORE

	1961	1965	1966	1967	1968
Korea.....	44.7			34.0	
Taiwan.....	37.7	32.1	30.7	29.3	28.8
Hong Kong.....	35.5	28.8	25.8	24.6	21.3
Singapore.....	35.5	29.9	28.6	25.9	23.5

Source: Studies in family planning, Korea 1967, estimate AID population program assistance 1969.

The example of these countries is very closely watched elsewhere where newer programs have not yet made a real impact on birth rates. In the Philippines and Indonesia, for instance, interest in family planning is rapidly growing; private family planning groups are extremely active. Several have merged into a single unit, paving the way, it is hoped, for broader governmental actions that are now under study. In Africa, south of the Sahara, Ghana this year announced a comprehensive population policy with government and private clinics to operate cooperatively. Kenya is undertaking a similar effort, and other black African governments are showing new interest.

The Arab nations of North Africa are also moving ahead with government-sponsored programs.

In Latin America, the demand on the part of women for family planning is great. In some nations there is estimated to be one abortion for every two or three live births. Over-the-counter sales of oral contraceptives—which are available without prescription to those who can afford them—is rapidly increasing.

At the same time, population growth is literally devouring all economic growth and the goals of the Alliance for Progress seem almost as remote today as they were a decade ago despite great efforts on the part of the United States and the Latin American governments. Government family planning programs are beginning, slowly and timidly. Private association clinics are multiplying. The next year may see real breakthroughs in several Latin countries where additional funds for family planning services—to be included in maternal and child health clinics—may soon open the door for acknowledged government programs.

India still presents the greatest population problem in the free world and, disappointingly, the last few years have not shown as much progress as hoped for. Despite the urgency of the issue, U.S. assistance for India's population program has so far been too little and too late.

*AID support of population and family planning in India—including AID personnel in India*

Fiscal year:	
1965 -----	0
1966 -----	0
1967 -----	127,000
1968 -----	7,750,000
1969 -----	721,000

This includes loan of \$2.7 million for foreign exchange costs of vehicle parts. Also in 1969, \$15 million from counterpart local funds was approved for family planning. How much was actually used is not yet clear. Perhaps a matching fund from counterpart should be required.

A substantial portion of the \$100 million allocated for population in this bill should be used in India, and not merely a substitute for already programed Indian funds but rather to provide a real addition and increase in supplies, personnel, and programing. The recent United Nations mission to India, which studied the population program in great detail pointed out that for the family planning program "there was insufficient external assistance and in addition, whatever assistance was rendered was not always helpful in the attainment of program objectives."

In stressing particularly the need for more external aid to help the family planning program expand and reach more participants, the United Nations report also stated "The services need to be strengthened in respect of physical facilities, equipment, vehicles, drugs, and other supplies. The mission feels that opportunities for external assistance exist in this field and could contribute greatly to sustained and rapid progress. Communications, education, research,

training, management, and evaluation could also be improved, the report indicated, by appropriate financial and material assistance."

It was the intent of the committee in allocating these funds for population and family planning work to encourage more vigorous and imaginative programing of support where it is most needed. Since \$100 million represents approximately 5 percent of the total authorized for AID activities it would not be inappropriate in India or a number of other nations to regard 5 percent as a minimum ratio of population assistance to total economic aid.

Since a reduction in population growth rates actually works to multiply the effectiveness of all other types of assistance, assistance in this area must be viewed not, of course, as a substitute for other types of help but rather as a catalyst to accompany other elements of a balanced program.

Mr. ADAIR. Mr. Chairman, I yield such time as he may require to the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, I rise in support of H.R. 14580, the Foreign Assistance Act of 1969. In my judgment this legislation is clearly in the national interest. It authorizes the continuation of economic and military assistance programs which constitute a vital part of our Nation's foreign policy.

Foreign assistance has often been attacked as a give-away program in which the hard-earned dollars of American taxpayers are loosely expended in programs of uncertain merit and in handouts to foreign countries. If I believed this to be the sum and substance of the foreign-assistance program, I would certainly oppose this legislation. To the extent that it is the case in any element of the work of the Agency for International Development, I am committed to that element's abolishment or reform.

My own understanding of the purpose and function of this part of our foreign policy, however, has brought me to the conclusion that is a wise investment which the United States needs to make for the sake of our own national security and in our own national interest. As a Christian and churchman who has always advocated voluntary giving by the more fortunate to assist in meeting the needs of the less fortunate, it is not a matter of grief to me that our Nation itself is known in the world as one which cares about man's ancient enemies of disease, hunger, poverty and illiteracy, and is willing to give generously of its resources in humanity's struggle toward a world without want.

In addition to all Government assistance programs, American citizens give voluntarily and privately through churches, foundations, and other charities around \$600,000,000 a year in private foreign assistance. Of all the nations in world history, America was the first to initiate anything that could honestly be called a foreign assistance program when, through the Marshall plan, it sought to rebuild war-ravaged Europe—assisting friend and foe alike. Af-

ter this it has continued through the present program to assist the developing countries of Asia, Africa, and Latin America.

It is not to my mind unreasonable that a nation's foreign policy should reflect what that nation is. I know of no aspect of American foreign policy which more truly reflects the nature of this society than its foreign assistance program. Americans are, as a people, consistently generous in giving to help others in need. We perhaps do not realize that it is not the case of a single one of our pious critics in Europe or anywhere else that the people give significant amounts of their personal income to support churches. United Fund, individual strangers, and various foreign and domestic charities generously, regularly, and without equivocation. This unique Nation, drawn from the blood of many nations, comprising a rich mosaic of many cultures, has given to the world something which is truly new and a part of that gift to the world is the truly American habit of giving and of sharing—expressed both personally and privately and as a matter of national policy.

In the Congress, however, we cannot lawfully pass legislation in which we take dollars taxed from American citizens by force of law and contribute them to the welfare of some other nation unless by so doing we in good conscience believe we serve the national interest of the United States or protect its national security. The sole constitutional basis for foreign policy is the national interest of the United States.

Our harshest critics opine that what we do in this field is not really for humanitarian purposes at all, but is indeed intended to serve our own interests. Could a case not be made for it in terms of the national interest, we could not, in my judgment, lawfully have a program at all. However, before attempting to at least partially state that case, let me first confess that in a very real sense we are guilty of a benign hypocrisy concerning the foreign assistance program. The basic reason there is such a thing in the world as foreign assistance in which America set the example and America has led the way, regardless of the present claims of other governments, is because of the honest concern of the people of this country for human need. We simply cannot stand the thought of little children starving to death in the streets or dying of the plague. We do not wish to live in a world filled with hunger, disease, and poverty. We could not leave the world destroyed by war with its people helpless and its recovery apparently hopeless. We had to act. We had to help, because this is the basic truth and the very essence of what we are as a people. We could no more abandon this struggle than could we stand idle while tyrants move forward to impose upon the people of the world the brutal totalitarianism of a Nazi, or a fascist, or a Communist world order. We are committed to the cause of freedom and we are committed to humanity's struggle for a better life on this planet. I must honestly confess that this is the

real reason for our foreign assistance program.

There are, however, good and sufficient reasons clearly within the scope of the constitutional purpose of our Nation's foreign policy to which I would now direct the attention of my colleagues. The most basic reason for my support of this legislation is that I have become convinced it is an essential element of our successful response to the Communist challenge in our time. World communism does control more than 25 percent of the earth's surface and more than 1 billion of the world's people in its varying expressions. With continuing policies aimed at expanding the sphere of Communist influence toward ultimate world domination through political, economic, and military means, it constitutes a further threat to the freedom and self-determination of those people not yet under its control.

Europe is filled today with strong, prosperous and independent nations, many of whom are aid-giving nations to the developing countries. This almost certainly could not have been the case, however, had it not been for the assistance given these countries through the Marshall plan following World War II. Without such assistance, Western Europe, like Eastern Europe and the Soviet Union, might well have been at the mercy of a Communist minority. Our assistance program helped the nations of the free West to rise again to positions of strength and stability which make them a powerful force for freedom and an impressive deterrent to Communist expansion.

In Latin America Fidel Castro has thus far totally failed in his determined efforts to subvert the Western Hemisphere. There may be many reasons why Latin America has thus far turned away from, not toward, communism. At least a part of the answer, however, must be in our military assistance which has helped various nations to provide for adequate internal security and the economic assistance provided in our share of the Alliance for Progress toward better and more stable societies. This continuing expression of our friendship and interest has helped to guard against the growth of Communist power in the Western Hemisphere.

In Africa our own limited aid, along with the more substantial assistance from Western Europe, has helped various infant republics toward stability and progress. Africa also has in large measure resisted the dedicated efforts of both Red China and the Soviet Union to expand their influence there.

In Asia there exist such non-Communist independent nations as the Republic of China, the Republic of Korea, the Republic of Vietnam, and Thailand because, at least in part, of our military presence in that part of the world supplemented by our military and economic assistance programs. Indonesia's hope for continued progress following her dramatic turn from near total domination by Communist forces is heavily dependent upon continued economic assistance

from the United States as part of the consortium formed for this purpose.

With all the failures toward which one could point in the foreign assistance program, it must be said that it has assisted many nations toward basic political and economic and military strength and a condition of internal security, frustrating the goals of Communist imperial expansionism.

Many Americans, both "hawks" and "doves" alike, are concerned over the tremendous investment of billions of American dollars and thousands of precious American lives in the present conflict in Vietnam. In his tour of Asia earlier this year our President made clear to Asian leaders that it was not the intention of this Government in the future to assume a comparable role in an Asian conflict to that which it has played in Vietnam. In Vietnam, as earlier in Korea, American combat soldiers have carried a major part of the battle for the freedom of an Asian ally. In the future it is almost certain Asia will have to look to herself for the bulk of the manpower in such situations should they occur.

Yet just as the continued presence of American military power—particularly that of our Navy and Air Force—will almost certainly be required to some extent in the Pacific for the foreseeable future, continuing military and economic assistance will be clearly required if the free and independent nations of Asia are to be able to deter Communist aggression and enjoy the peaceful development of their own societies.

It makes great sense to me to invest millions in economic and military assistance in Asia and elsewhere rather than many billions of dollars in American military expenditures in such situations as Vietnam, plus thousands of irreplaceable American lives as well. This is realistically the best means I know to fulfill the President's new Asian policy without total withdrawal of the United States from this part of the world—gambling on the ultimate control of those millions of people by some form of Communist totalitarianism.

Of the funds in this bill, \$400 million are in the military assistance program, with the bulk of these funds going to such nations as the Republic of Korea and the Republic of China. \$414.6 million is the figure for supporting assistance, with much of this money going toward the support of the Republic of Vietnam. It would seem to me to be an act of national folly to invest many billions of dollars and many thousands of lives in the Vietnamese conflict while failing to authorize the millions needed in economic assistance to Vietnam so essential to the Vietnamization of the conflict and the ability of the Saigon regime to successfully fulfill its governmental responsibilities.

The Agency for Internal Development is making a significant effort to help South Vietnam build a better life, even as they are fighting. One concrete example is in the Agency's efforts to provide medical help to the children of Vietnam. A recent article in the Saigon Post, for instance, refers to a newly

constructed children's center for plastic and reconstructive surgery. This is a 50-bed hospital operated by Children's Medical Relief International and financed largely by AID, with additional funds from the Government of Vietnam, and private donations. The Saigon Post says:

Expert care is being provided free of charge to any Vietnamese child in need of help. Already, in a pilot project, hundreds of children suffering from crippling war wounds, domestic accidents, and birth defects have been treated successfully.

I note also from the same article that surgeons have volunteered, not only from the United States, but from Australia, England, France, India, Israel, Scotland, and the Philippines to participate in this program. So have pediatricians and specially trained nurses. I also note, and this I would like to quote:

The volunteer staff not only provides expert care for the children at a level fully equal to that found in any Western country, but it is involved in an intensive training program of the Vietnamese professional staff who will eventually operate the center.

Dr. Arthur J. Barsky, professor of plastic surgery at Albert Einstein College of Medicine and president of Children's Medical Relief International, to which the AID grant was given, stated:

The center already serves as a model surgical unit for the entire country, and a great deal of interest has been generated in the Vietnamese medical community when doctors see it is now possible to develop in their own country the kind of hospital facility they have always envied in the Western world.

The sum of \$422.6 million of the funds in this bill in the form of technical assistance, helping people to help themselves and quite possibly the best form of aid which can be given to a nation.

More than \$800 million of the \$2 billion in this bill is for development loans or loans under the Alliance for Progress, with every reason to expect that this money will ultimately return to our Treasury with interest. As a matter of fact the returns already coming in from previous loans, plus the fact that 92.7 percent of foreign aid dollars are actually spent in the United States and not abroad, mean that AID's present dollar effect on the U.S. balance of payments is positive rather than negative. The estimated net inflow in 1970 is \$197 million. This is primarily due to the growing receipts of interest and principle repayments on past loans. There is every reason to expect that this will be a continuing trend in the future.

The new administration is making every effort to tighten up on and improve the AID program. Improved auditing procedures, for which the committee is at least partly responsible, should hold down the level of error which has been so painfully apparent at times in the past in the operation of the Agency for International Development.

There is in this legislation a new thrust toward greater participation of private enterprise in the development of less-developed countries. The creation of

the Overseas Private Investment Corporation is a positive and substantial step in this direction. Even as it is clear that it is in our security interests to deter Communist aggression, it is in our economic interest to have expanding markets in societies that are increasingly strong, and stable, and prosperous, rather than poor and weak. Private investment can play a major role in this development process and it is essential that we do everything in our power governmentally to facilitate the participation of American private enterprise in this challenging and rewarding task.

The above are simply some of the basic reasons I believe this relatively small percentage of our gross national product and of the Federal budget to be a good investment for America. I am encouraged by the growing aid effort of the nations of Western Europe and of Japan. The Republic of China, like many of the former recipients of economic aid, has reached a position of prosperity which makes such aid no longer necessary and has a small but very excellent technical assistance program of her own which has been of most effective help in Africa. It is reasonable and right that an increasing percentage of the aid burden should be borne by others, particularly such prosperous nations as Japan and our friends of Western Europe.

In dollar terms, however, American aid will continue to be of great importance to the developing countries of Asia and Latin America, as well as to a lesser extent in Africa. Both the economic and the psychological impact of our withdrawal from this program or the failure to fulfill present commitments which too drastic a reduction in funds would entail would have a very adverse effect upon our interests all over the world. We must continue to be a part of the partnership for progress which our Nation virtually invented and without which the present world would be much more completely a vale of tears than is presently the case. For the sake of all who are "riders on the earth together," but even more for the sake of the United States itself, I urge the Congress to pass this legislation and in so doing make an investment in the future which will pay large dividends for the world's people and for our country.

Mr. ZABLOCKI. Mr. Chairman, I yield to the gentleman from New York (Mr. BINGHAM) such time as he may require.

Mr. BINGHAM. Mr. Chairman, I rise in support of H.R. 14580, the Foreign Assistance Act of 1969.

I have reservations about the bill some of which are reflected in the supplemental views submitted by Messrs. CULVER, ROYBAL, ROSENTHAL and myself. I would like to see many of the restrictions imposed over the years lifted. I opposed the cuts voted in the committee in the developmental programs. Nevertheless, the Foreign Affairs Committee worked long and hard on this bill, under the patient, fair, and courteous leadership of its distinguished chairman, and the bill now before the House doubtless fairly represents the consensus of a majority of the committee. Certainly it would be a

tragedy if the House were to make substantial further cuts in the developmental funds, and a real disaster if the bill as a whole were to fail of passage. This would be a signal that the richest, most powerful Nation of the world has turned its back on its responsibilities to its less fortunate neighbors.

Many of us in Congress—and I am sure many of our constituents as well—have the impression that the United States is the most openhanded of all the countries of the world when it comes to foreign aid. No doubt many also feel the terms and conditions of our economic assistance to developing countries are among the easiest: hence the talk we hear about the "giveaway program."

Neither of these impressions is correct. It is true that the United States still provides more economic aid than any other country, in terms of total amount.

But relative to national income, which after all is a more valid measure of "generosity," if you want to call it that, we do not stand quite so tall.

Each year, the association of economic aid donor nations known as the Development Assistance Committee—of the Organization for Economic Cooperation and Development—takes a measurement of these nations' assistance efforts.

Their figures for 1968 show that:

The United States ranked eighth—of 16 nations—in percentage of gross national product devoted to official or government-financed economic aid to developing countries. And our role is shrinking: we were seventh in 1967 and fifth in 1966.

Using the amount of both official and private-sector aid as a measure, the United States ranked 12th in proportion to GNP.

And as for the terms of aid, the United States ranked 10th in the percentage of its aid provided on a concessional basis. This ranking is based on the grants provided, as against loans, the interest rate charged on maturity and grace period of loans.

The United States is among six countries of the DAC group which have neither met the United Nations target of 1 percent of GNP for official and private foreign assistance, nor have specific official plans for meeting it.

These facts hardly give us any reason for worry about being "Uncle Sucker" or about any "great giveaway program" authorized by the Foreign Assistance Act that we are discussing.

The downward trend in the share of our wealth we are using to help others is alarming in terms of the gap between our standard of living and that of developing nations. This gap, in spite of all our efforts, is growing and constitutes a potentially explosive situation.

Furthermore, the United States has been a leader in foreign aid for some decades and has encouraged other DAC members to expand and improve their aid programs substantially. It would be a shame for this, the wealthiest nation, to fall behind its obligations to the developing world. The result would surely be to discourage other donor nations from supporting and increasing their share of the burden.

Ten years ago we hailed the approaching 1960's as a "decade of development." Today, as we look back over this period, we can ask, "Was it a success or a failure?"

By and large, despite all the disappointments and frustrations, I believe it can be called a success.

For one thing, these years brought forth "the green revolution." This was a momentous leap forward in food production that has delivered new hope and new life to millions of people in the developing world.

The United States can take pride in having played an important role in this achievement. It came about through private initiative and enterprise; through the work of foundations; through the will and self-help efforts of the countries involved, and through the support of foreign aid.

Consider the situation on the eve of the green revolution in 1967: Two reports—that of the President's Science Advisory Committee and the National Advisory Commission on Food and Fiber—had presented a gloomy picture of the world situation that summer. Some food experts and serious writers were predicting famine in the developing world as early as 1975. India's half billion people were still suffering from the effects of 2 years of drought.

Late in 1967, however, reports began to trickle in that a new rice variety, IR-8, was achieving sensational yields in the Philippines. The harvests held the dramatic probability that the country would become self-sufficient in this basic crop for the first time. There were other reports. The monsoons at last were good in India. New wheat seeds—developed as were the rice seeds, by institutions financed by the Rockefeller and Ford Foundations—were bringing in a crop that would set a new record. Pakistan, too, sent glowing news of her wheat and rice crops. Turkey had planted the new "Mexican" wheat and forecast a great harvest.

The reports proved true. India's grain production hit 100 million tons. Between 1967 and 1969, Pakistan's wheat harvests were up 60 percent. The ingredients were not only the weather and new high-yield seeds. There was intensive use of fertilizer; good employment of water resources; use of insecticides; price incentives, backed up by local research and extension efforts. In much of this American foreign aid played a key role.

The picture is brighter today than it was 10 years ago. The green revolution has bought time for the developing countries to do something about cutting their birth rates.

If we are to continue to progress in the seventies, the green revolution will have to be supported by the necessary resources from the developed countries. The developing countries can do most of the job: they are giving priority to food production; they are willing and anxious to use new agricultural techniques. But they cannot do it all alone. They need the help that foreign aid can supply.

If we, and the other developed coun-

tries supply this help in adequate amounts we will speed the effects of the green revolution. Those effects will first be seen in greater food production, then in an improvement of general standards of nutrition, health, and education—the conditions which enhance the possibility of voluntary population limitation.

And if we can do that, we will have brightened the chances for a peaceful world. I will, of course, have more to say on specific aspects of this subject tomorrow.

Mr. ZABLOCKI. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. Mr. Chairman, the past two decades have witnessed some of the most staggering changes in all of recorded history. The moon landings are the most spectacular evidence of the almost incredible progress of technology. The advent of nuclear weapons has drastically altered traditional concepts of the use of force in international relations. The Soviet Union has attained the status of a superpower, and China, under Communist rule, is one of the most feared enigmas in the world. The political map of the world is no longer recognizable to those of us who went to school before the Second World War, as more than 50 new nations have emerged out of territories formerly controlled by Britain, France, the Netherlands, and Belgium.

Throughout this entire period there has been one constant element in American foreign policy, one component that has been endorsed by all the administrations that have held office, and that component is foreign aid.

Why should this be? Why should five successive administrations propose and fight for foreign aid when foreign aid has been far from popular, and when it has been widely criticized by many Members of Congress and the public at large? Why, despite such strong opposition, has Congress annually passed a foreign aid bill?

The answer is simple, and it is basic. Every administration for the past 20 years has sponsored foreign aid, and every Congress for the past 20 years has passed it because foreign aid, when properly administered, is intimately entwined with our national security.

I do not say that national security has been the only motivation for the foreign aid program. Certainly a nation with our humanitarian traditions always has been, and let us hope always will be, concerned with the alleviation of human misery wherever it is found. But whatever the strength of the humanitarian impulse, it could never be more than a partner to the national security interests of our country.

For I suggest that we Americans can neither feel secure, nor be secure when what is officially considered a poverty level family income in this country, namely \$3,000 a year, is five to 10 times the average family income in most countries in the underdeveloped world.

Thus in a period of great international stress, when the age-old cry against military action grows louder, our program of

foreign assistance becomes an essential part of our arsenal against totalitarianism.

Let me emphasize here that our ongoing struggle against totalitarianism is not merely a resistance to communism. Certainly we must resist Communist influences whenever and wherever possible. But we must be wary as well lest another form of totalitarianism—fascism—is substituted for communism. These evils are to be resisted with equal fervency. Frankly, I am concerned that in certain cases—Greece, Vietnam and Latin America come immediately to mind—our understandable rejection of communism has permitted an unintentional rise of other forms of totalitarianism.

But there is an answer to this dilemma. Rather than addressing our assistance to governments as we have too often done in the past, we must direct our aid toward people. By aiding people directly we can get across the vital message that we have a viable, desirable alternative to any form of totalitarianism.

That alternative, of course, is democracy. The basic tenets of democracy are, in fact, the greatest salesmen of democracy. The support of equal opportunity, the rights of free expression, the pursuit of human dignity, the elimination of need—of want—these are the tenets of democracy and if we can communicate our message to the people in the developing nations they can understand the validity and strength of meaningful alternatives to totalitarianism.

Now, Mr. Chairman, I have hit on the need to aid people, not governments. This is part of the needed reorientation of our aid policy. While I am a consistent backer of our aid program I do believe that too often we have been the victims of poor administration and management. Nowhere is this better evidenced than in the incorrect practice of aiding governments in lieu of people.

Also we must reorient our aid another way. The goal of aid should not be to satisfy immediate needs and ignore the future; we should not offer palliatives when solutions are possible. Accordingly, we should increase our emphasis on development projects that will enable recipient nations to become self-sustaining. I am reminded of the oriental proverb that says: When you give a man a fish, he will have a meal; but when you teach him how to fish, he will never go hungry. This basic principle is applicable to the goal of our foreign aid. Yes, when people are hungry, let us help feed them. But let us also provide them with the means to avoid hunger in the future.

This takes me to another point that I feel needs greater attention. Totalitarianism, no matter which of its equally terrible forms it might take, cannot thrive unless there is want and need. These are the awful host upon which communism and fascism can grow. Thus our aid must be properly directed toward building the base for viable economies in the recipient nations. We must offer self-help programs that will, in turn, offer a purposeful and desirable deterrent to power seekers who prey on the wants of people.

Mr. Chairman, I have sought to delineate the presence of self-interest and humanitarian goals in our aid program. In this direction I would note that I do favor certain strings in our aid program. We cannot buy a government nor a people for a bag of rice or for a cement factory; nor should we attempt to do so. But we have every right, in fact we have the responsibility, to require certain reasonable conditions from recipient nations regarding their own self-help programs and their international actions that would affect the United States.

These strings of which I speak are mutually beneficial strings that protect our interest in giving and at the same time provide the recipient with the promise of independence, self-sufficiency and economic development.

Now, Mr. Chairman, as I said a moment ago our foreign aid program is not the giveaway that some have called it. I hope I have demonstrated that when properly administered it is an integral and essential part of our foreign policy and national security.

And if our foreign assistance is to achieve its noble and worthy goals of aiding people everywhere while simultaneously contributing to our own national security, it must be made available out of a concern for something more than a sterile, shortrun stability. It should not be the object of U.S. foreign aid to freeze the status quo. Rather our concern should be for orderly, constructive change.

For U.S. security will not be served by support for stabilization measures which merely postpone needed change. Nor will it be served by support for repressive regimes simply because they can maintain the lid on bubbling discontent. Rather, U.S. security will be enhanced by our support of genuine development efforts, efforts which encompass change, which encourage popular participation, and which foster a broad sharing of the social and economic benefits of development. As the noted economist and specialist on development Max Millekan has written:

We need no longer support for security reasons regimes which are neither interested in these goals nor capable of promoting them.

When Robert McNamara was Secretary of Defense he made a notable speech in which he said, "security is development." If I may be permitted a paraphrase, "foreign aid is our best defense." I believe in foreign aid—aid which does not require us to be the world's policeman, but aid that reaffirms our adherence to peaceful competition and our concern for the welfare of people everywhere.

Mr. Chairman, before closing I do want to address myself very briefly to one other point that I feel requires more attention. It is a fundamental economic reality that international markets are essential for the growth of the American economy. The developing nations that are today receiving our aid are going to be our trading partners of the next decade just as those countries that received our

aid 10 and 20 years ago are our partners today.

Yet, too little has been done to prepare us for this day; too little has been done to bring the private sector here in the United States into the aid process. I realize a small step is being made with the creation of the Overseas Private Investment Corporation—OPIC. But I feel much more can be done. I urge a sharp increase in the involvement of American businessmen in the process of international development through appropriate loan, guarantee, and joint venture programs.

To conclude let me reiterate that I believe strongly in the wisdom and need for this program; foreign aid is not a giveaway. It is an investment in democracy, in the principles of our Nation, in our security; it is a vital and essential investment in the future of the United States and, indeed, in the future of our globe.

I take particular exception at this point to a statement that was made by Governor Rockefeller only the other day in his appearance before our committee. In his recent recommendations for Latin America he ventured that no individual nation can provide for its own internal security, thereby implying a recommendation that we interfere in the internal affairs of the Latin American nations. I think this is a highly dangerous recommendation, and I take strenuous objection to our Nation or any other nation interfering in the internal affairs of any other nation.

Mr. ADAIR. Mr. Chairman, I yield 10 minutes to the gentleman from Florida (Mr. BURKE).

Mr. BURKE of Florida. Mr. Chairman, I wish to express my opposition to H.R. 14580. This bill which we have before us is a maze of 83 pages. This should not however, surprise us, for the program it represents has long since become a bureaucratic maze beyond comprehension.

The American taxpayer who so generously supported the Marshall plan after World War II has since been used to finance the myth that all the problems of the world can be solved by Americans, with American dollars.

The taxpayer in this country is a patient, down-to-earth individual. But there is a limit to his patience and he now would like to know what his hard-earned money has bought. And he is asking us—his elected Representatives—just what has the expenditure of more than \$122 billion in foreign aid accomplished.

This is a good question and a difficult one to answer as we consider some of the more obvious and major beneficiaries of our generosity. Perhaps India is today's best example. The recipient of more than \$8 billion in U.S. aid, India is glad to have the United States help with programs to feed its people. And yet, its Government policy consistently manages to avoid undue evidence of friendship toward America's foreign policy.

I could cite many examples of how our expenditure of foreign aid has failed to bring about either real progress in the country receiving the aid, or to improve

the national security of the United States. But this is an old, old story, particularly to our taxpayer.

Even those in the executive branch bureaucracy know the time has come for a change. And this year they offered us one in the form of a new alphabetical agency called OPIC, or Overseas Private Investment Corporation. It is my impression after the extended hearings by the Foreign Affairs Committee that this new creation is more form than substance. While dedicated to helping private enterprise, which I support, it would actually do little that is not already being done by the Agency for International Development.

The time has come for fundamental changes in foreign aid policy. Until fundamental changes are made—changes that relate foreign aid more directly to our vital national security—I, for one, cannot support this program.

It is true this bill represents more than 5 months of work by the committee and I must commend our chairman and my colleagues for their patience. Yet, the improvements which the committee made in the bill still fall short of what I regard as an acceptable bill.

Frankly, there are parts of the measure that I could support. For example, support for American schools abroad is a commendable program. It brings to the less developed countries an understanding of American educational methods and of subject matter that can move countries more quickly into the 20th century. Military assistance to some nations is another portion that has merit. The equipment and services we are giving to the weaker countries are not designed to make them military machines. Rather the purpose is to enable them to preserve their independence and to maintain internal security. Without independence and security any other aid that we or others may give to those countries is wasted. Parts of the technical assistance program that focus on improved food production and health are worthy of praise as to objectives if not always as to achievement.

Yet, many of the programs, long established and perhaps well understood, need more than an annual congressional review. They require close study and scrutiny to determine whether they have outlived their usefulness, whether new direction should be given them, or whether they are conducted with maximum effectiveness. During committee consideration of the bill we listened patiently to explanations by those whose job it is to defend each of the parts of the total foreign-aid package. Without care, our judgment may be affected by the special pleaders. Objectivity is difficult to develop and maintain where one is considering the sum total of accomplishment of foreign aid. Statistics can bounce off the head like peas on a tin roof; but an assessment of changing values, attitudes, and patterns is much more important as a measure of success yet much more elusive.

It is a recognition of these problems that leads me to question why this program should be continued without a detailed, even microscopic, review. The

President has appointed a commission that is to make a report early next year. Is the gap then of a few months so great that we should not wait and hopefully gain fresh insight into the complexities of foreign aid? I think we are making a serious mistake in pushing this bill at this time.

One part of the bill that gives me particular concern is the provision for the creation of another Government corporation to be known as the Overseas Private Investment Corporation, popularly called OPIC. Because of the far-reaching implications contained in the proposal, it was decided that one of our subcommittees hold separate hearings on the subject. A reading of these hearings leaves me unconvinced that another Government corporation is the answer to accelerated U.S. private investment abroad. We already have in operation a rather successful insurance and guarantee program for new investment moving into the less developed countries. Under the bill a new feature would be the use of Government funds to be loaned to U.S. companies going overseas. But what is not spelled out either in the bill or in the report is the interest rate that could be charged. Like many Members of this House, I am aware of the exorbitant price of borrowed money today. Yet, this new corporation could set rates much more favorable to companies that could afford to pay the rate that our constituents must pay. Of equal concern to me is the high-priced personnel that would be employed to run this corporation.

I have weighed, to the best of my ability, the favorable features of this bill against the unfavorable ones. It is my considered judgment that the latter outweigh the former. For that reason, I shall vote against the bill, H.R. 14580.

Mr. ZABLOCKI. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. ROYBAL).

Mr. ROYBAL. Mr. Chairman, we are at a moment of great decision in our hemisphere. It is a moment when we will decide whether we should turn our faces to the future and work with the forces of progress and development or whether we should turn the clock back and let our friends and neighbors struggle alone with poverty and underdevelopment that are now ways of life in Latin America.

The question is not one of jumping into the fray, providing all the funds, and showing them how to do the job. That would be as wrong as the other extreme. Our role as a partner and friend is to work with the countries of Latin America, extending a hand of friendship as they do the basic job themselves.

We have learned much in the past decade about how we can best work with our Latin American friends. Indeed, this lesson is one of the more important benefits that resulted from the Alliance for Progress, both in North America and in South America. For with all that remains undone as we now enter the decade of the 1970's, we know that there is a valid basis for cooperation within the hemisphere, both in the bilateral and in the multilateral sense—the United States

working with each of the individual nations and with all the nations of the region together.

What faces us now is how to proceed, how do we apply the lessons of the past to build a better future?

The answer will not be obtained by any tactic that seeks what has been well described as "bargain basement tactics." It just cannot be done that way.

The commitment for Latin America that is spelled out in the foreign aid request is a minimal commitment. Anything less will cut the ground out from under an effective program during the coming fiscal year.

Is that what we want to tell the forces of progress in Latin America—that we cannot afford an investment in freedom—that the United States with all its wealth and with a steadily increasing GNP, just cannot find the funds to help its closest neighbors? If that is the answer we want to give, we had best think some other costs, too.

We had best think about the costs associated with a hemisphere hopelessly divided into two—a hemisphere of growing wealth and continuing development in the North and a hemisphere of growing poverty and continuing underdevelopment in the South—a hemisphere of discontent and violence fed by despair.

Yes; we may save a few million now, it is true, but at what cost a decade from now and at what greater cost by the end of the century?

The Rockefeller report tells us quite emphatically that we face today a crisis in human expectations, that unless we can succeed in making freedom and democracy work in the Western Hemisphere—our home hemisphere—we have little right to expect that it will work anywhere else in the world.

It is a warning all of us would do well to ponder—and to heed.

And in thinking now about how we will vote on the foreign aid commitment for Latin America, let us also bear in mind what the President said only recently—that the lives of the 600 million people who will be living in Latin America at the end of the century are "our challenge—our hope."

In this he was expressing no partisan belief, but one that has been at the heart of our policy toward Latin America since the end of World War II, one that has motivated all our Presidents since then, Republican and Democrat alike.

I mention this not because we do not have partisan differences about various aspects of our policy but because there is no difference about the fundamental philosophy behind it—the people of Latin America whose lives are very much the challenge and hope of all of us. And our vote will be a vote for their future no less than ours.

Mr. ADAIR. Mr. Chairman, I yield such time as he may consume to the gentleman from Delaware (Mr. ROTH).

Mr. ROTH. Mr. Chairman, as my colleagues may know, since I have been in Congress I have been critical of foreign aid. However, my criticism has never

been based on opposition to foreign aid as a concept. Indeed, I believe that the Marshall plan was an inspired act of constructive statesmanship. But I also felt, in subsequent years, that foreign aid was living on past momentum, that it had lost its sense of purpose, and that the program was characterized by drift and inertia. It was my conviction, stated on the floor of the House, that the strength of our domestic economy was the keystone on which all other undertakings depended. To maintain that strength it was necessary to cut spending, and foreign aid was one area where, in my judgment, spending could be cut.

In addition, there were some serious questions concerning the foreign aid program to which I sought answers: First, how could we maximize the effectiveness of those funds we had available? Second, had the program been responsible for involving us too closely in the affairs of other nations? Third, did the program, as it operated, result in a reduction of dependence on U.S. aid by the countries receiving it—in short, did it enable them to stand on their own feet?

The answers to these questions have not been too encouraging in the past, and I would not be wholly candid if I said I had no serious questions about foreign aid today. After a great deal of consideration, however, there are three reasons why I will support the foreign aid bill this year.

The most significant reason why I support the measure is the possible international implications of congressional opposition to this measure, implications that could be most harmful to other initiatives the administration is making in the foreign policy field. To me, this factor was more important than all others in determining my vote.

This is a time when we are trying to extricate ourselves honorably from Vietnam; this is a time when the President has espoused a new direction not only for our role in Asia but possibly for our military stance all over the free world. If the foreign aid bill does not have the support of Congress, our allies around the world might fear that this is a time when our great Nation is heading toward a period of neoisolationism, retreating far too rapidly from our moral obligation to help maintain international peace—a moral obligation that makes isolationism unacceptable. Lacking as we do the manpower and the moneypower to be the world's policeman, we must encourage other nations to assume a larger burden in the development and the defense of their own regions. As a principal power, however, we cannot retreat, like a turtle, into a shell.

Looking particularly at Vietnam, in view of the delicacy of the situation and in view of the extreme care with which Hanoi scrutinizes developments in this country, I feel it is of the utmost importance to strengthen the President's hand in his dealings with the Communist adversaries. The President is under tremendous pressure to end the war. I have no doubt that he is most anxious to bring about a just peace. Indeed, barring some

unforeseen circumstances, it is likely that more bases and equipment will be rapidly transferred to the South Vietnamese as our ground troops are withdrawn.

By closing ranks behind the President in the critical area of foreign aid, then, I believe we can help signal Hanoi that it is not dealing with a fragmented and frightened United States; the leaders of North Vietnam must not be given the impression that the President is not in command of his own foreign policy. That is why I believe I have no choice: I must support the bill this year. Otherwise, not only will the President's own freedom of maneuver be circumscribed, but both North Vietnam and the Vietcong will have less incentive for an early peace.

In terms of the overall situation, and in terms of the President's outline for a new worldwide foreign policy, we must make it clear to friend and foe alike that we shall honor our commitment to help maintain international peace, as we must also make it clear that the free nations of the world must assume greater responsibility in providing for their own defense. In reducing the number of our own troops around the world, we must temporarily continue to send conventional military assistance to those nations we are pledged to help.

In short, while we move in the direction of new approaches and new techniques in foreign policy, we must be particularly careful to avoid any false indication that we are retreating from the world arena.

A second principal reason, I believe, is that the new administration must have the opportunity to study and reappraise our entire national security, including the foreign aid program. To oppose reasonable foreign aid legislation at a time when the administration is attempting to revise and redirect our entire foreign policy seems to me to be both unwise and unfair. Only if Congress continues, albeit cautiously, along the present course can the administration have the flexibility to put into practice any changes it may choose to recommend.

The third reason, I think it would be unsound to reject foreign aid this year is that the Presidential Task Force on International Development, headed by Rudolph A. Peterson, has not yet turned in its report. In his foreign aid message to Congress, the President announced the formation of a task force of private citizens to "make a comprehensive review of the entire range of U.S. aid activities—and to help determine what our national policies should be toward the developing countries in the decade of the 1970's." The White House added that the report would "focus on the underlying rationale of the U.S. aid effort and its relationship to overall U.S. foreign policy," and that the President would look to the report in developing his foreign assistance program for next year and beyond.

The question of making development assistance more effective is undergoing reconsideration at national and interna-

tional levels in all corners of the globe; with the Peterson task force report due in February 1970, now is simply not the time for the Congress to undercut the program.

In supporting foreign aid at this crucial juncture, I do not withdraw the criticisms I have made in the past. They were relevant then; they are relevant now. I sincerely hope that there will be sufficient change in foreign aid policy so that such criticism will be unnecessary in the future.

I continue to believe that the amount of money available for foreign assistance is extremely limited in light of our serious fiscal problems. The Foreign Affairs Committee has, of course, reduced the executive request from \$2,630,400,000 to \$2,189,400,000.

Indeed, foreign aid is in need of new directions and new guidelines. The world of the 1970's is certainly not the same as the world of the 1950's and 1960's. Despite these changes, one cannot deny that the United States has an interest in the development of the third world for both moral and practical reasons. To assist in improving the conditions of life for millions of people is certainly a moral action. It is both practical and ethical to work, through aid, toward encouraging democratic institutions and toward a broader sharing of economic benefits.

Yet, we must be exceedingly careful, more so than we have been in the past, that these very worthy motivations do not result in undue interference with the internal affairs of other nations. I have said before and I repeat here that it is not the function of the United States to be the world's policeman. It is not in our interest to pursue such a policy. Our goal in the less developed countries should be to impart knowledge, to furnish training, to teach by example, and most important of all to help others to help themselves.

Because the administration is now examining the best way to meet these goals, and because at this time in our history Congress must provide the President with a strong front in foreign policy matters, I will support the foreign aid bill this year.

Mr. ADAIR. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana (Mr. DENNIS).

Mr. DENNIS. Mr. Chairman, the gentleman from New Jersey (Mr. FRELINGHUYSEN) said awhile ago that he wanted the new Members of the House particularly to consider this matter. Because I am such a Member I have stayed here and listened to the debate. I have done that chiefly in the spirit of learning about a very difficult and complicated problem.

I do have, even at this point, a certain philosophy on this subject of foreign aid, and that is it seems to me, as the gentleman from Ohio said a moment ago, it is an instrument of American policy. I believe we ought to regard it in that light, rather than as a sort of global do-good program or welfare program which, to my notion, it ought not to be.

Its character as an instrument of

American policy is, it seems to me, really the only thing which can justify it. In line with that thinking, I would expect to support many of the cuts which will be proposed here in amendments; for instance, cuts in development loans and that sort of thing.

In line with that same thinking, I would be somewhat less inclined to cut military assistance, and I would be actively opposed to removing supporting assistance from such countries as Vietnam and Thailand, where very broad and high principles of American policy requires that we keep those countries viable.

It seems to me one cannot be too doctrinaire about foreign aid; one has to be selective. But, when selecting, I believe it is very important to keep in mind that we are not running some kind of a global welfare program. We are dealing with an instrument of American foreign policy. We ought to approach our selection with that point of view in mind.

Mr. ADAIR. Mr. Chairman, I yield 10 minutes to the gentleman from California (Mr. MAILLIARD).

Mr. MAILLIARD. Mr. Chairman, the ever-widening gap between the developed and developing countries has become a central issue of our time. In face of this challenge, international cooperation for development over the past 20 years has been of a nature and scope new to history. However, this unprecedented period of development cooperation began with several erroneous presumptions on both sides. In retrospect, what were the principal mistakes in reasoning vis-a-vis foreign aid?

In the first instance, development aid was often seen in new nations as the economic continuation of the political struggle for independence. The elimination of alien rule was thought by many to clear the way to early and easy prosperity. The nature of the barriers which blocked quick results, or the decisions which had to be taken to achieve any results at all, were not always understood. The need for export growth was underestimated and agricultural development was usually neglected. Development was also too often seen as a consequence of decision-making at the top. The vital need to bring about mass participation in development was at times sacrificed to the enrichment of special groups or individuals.

A second misconception on the part of donors and recipients alike is their hope that development of low-income countries would bring about a repetition of the industrial revolution in quick time. As a result, they focused inordinate attention on individual investment projects and relatively little attention on the causes and results of stagnation.

Beyond those misconceptions, recipients as well as donors also tended to expect too much too soon from foreign aid. A dramatic change in the lives of hundreds of millions of people was expected from a relatively modest flow of resources. As we now know, much of that flow was offset by unfavorable trends in the terms of international trade and by volatile political situations.

These false presumptions bring us, then, to a somewhat agonizing reappraisal of foreign aid. In light of past failures, the question of "Why aid?" haunts us. This is a basic question which we must examine specifically and directly because it goes to the very root of the problem of development cooperation. However, in trying to answer it we must be clear not only about what aid can do, but also what it cannot do and should not be expected to do.

First, development of the poorer nations is not a guarantee that they will choose any particular ideology or value system. This is not to say, however, that economic and social progress will leave ideologies and value systems unaffected. Development involves profound changes in national behavior and often creates threats to national unity and cohesion which may require strong appeals to each nation's unique historical experience. In short, it has been amply demonstrated that the political evolution of developing nations follows no single path, nor seeks any other country's image.

Second, development is not a guarantee of political stability or an antidote to violence. Change is, itself, intrinsically disruptive. But active participation in necessary change offers a chance to impart a sense of direction and identification. On the other hand, obstructing or ignoring it almost inevitably means violent disruption of the social fabric.

Finally, development is not an assurance of peaceful and responsible international behavior. Reasonable success in development may remove some of the sources of external aggressiveness. But history holds too many cases of highly developed or rapidly developing nations which have behaved both aggressively and irresponsibly toward their neighbors.

What, then, is the objective of development assistance? It is not to close all gaps and eliminate all inequality. That would be an impossible utopia. The actual objective is to reduce disparities and to lessen inequities. It is to help the poorer countries to move forward, in their own way, into the industrial and technological age so that the world will not become more and more starkly divided between the haves and the have-nots, the privileged and the less privileged.

Aside from the fact that the gap between the haves and have-nots is widening on the international scene, the richer nations are not without heavy social and economic problems. So we return to the question: Why should rich countries seek to help other nations in light of their own domestic problems?

The simplest answer to the question is the moral one: that it is only right for those who have to share with those who have not. Obedience to this moral imperative is a recognition that concern with improvement of the human condition is no longer divisible. If the rich countries try to make it so, if they concentrate on the elimination of poverty and backwardness at home and ignore them abroad, what would happen to the principles by which they seek to live? Could the moral and social foundations

of their own societies remain firm and steady if they washed their hands of the plight of others?

While the moral incentive for programs of development assistance is valid and compelling in itself and should never be underestimated, it is certainly not the whole case. Indeed, it is not the basis on which support for international development mainly rests.

There is also the appeal of enlightened and constructive self-interest. This is a respectable and valid basis for international action and policy. The fullest possible utilization of all the world's resources, human and physical, which can be brought about only by international cooperation, helps not only those countries now economically weak, but also those strong and wealthy. This can be done through direct benefits from a bilateral aid relationship and also, more importantly, by the general increase in international trade which would follow international development. But development will not normally create, nor should it be expected to create, immediate economic windfalls for a donor country.

We must not interpret national interest in a narrow and restricted sense. Indeed, the acceleration of history, which is largely the result of the bewildering impact of modern technology, has changed the whole concept of national interest. Who can now ask where his country will be in a few decades without asking where the world will be? If we wish that world to be secure and prosperous, we must show a common concern for the common problems of all peoples.

We know now that a war anywhere in the world concerns and may engage us all. We know that the pollution of the environment in one area can affect life on the whole planet. We know that epidemics and diseases do not respect national boundaries. Many of the challenges of development pose themselves in much the same way in the industrialized nations as in the developing ones. Problems of nutrition, of excessive population growth, and of educational reform are worldwide in scope.

Therefore, in view of this concept of a world community, the goal of the rich nations should be to put the less developed countries as soon as possible in a position where they can realize their aspirations with regard to economic progress without forever relying on foreign aid. Even in the best conditions, such development will be untidy, uneven, and ridden with turmoil. Great forward movements in history usually are. The thing to remember is that the process, global in scope, and international in nature, must succeed if there is finally to be peace, security, and stability in the world.

In brief, we face an essential need and an unprecedented opportunity. International development is a great challenge of our time. Our response to it will show whether we understand the implications of interdependence or whether we prefer to delude ourselves that the poverty and deprivation of much of mankind can be ignored without tragic consequences for all.

Let me close with a sentence from a recent statement of a distinguished public servant on both the national and international scene, Mr. Eugene Black:

Just as we have learned we can be neither safe nor comfortable in a Nation sharply divided between the welloff and the deprived, so must we also recognize that no wealthy nation can be safe or comfortable in a world where a majority of mankind is still impoverished and in need of hope.

Mr. ZABLOCKI. Mr. Chairman, I yield as much time as he desires to the gentleman from New York (Mr. RYAN).

Mr. RYAN. Mr. Chairman, I am very pleased that section 209 of H.R. 14580 authorizes an appropriation of \$40 million for the United States share in the development of a prototype large-scale desalting plant in Israel as part of a dual purpose power generating and desalting project.

For several years I have urged U.S. participation in the construction of such a plant. I first put this proposal before the Congress in a bill I introduced in 1967—H.R. 14250 of the 90th Congress; H.R. 14438 with cosponsors who were: Mr. ADDABBO, Mr. BURTON of California, Mr. CORMAN, Mr. DOW, Mr. GAIAMO, Mr. HELSTOSKI, Mr. KUPFERMAN, Mr. LONG of Maryland, Mr. SCHEUER, Mr. VAN DEERLIN, and Mr. WOLFF. In this Congress, my bill is H.R. 587—H.R. 4307 with the following cosponsors: Mr. ADDABBO, Mr. BURTON of California, Mr. CORMAN, Mr. GAIAMO, Mr. HELSTOSKI, Mr. SCHEUER, Mr. VAN DEERLIN, and Mr. WOLFF.

The committee, in its report stresses the importance of the plant not only to the immediate water needs of Israel, but also to the development of facilities and techniques for dealing with the problems which must be solved in order to make use of sea water in dealing with water shortage in many parts of the world.

This shortage is particularly precarious in Israel. Presently, 95 percent of Israel's available fresh water supplies are being used. Israel's present population of 2.7 million is expected to increase by at least 1.5 million by the early 1980's. If new sources of fresh water are not developed, the country's agricultural needs will not be met.

Support for U.S. participation in such a plant has existed since 1964, when President Johnson announced that the United States and Israel would cooperate in desalting research and development.

A year later, the American-Israel Desalting Board made a report concluding that a facility was technically feasible which would produce the quantities of fresh water and electricity needed to solve Israel's water shortage problem.

While the feasibility of a desalting program has been thoroughly studied in the 5 years since President Johnson first authorized the joint saline water conversion research, no action has been taken since the Senate adopted a resolution in December of 1967 calling for regional plants to provide water and power for both Israel's and Arabs and to stimulate refugee resettlement.

This plan had been proposed by former President Eisenhower and Adm. Lewis Strauss, the former chairman of

the Atomic Energy Commission; however, the political intransigence of the Arabs undermined hopes for cooperation in the development of such desalting facilities.

On January 19, 1969, Premier Levi Eshkol told the people of Israel that President Johnson had written to him promising Executive support for the construction of the plant.

Two days earlier, Assistant Secretary of the Interior Max Edwards had sent a bill to Congress similar to mine.

In a letter accompanying the bill, Secretary Edwards stressed that in addition to being "vital to Israel in terms of water supply and power," the plant also gives the United States "an opportunity to improve and advance science and technology in the field of saline water conversion and to contribute materially to the development of low-cost desalination processes."

I commend the Foreign Affairs Committee for upholding the commitment that President Johnson made to Israel when he promised U.S. assistance for such a plant.

I think it is clear that this plant will have the important benefit of aiding Israel and, at the same time, aiding the United States.

Such a plant will make it possible for Israel to cultivate large portions of arid desert land which cannot be utilized today. The land and the jobs which the plant will create will make an important contribution to the stability of the entire Middle East. Without such a plant, Israel would be unable to maintain her industrial and economic growth, starting in the early 1970s.

This country's domestic saline water conversion program will also benefit from the development. The committee report states that there are no desalting plants with a capacity of over 7.5 million gallons per day, although there is one under construction which will be able to handle 20 million gallons per day.

My original bill proposed a desalination plant capable of producing 100 to 150 millions of fresh water daily. Although the plant proposed in this bill only will produce 40 million gallons a day, it will still surpass the production of any plant planned or in existence now. Such a large-scale plant of this type will allow for a cutting of the cost of desalination.

I hope that the Senate Foreign Relations Committee will take note of the inclusion of this plant in the House bill, and that a similar section will be included in the Senate bill to show Congress' desire to uphold our commitment to Israel.

Mr. ZABLOCKI. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey (Mr. GALLAGHER) to close debate.

Mr. GALLAGHER. Mr. Chairman, I rise in support of this legislation and to close this interesting and controversial debate we have had here this afternoon.

I wish to take but a moment to point out for the record that the bill before us, H.R. 14580, is the final product of more than 4 months of committee labor. I wish also to point out that most of that labor, along with the entire committee, was undertaken by a man who is not here

today. I congratulate our distinguished chairman (Mr. MORGAN) who, as the Secretary of State so accurately pointed out last night, has made such an outstanding contribution down through the years to the national interests of the United States. I would like to compliment the chairman for his dedicated and courageous leadership on this piece of legislation.

Mr. Chairman, due in large measure to his persistent efforts, the Foreign Assistance Act of 1969 is truly a bipartisan piece of legislation, one which accurately reflects the national, bipartisan commitment to foreign aid.

#### COST

Mr. Chairman, the bill authorizes \$1.79 billion in foreign economic assistance. Despite the low, and often loud, rumblings we hear, whenever the aid bill reaches the floor, to the effect that our aid spending is too high, let me point out that the request before us represents less than one-fourth of 1 percent of our entire gross national product. During the years of the "Marshall plan," our aid spending represented 2.8 percent of the GNP.

During fiscal year 1970, spending under the aid program will equal 1.3 percent of the budget; however, during the Marshall plan, total aid spending at no time amounted to less than 11.5 percent of our national budget.

Moreover, H.R. 14580 provides a smaller percentage of overseas assistance than that given by France, Australia, the Netherlands, Great Britain, West Germany, or even Belgium.

Finally, our committee has reduced the original administration request by \$542 million—and that initial request was already \$140 million lower than the previous administration's proposal.

#### BALANCE OF PAYMENTS

In our past considerations of aid programs, we have been confronted by various myths; these myths, by definition, bear little relation to the realities they purport to describe.

For example, critics of aid have alleged that the program hurts our already severe balance of payments problem. That is a myth. AID sends goods and services—not dollars—overseas. Moreover, AID loans are, with a few minor exceptions, tied. This means that AID dollars rarely leave the United States; they are used to purchase American goods or to pay American universities, companies, and other professional institutions which carry out overseas development projects.

The consistent policy of AID of tying aid expenditures to U.S. procurement has brought a dramatic reversal in the inflow-outflow ratio of American capital. In fiscal year 1970, the United States should gain a net inflow of \$197 million from the foreign aid program.

These net inflows should not only continue, but will grow as a result of interest and capital repayments on past loans. Thus, far from having an adverse effect on our balance of payments, the aid program has had and will continue to have a significant, beneficial effect on that problem. The myth here must bow to the reality.

#### TRADE RETURNS

Our foreign aid program offers yet another material benefit to the citizens of this country: it inevitably improves U.S. foreign trade. Poor countries are indeed poor markets for American exports. But, as poor countries begin to prosper, they become customers for our American products. This is what happened under the Marshall plan in Europe; this is what has been occurring under the foreign aid program throughout the world.

Indeed, under aid, American commercial exports—not financed by U.S. assistance programs—to Iran have increased from \$84 million in 1963 to \$165 million in 1968. During the same period, exports to Israel have increased from \$108 to \$208 million.

#### FREEDOM'S FIRST LINE

But, Mr. Chairman, there is much more to foreign aid; there is more than any statistical sheet could hope to describe. For our foreign aid program is our own freedom's first line of defense.

I, for one, would rather send services than servicemen overseas.

I would rather see us keep firm the freedom of others by enabling others to stand strong. A country which has a strong government, a country which is growing economically, a country which is free from the ravages of mass starvation, ignorance, and poverty—such a country is the natural enemy of all who would subvert its institutions.

And I know that the American people understand this fact. A recent survey by the University of Michigan showed that even though a majority of those Americans interviewed had a highly exaggerated idea as to the actual cost of foreign aid, 46 percent of those interviewed still strongly supported our aid programs, 22 percent showed varying degrees of support and opposition, and only 12 percent opposed the program.

Thus, let no man say that we receive nothing from foreign aid but large price tags. We receive far more from our aid program than we actually give; it is one of our finest investments.

#### HIGHLIGHTS OF THE CURRENT BILL

Technical assistance: There is a new and greater emphasis on technical assistance for which is provided a 2-year authorization of \$422.6 million a year. This technical assistance is reminiscent and, indeed, inspired by Harry Truman's point 4 program of which Dr. John A. Hannah, the present Administrator of AID, was one of the prime architects.

Private enterprise: This bill asks for an additional involvement on the part of AID to encourage American private enterprise in the less developed countries. The major tool for accomplishing this is the proposed Overseas Private Investment Corporation. OPIC would take over and build upon a number of functions of AID's Office of Private Investment including preinvestment assistance to help U.S. investors to develop opportunities in less developed countries; guarantee insurance; investment financing for private projects including local foreign currency loans, dollar loans, subordinated and equity debts, and extended risk guarantees; advisory support of pro-

grams of private enterprise or management assistance involving investment institutions. OPIC will have a new insurance authority of \$7.5 billion, a new guarantee authority of \$750 million, and a revolving direct investment fund of \$100 million. Administrative and other expenses will come from interest and fees.

As a result of extensive hearings by the Fascell Subcommittee on Latin America this bill contains a provision for an Inter-American Social Development Institution. The institute will complement present government-to-government programs by utilizing both private, governmental, and international resources of self-help programs in the social development field. The committee recommends that AID programs involving credit unions, civic development programs, cooperatives, and similar activities be absorbed by the institute and removed from their present context as AID programs.

Development loans: The bill provides a 2-year authorization of \$475.5 million a year for development loans, \$200 million below the amount requested. Eighty-six percent of the development loan funds are earmarked for eight countries—Brazil, Chile, Colombia, India, Indonesia, Korea, Pakistan, and Turkey.

Alliance for Progress development loans: The bill provides \$337.5 million for development loans for Alliance countries.

Supporting assistance: 79 percent of the Supporting Assistance funds are earmarked for Vietnam. Fourteen percent for Laos and Thailand. The remainder goes to UNRA, U.N. forces in Cyprus, and 2 percent to Haiti, the Dominican Republic, Korea and Nigeria. Supporting assistance funds have been authorized \$414.6 million in this bill. The purpose of this money is primarily to increase the capacity of the recipient countries to defend against internal Communist expansion.

Population: This bill earmarks \$100 million to be available only for population programs. If the ever more critical race between expanding population and food scarcity is to be solved more qualified personnel must be assigned both here and abroad. This earmarking makes this possible.

U.S. schools and hospitals abroad: The administration requested \$12.9 million for U.S. schools and hospitals abroad. The committee has increased this to \$23.4 million to include: \$3 million for the Wiseman Institute in Israel. The funds provided will not only benefit Israel, but will also assist in the education of graduate students in the Mediterranean Basin and, hopefully, will contribute to a better standard of health both for Arab and Jew. \$5 million is authorized for the Hadassah medical facilities in Israel. Hadassah, as I am sure you all know, is an organization of 318,000 Jewish women organized in 1,320 chapters throughout the United States. \$2.5 million is further authorized to two educational institutions in Israel to train qualified teachers, especially among needy immigrants.

## CONCLUSION

Mr. Chairman, we have a good bill before us; it is a frugal bill, it is a wise bill. It contains more emphasis on technical assistance than any aid bill before it; it puts more emphasis on private enterprise than any aid bill before it. And, it takes wise acknowledgment not only of the economic problems of the developing countries, but of their social, educational, and health problems as well.

I urge my colleagues to give a strong and hearty vote of approval to the Foreign Assistance Act of 1969.

Mr. KYROS. Mr. Chairman, as our courageous astronauts again explore the surface of the moon, we continue to search for means by which nations may better live together on this planet earth. If we are to live in greater harmony, I think it obvious that the one-third of the world's people who enjoy unprecedented prosperity must contribute to the well-being of the remaining two-thirds. As the President stated in his message to Congress concerning the foreign aid program, "a great nation must also be a good nation."

As a member of the Public Health and Welfare Subcommittee of the House Committee on Interstate and Foreign Commerce, I have been continually impressed by the importance of public health to our own Nation. A distinguished international panel headed by Lester B. Pearson, former Prime Minister of Canada, came to the same conclusion in its report on the massive problems facing low-income nations. The report states:

There is probably no other area where social improvement has been realized which is of such direct benefit to individuals in developing countries as that of public health. In human terms, it has been the most convincing demonstration of the power of applied science. It has lifted people's spirits and raised their sights in planning for the future. It has increased their capacity to work, and it has opened up territories for new cultivation where disease had previously been rampant.

We seek, through our foreign aid program, a better world. We achieve this, in part, by improving the health of the world's people. I would like to share with my colleagues the record of accomplishments of our foreign aid programs in this area.

AID health programs in fiscal 1969, representing a commitment of \$78 million, were coordinated with those of international organizations, such as the World Health Organization, Pan American Health Organization, and the United Nations Children's Fund.

Support for malaria eradication programs was provided in 18 countries under bilateral agreements. Of a population of 752 million in the malarious areas, 256 million now live in areas where the disease has been eradicated and 189 million where malaria transmission has been stopped. An active antimalaria campaign is protecting an additional 288 million population.

Malaria is an evil-sounding word for a disease which links man, an insect, and another man together in a deadly chain. This blood bond between men, like an ancient curse, brings delirium,

death, and economic ruin. Twenty years of ceaseless struggle to break this chain have produced concrete results providing that the goal of eradication is attainable.

Measles control and smallpox eradication programs covered 19 countries in central and western Africa where more than 68.4 million people have been vaccinated against smallpox and 11 million children vaccinated against measles.

The number of known smallpox cases declined from over 120,000 in 1967 to 74,000 in 1968, a reduction of about 40 percent. Partly attributable to effective programs in many countries, the very low figure may also reflect cyclical variations in smallpox incidence.

The countries of western and central Africa recorded impressive progress: smallpox transmission has almost stopped; 65 million persons out of a total population of 119 million in 19 countries in the area were vaccinated during 2 years with assistance from AID and the World Health Organization.

In Brazil, the rate of vaccination has reached almost 2,000,000 a month and recorded cases declined by over 10 percent.

Almost 80 percent of the world's smallpox cases continue to occur in Asia, mainly in India, Indonesia, and Pakistan. Programs are underway or planned in all endemic countries of this area.

In environmental health activities, the management, operation, and maintenance of water and sewerage systems continued to be emphasized in efforts to lessen the danger of diseases caused by pollution.

Research projects have developed new approaches to the control and eradication of epidemic and endemic diseases. Promising leads to possible immunization techniques for the prevention of malaria were established. The major causes of death in infancy and childhood were also studied.

Poverty and illness go hand in hand, and through our foreign aid program, we are helping others to fight both.

Mr. ANDERSON of Illinois. Mr. Chairman, I rise in support of the Foreign Assistance Act of 1969. As we approach the second development decade, we cannot shrink from our responsibility to promote third world development, though the temptation may be great. As President Nixon pointed out in his foreign aid message:

U.S. assistance is essential to express and achieve our national goals in the international community—a world order of peace and justice.

The President goes on to take cognizance of the rising American frustration with the world situation but warns:

This reality must not cause us to retreat into helpless, sullen isolation. On the contrary, this reality must cause us to redirect our efforts.

The Pearson Commission Report of the World Bank also notes:

International support for development is now flagging. In some of the rich countries, its feasibility, even its very purpose, is in question. The climate surrounding foreign aid programs is heavy with disillusionment and distrust. . . . We have reached a point of

crisis. The question which now arises is whether the rich and developed nations will continue their efforts to assist the developing countries or whether they will allow the structure built up for development cooperation to deteriorate and fall apart. The signs are not propitious.

Mr. Chairman, I for one do not want to see that structure deteriorate. We have both a moral obligation and a national stake in a peaceful and prosperous world community. I therefore commend the Committee on Foreign Affairs on reporting out a bill which incorporates many of the administration's recommendations for new directions in foreign development assistance. I am particularly pleased with the increased emphasis on technical assistance, the creation of an overseas private investment corporation—OPIC—to stimulate American private investment in developing areas, and the earmarking of funds for family planning. I especially want to commend my colleague, the gentleman from Ohio (Mr. TAFT) on his efforts to increase the amount of U.S. assistance for population programs in the third world. The population explosion has had the effect quite often of canceling any gains in the economic growth rate of these nations. We should provide family planning assistance to those nations which request it, and the commitment spelled out in this legislation toward that end is an important first step.

I am sure that the Committee will be further aided by the Latin American policy recommendations of Governor Rockefeller which have just been released, and by the findings of the President's task force on development which will be released early next year. We are at a critical juncture today as we reassess all our foreign policy commitments, be they military or economic. But I am hopeful that in the final analysis we will see fit to continue exercising a responsible and constructive role in assisting our less fortunate world neighbors as together we seek world peace and stability.

Mr. CORMAN. Mr. Chairman, the Foreign Assistance Act of 1969 includes a section that would authorize the appropriation of certain funds for this Nation's share of the cost of constructing a prototype large scale water treatment and desalting plant in Israel. Our cost would be limited to 50 percent of the total capital costs of the facilities, or \$40 million, whichever is less, and it is anticipated that these expenditures would extend over a 5-year period with authorized appropriations provided as needed, year by year.

In the 90th Congress and again this year, I introduced legislation calling for U.S. participation in the construction of such a plant in Israel. I was very pleased when the House Foreign Affairs Committee, with what I understand was wide bipartisan support, adopted the proposal as an amendment to this year's Foreign Assistance Act. The committee is to be commended for this action. It is a giant step toward insuring the survival of many parts of the world which now face, or will soon face, aridity and economic instability due to lack of water. The realization of this project will add new knowledge which is essential to improv-

ing our own science and technology in the field of saline water conversion.

The prototype plant envisioned in this legislation—the first of its kind, several times larger than any now in existence—would yield the experience and knowledge needed to build future facilities which could produce large amounts of usable water at low cost. And, Israel is exactly the right place in which to build this plant.

This small country has already acquired skill and experience in the production of fresh water and in the management of her present water supply. With a population of approximately 2.7 million people and with the constant need of water for irrigation of its arid land, about 95 percent of Israel's fresh water supply has already been tapped. The population of that country is scheduled to increase by over 1 million within the next decade. Its agricultural needs cannot possibly be met if additional fresh water is not developed. The well-being of Israel's entire economy is dependent upon having sufficient water.

Demonstrating in the short span of two decades an outstanding capability to overcome the most difficult obstacles in her efforts to achieve a viable economy, Israel provides the environment and experience for a scientific breakthrough in desalination technology.

The project has further promise. The need for fresh water is not only a condition of Israel, but of the entire Middle East. A desalting plant in Israel could, and should, be used eventually by all peoples of the Mid-East. The project could strengthen the chances of permanent peace and stability in that part of the world—a byproduct that would of itself be worthy of the investment called for in the legislation.

Since 1964, when President Johnson announced that the United States and Israel would cooperate in desalination research and development, the Congress has had under consideration proposals to authorize our financial participation in such activity. Five years' consideration is surely sufficient. The cost of the project to our Government is meager—certainly in view of the fact that an adequate supply of fresh water is indispensable to human survival.

There is a growing shortage of fresh water already in many areas, and as the world's population grows and the need for water steadily increases, the situation will become even more critical unless remedial steps are taken now. In fact, they are long overdue. Three-fourths of the earth's surface is covered by salt water, unfit for human consumption, and the only feasible solution will be to remove the salt content from ocean water. The present high cost of the process and the lack of technological knowledge have precluded concentrated action along these lines by any government. We have a few modest desalting plants in this country; a few others exist in various parts of the world; but, the total output is less than 250 million gallons of desalinated water a day. In the United States alone, we now use more than 400 billion gallons of water every day. To meet the world's growing need for fresh

water, not only for human consumption but for agricultural needs, large-scale, efficiently operated plants to produce large quantities of desalinated water cheaply will be an absolute necessity within a short time. The desalting plant in Israel would be a good beginning.

Mr. Chairman, the proposal to construct this plant in my judgment constitutes the best kind of foreign aid—cooperation between two nations, one large, one small, in which technological and financial resources are pooled for the benefit not only of the two participating countries, but for the good of people all over the world.

When the Foreign Assistance Act of 1969 is enacted, I would hope, and strongly urge, that it includes authorized funds for this Government to share with the Government of Israel in the construction of a desalting plant.

Mr. OTTINGER. Mr. Chairman, the President's foreign aid proposals reaffirm a major U.S. policy objective—that of increasing multilateral cooperation among the industrialized nations in providing development assistance to the poorer countries.

The President said in his message to the Congress on foreign assistance:

I propose that we channel more of our assistance in ways that encourage other advanced nations to fairly share the burden of international development.

Two of the principal channels that can be used to accomplish this objective are the international development banks and the United Nations technical assistance program. Greater contributions to these programs from the United States, which as the wealthiest nation has been the leader in these development efforts, encourages greater contributions from other free world nations. In most cases, the United States pledges financial contributions under matching formulas, usually on a 40 to 60 ratio.

Also, the organizations to which we contribute require substantial matching local cost contributions from the aided countries. For instance, the U.N. development program—for which the administration bill proposes \$100 million this year—requires that recipient governments meet the local costs of projects and also provide counterpart personnel, buildings and other local resources.

Multilateral organizations lend themselves well to assistance programs in sensitive areas such as family planning in some countries. Surveys of mineral resources, transportation studies in strategic locations or development projects in areas of tension are other examples of fields where developing countries may prefer international assistance.

I quote the President's message again:

Assistance through international development banks and the United Nations is approaching a fifth of total world-wide aid for development and should be expanded. Multilateral programs cushion political frictions between donors and recipients and bring the experience of many nations to bear on the development problem.

The Foreign Assistance Act authorizes U.S. contributions for the technical assistance programs of the various organi-

zations of the United Nations family. The principal ones are the U.N. development program, the children's fund (UNICEF), the FAO world food program, the population program, international atomic energy program and the world health organization medical research program.

As part of the request for supporting assistance, contributions totaling about \$20 million are proposed for the U.N. force in Cyprus and for the U.N. Relief and Works Agency, which helps feed, house, and educate Arab refugees of the 1948 Arab-Israel conflict.

A \$7.5 million authorization is also proposed for the Indus Basin development fund, to finance a construction program which will insure an equitable division of the waters of the Indus Basin between India and Pakistan. This project, administered by the World Bank, and financed by eight other donors besides the United States, was instrumental in forestalling hostilities over the Indus waters.

But the principal multilateral program funded by the Foreign Assistance Act is the U.N. development program, which is administered by Mr. Paul Hoffman. Because each \$4 contributed by the United States generates at least \$6 from other donors and an equal contribution to their projects by the recipient developing countries, every U.S. dollar is multiplied by 4 in the UNDP projects.

This makes it especially important for us to support the administration request for \$142.2 million in technical assistance and supporting assistance funds for U.N. organizations. Of this amount, \$100 million is for the U.N. development program, an increase of 25 percent over last year's request.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 14580, the Foreign Assistance Act of 1969.

This bill authorizes \$2.19 billion for foreign economic and military assistance under the AID program in fiscal year 1970. The authorization is \$441 million less than the amount requested by the administration, but some \$430 million more than the amount that was appropriated in fiscal year 1969.

To those who oppose this increase, it should be pointed out that as a percentage of our gross national product, foreign economic assistance under the Agency for International Development and predecessor agencies has steadily declined from just over 2 percent in 1949 to less than one-fourth of 1 percent under the provisions of this bill. Although in absolute terms, the United States still provides about 50 percent of free world development assistance, it has dropped from first to eighth place when the GNP percentage yardstick is applied to the nations with foreign economic assistance programs.

The importance of maintaining our continued level of assistance to free world nations cannot be overemphasized. U.S. leadership in this field of international relations is clearly in the best interest not only of the peoples of the free world, but also of the American people.

H.R. 14580, as a vehicle to promote

the foreign policy, security, and general welfare of this Nation, is particularly outstanding in several particulars. First of all, this bill provides greater emphasis on technical assistance and lays greater stress on the use of private enterprise. This new direction in our foreign aid program is consistent with our foreign policy which favors support to those countries which foster economic development and social justice within their own borders.

The new Overseas Private Investment Corporation, to be created under the provisions of this bill to take over AID's present U.S. investment incentive programs, would encourage greater utilization of private capital and skills in the developing nations. Another new agency, the Inter-American Social Development Institute, would be created to take over AID's social and civil development programs in Latin America and carry them out through private channels. These new agencies would stimulate private enterprise abroad and encourage people-to-people contacts.

It is particularly gratifying to note that in the area of supporting assistance, 79 percent of the \$414.6 million authorization is earmarked for Vietnam. Supporting assistance funds are used primarily to increase the capability of countries to defend against Communist expansion, and I believe that a vital part of that program is the improved education of the masses. The record of what AID has been doing to improve education in Vietnam is nothing short of inspiring.

Mr. Chairman, the Vietnamese people, like many other Asian peoples, revere education. Under the French, schools were designed to produce interpreters, clerks, and petty officials for the colonial government and business. But only the children of the wealthy attended school.

The education picture is now changing, thanks to assistance from the Agency for International Development.

In 1955, before U.S. participation in Vietnam, about 400,000 children were in elementary schools. Today, more than 1.6 million or 80 percent of school age children attend elementary schools. In reaching this goal, AID helped train more than 15,000 hamlet elementary teachers in 90-day accelerated courses and provided material to build 14,000 classrooms. AID also assisted in writing, printing, and distributing 16 million textbooks throughout Vietnam. Now, for the first time, every schoolchild has textbooks.

Fewer than 54,000 students attended secondary schools in 1955. Today, more than one-half million students attend secondary schools. From 1968 to 1969, secondary school enrollments increased from 417,000 to 542,000 and the number of teachers from 10,000 to 13,000.

In 1955, 2,900 students were enrolled in Vietnam's single university. Today, more than 40,000 students are enrolled in five universities, studying to become doctors, dentists, pharmacists, scientists, architects, educators, and other professionals. AID also has sponsored training programs in the United States for about 50 Vietnamese who are now teaching in

Vietnam's five universities and in the national technical center.

To train skilled workers essential to Vietnam's economic development, AID has helped establish four polytechnic schools, five trade schools, 12 junior technical schools, and a vocational teacher training program. Enrollment in polytechnic schools is now nearly 4,000.

AID has also helped to establish eight vocational agriculture high schools which last year graduated 600 students. Currently, the total enrollment exceeds 3,000.

Many students are studying English, which is becoming the second language in Vietnam. About 70 percent of the secondary students have chosen English as a first foreign language. More than 20,000 university students and one-half million adults and out-of-school youth also are studying English.

With AID support the ministry of education has launched an adult education program concentrating on reading, writing, and vocational training. Special reading and writing classes for adults in rural areas are underway in hundreds of hamlets throughout Vietnam.

All of these are programs well worth our support.

Mr. Chairman, I urge a favorable vote for H.R. 14580, without crippling amendments.

Mr. ADAIR. Mr. Chairman, I have no further requests for time.

Mr. ZABLOCKI. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

*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 Foreign Assistance Act of 1969".*

#### PART I—ECONOMIC ASSISTANCE

SECTION 1. Part I of the Foreign Assistance Act of 1961, as amended, is hereby deleted and the following part I substituted therefor:

##### "PART I

##### "CHAPTER 1—POLICY

"SEC. 101. STATEMENT OF POLICY.—The Congress declares that it is the national policy of the United States to support the quest of the peoples of the world for dignity, freedom, and a decent standard of living and realizes that effective steps toward economic development and social justice may involve fundamental change. The Congress further declares that this policy serves our national purpose to build a just, free, and peaceful community of nations. To this end, the United States should join with other nations to assist in building the necessary human and material resources, and economic and social institutions in those less developed countries which demonstrate the will to serve these aspirations of their people.

"SEC. 102. PRINCIPLES.—In carrying out the provisions of this Act, the President shall—

"(a) encourage the cooperation of the developed nations in mobilizing the resources and skills necessary to the task of development;

"(b) concentrate our assistance in countries with the greatest development promise and the strongest will to help themselves achieve self-sustaining growth;

"(c) emphasize technical and professional

assistance designed to build institutions necessary for long-term national development;

"(d) give high priority to programs which encourage greater production and better distribution of food and enhance the ability of parents to choose the size of their own families;

"(e) encourage the investment of private resources from the United States and from the less developed countries themselves, to supplement other development efforts;

"(f) encourage broad popular participation by the peoples of the less developed nations in the planning, execution, and benefits of development progress;

"(g) foster regional cooperative efforts among countries seeking common development goals;

"(h) channel United States assistance through international organizations and under other multilateral auspices whenever the common development effort will be best served thereby;

"(i) assist the less developed nations to safeguard their internal and external security;

"(j) furnish assistance, wherever practicable, constituted of United States commodities and services furnished in a manner consistent with other efforts of the United States to improve its balance of payments position; and

"(k) take such steps as may be necessary to assure that, to the maximum extent practicable, the furnishing of agricultural commodities, disposal of excess property, and United States payments to international lending institutions, undertaken pursuant to this or any other Act, will complement and be coordinated with assistance provided under this part.

"SEC. 103. It is the sense of the Congress that the President shall continue to make every effort to obtain a permanent peace in the Middle East; help promote that objective by encouraging, as part of pacific settlement, direct talks among the parties concerned, using such third parties or United Nations assistance as the parties may wish; continue to review the needs of the several countries of that area and reevaluate United States policies aimed at helping meet those needs in securing a permanent peace in the area.

#### "CHAPTER 2—DEVELOPMENT ASSISTANCE

"SEC. 201. ASSISTANCE CRITERIA.—In furnishing development assistance under this chapter the President shall take into account—

"(a) the extent to which the recipient country demonstrates a determination to help itself and a willingness to pay a fair share of the cost of development programs;

"(b) the extent to which the recipient country is responsive to the vital economic, political, and social concerns of its people and to increasing their participation in the development process;

"(c) the extent to which the recipient country is creating a favorable environment for private enterprise and investment;

"(d) the extent to which the activity will contribute to self-sustaining growth, the development of human or material resources, and the creation or strengthening of institutions essential to economic and social progress;

"(e) the extent to which the recipient country is concerned with increasing employment and standards of living of all segments of its population;

"(f) the extent to which the activity will contribute to regional cooperation;

"(g) the economic and technical soundness of the activity;

"(h) the consistency of the activity with other development activities being undertaken or planned;

"(i) the possible effects of the assistance involved upon the United States economy, with special reference to areas of substantial

labor surplus, and to the export-expansion objectives of the United States;

"(j) whether financing could be obtained from other free-world sources on reasonable terms, including private resources within or without the United States;

"(k) in the case of loans, reasonable prospects of repayment; and

"(l) the extent to which excess foreign currencies are available for expenditure in lieu of dollars.

"SEC. 202. TECHNICAL ASSISTANCE.—The President is authorized to furnish assistance, on such terms and conditions as he may determine, in order to promote the development of less developed friendly countries or areas through programs of technical cooperation, bilaterally or through regional, multilateral, or private entities; and for multilateral organizations and for programs administered by them in accordance with section 401(a)(1). There is hereby authorized to be appropriated to the President for the purposes of this section \$422,620,000 for the fiscal year 1970, and \$422,620,000 for the fiscal year 1971, which amounts shall remain available until expended, distributed as follows:

	1970	1971
(1) Worldwide.....	\$200,000,000	\$200,000,000
(2) Alliance for Progress (sec. 204).....	100,000,000	100,000,000
(3) Multilateral organizations (sec. 401(a)(1)).....	122,620,000	122,620,000

"To meet the changing requirements of these areas and programs the agency primarily responsible for administering part I may redistribute up to 10 per centum of the funds made available during any fiscal year for any such area or program to any other such area or program. Bilateral assistance under this section distributed under (1) Worldwide, above, shall not be furnished in any fiscal year to more than 40 countries.

"SEC. 203. DEVELOPMENT LOANS.—(a) The President is authorized to make loans payable as to principal and interest in United States dollars, on such terms and conditions as he may determine, in order to promote the development of less developed friendly countries or areas.

"(b) Funds made available under this section and section 204 shall not be loaned, or reloaned at rates of interest excessive or unreasonable for the borrower or higher than the applicable legal rate of interest of the country in which the loan is made. Such funds shall not be loaned at a rate of interest of less than 3 per centum per annum commencing not later than ten years following the date on which the funds are initially made available under the loan, during which ten-year period the rate of interest shall not be lower than 2 per centum per annum. The authority of section 614(a) may not be used to waive the requirements of this subsection and the authority of section 610 may not be used to decrease the funds available under this section or under section 204 except to transfer such latter funds to funds made available under this section.

"(c) For the purpose of facilitating implementation of section 901(b) of the Merchant Marine Act, 1936 (49 Stat. 1985; 46 U.S.C. 1241 (b)), funds made available under this part may be used to the extent required to make grants to recipients under this part to pay any differential, as determined by the Secretary of Commerce, between United States and foreign-flag vessel charter or freight rates. Grants made under this subsection shall be paid with United States-owned foreign currencies wherever feasible.

"(d) The President shall establish an interagency Development Loan Committee, consisting of such officers from such agencies of the United States Government as he may

determine, which shall, under the direction of the President, establish standards and criteria for lending operations under this section and section 204 in accordance with the foreign and financial policies of the United States.

"(e) There is hereby authorized to be appropriated to the President for the purposes of this section \$475,500,000 for the fiscal year 1970, and \$475,500,000 for the fiscal year 1971, which amounts shall remain available until expended. Bilateral loans pursuant to this section shall not be made in any fiscal year to more than twenty countries.

"(f) Dollar receipts from loans made pursuant to this part or pursuant to predecessor authority contained in provisions repealed by the Foreign Assistance Act of 1969 and from loans made under the Mutual Security Act of 1954, as amended, are authorized to be made available for the fiscal year 1970 for use for the purposes of this section, section 204 (b), and section 322. Such receipts and other funds made available under this section shall remain available until expended.

"SEC. 204. ALLIANCE FOR PROGRESS.—(a) (1) In order to advance the welfare of the peoples of the Americas and strengthen the relations among the nations joined in the Alliance for Progress under the principles of the Act of Bogotá and the Charter of Punta del Este, and to encourage the countries and areas of Latin America to mobilize their own resources for development and to adopt reform measures to spread the benefits of economic, political, and social progress among their peoples, the President is authorized to furnish assistance under section 202 and this section, on such terms and conditions as he may determine, in order to promote the development of friendly less developed countries and areas of Latin America.

"(2) The President is authorized to furnish assistance to the Government of Mexico for the purpose of furthering a joint effort to suppress the illegal traffic in narcotic drugs, dangerous drugs, and marihuana between Mexico and the United States. Of amounts made available under section 202 for distribution under this section, \$500,000 shall be available solely to make grants to the government of Mexico under this paragraph.

"(b) There is hereby authorized to be appropriated to the President for the purpose of making loans under this section, payable as to principal and interest in United States dollars and subject to the provisions of section 203, in addition to other funds available for such purpose, \$337,500,000 for the fiscal year 1970, and \$337,500,000 for the fiscal year 1971, which amounts shall remain available until expended.

"(c) Loans may be made under authority of this section only for social and economic development projects and programs which are consistent with the findings and recommendations of the Inter-American Committee for the Alliance for Progress in its annual review of national development activities.

"(d) (1) The President shall assist in the development in the American Republics of self-liquidating housing projects, the development of institutions engaged in Alliance for Progress programs, including cooperatives, free labor unions, savings and loan type institutions, and other private enterprise programs in Latin America engaged directly or indirectly in the financing of home mortgages, the construction of homes for lower income persons and families, the increased mobilization of savings and the improvement of housing conditions in Latin America.

"(2) To carry out the purposes of subsection (d) (1), the President is authorized to issue guaranties, on such terms and conditions as he shall determine, to eligible investors, as defined in section 328(c), as-

suring against loss of loan investment made by such investors in—

"(A) private housing projects in Latin America of types similar to those insured by the Department of Housing and Urban Development and suitable for conditions in Latin America;

"(B) credit institutions in Latin America engaged directly or indirectly in the financing of home mortgages, such as savings and loan institutions and other qualified investment enterprises;

"(C) housing projects in Latin America for lower income families and persons, which projects shall be constructed in accordance with maximum unit costs established by the President for families and persons whose incomes meet the limitations prescribed by the President;

"(D) housing projects in Latin America which will promote the development of institutions important to the success of the Alliance for Progress, such as free labor unions, cooperatives, and other private enterprise programs; or

"(E) housing projects in Latin America 25 per centum or more of the aggregate of the mortgage financing for which is made available from sources within Latin America and is not derived from sources outside Latin America, which projects shall, to the maximum extent practicable, have a unit cost of not more than \$8,500.

"(3) The total face amount of guaranties issued hereunder or heretofore under Latin American housing guaranty authority repealed by the Foreign Assistance Act of 1969, outstanding at any one time, shall not exceed \$550,000,000: *Provided*, That \$325,000,000 of guaranties may be used only for the purposes of subsection (d) (2) (A): *Provided*, That no payment may be made under this section for any loss arising out of fraud or misrepresentation for which the party seeking payment is responsible: *Provided further*, That this authority shall continue until June 30, 1972.

"(4) (A) A fee shall be charged for each guaranty issued hereunder in an amount to be determined by the President. In the event the fee to be charged for such type of guaranty is reduced, fees to be paid under existing contracts for the same type of guaranty may be similarly reduced.

"(B) The amount of \$35,000,000 of fees accumulated under prior investment guaranty provisions repealed by the Foreign Assistance Act of 1969, together with all fees collected in connection with guaranties issued hereunder, shall be available for meeting necessary administrative and operating expenses of carrying out the provisions of this section and of prior housing guaranty provisions repealed by the Foreign Assistance Act of 1969 (including, but not limited to, expenses pertaining to personnel, supplies, and printing), subject to such limitations as may be imposed in annual appropriation Acts; for meeting management and custodial costs incurred with respect to currencies or other assets acquired under guaranties made pursuant to this section or heretofore pursuant to prior Latin American and other housing guaranty authorities repealed by the Foreign Assistance Act of 1969, and to pay the cost of investigating and adjusting (including costs of arbitration) claims under such guaranties; and shall be available for expenditure in discharge of liabilities under such guaranties until such time as all such property has been disposed of and all such liabilities have been discharged or have expired, or until all such fees have been expended in accordance with the provisions of subsection (d) (4) (B).

"(C) Any payments made to discharge liabilities under guaranties issued hereunder or heretofore under prior Latin American or other housing guaranty authorities repealed by the Foreign Assistance Act of 1969, shall be paid first out of fees referred to in sub-

section (d) (4) (B) (excluding amounts required for purposes other than the discharge of liabilities under guaranties) as long as such fees are available, and thereafter shall be paid out of funds, if any, realized from the sale of currencies or other assets acquired in connection with any payment made to discharge liabilities under such guaranties as long as funds are available, and finally out of funds hereafter made available pursuant to subsection (d) (4) (E).

"(D) All guaranties issued hereunder or heretofore under prior Latin American or other housing guaranty authority repealed by the Foreign Assistance Act of 1969 shall constitute obligations, in accordance with the terms of such guaranties, of the United States of America and the full faith and credit of the United States of America is hereby pledged for the full payment and performance of such obligations.

"(E) There is hereby authorized to be appropriated to the President such amounts, to remain available until expended, as may be necessary from time to time to carry out the purposes of subsection (d).

"(F) In the case of any loan investment guaranteed under this section, the agency primarily responsible for administering part I shall prescribe the maximum rate of interest allowable to the eligible investor, which maximum rate shall not be less than one-half of 1 per centum above the then current rate of interest applicable to housing mortgages insured by the Department of Housing and Urban Development. In no event shall the agency prescribe a maximum allowable rate of interest which exceeds by more than 1 per centum the then current rate of interest applicable to housing mortgages insured by such Department. The maximum allowable rate of interest under this subsection shall be prescribed by the agency as of the date the project covered by the investment is officially authorized and, prior to the execution of the contract, the agency may amend such rate at its discretion, consistent with the provisions of subsection (d) (4) (F).

"(G) Housing guaranties committed, authorized or outstanding under prior housing guaranty authorities repealed by the Foreign Assistance Act of 1969 shall continue subject to provisions of law originally applicable thereto and fees collected hereafter with respect to such guaranties shall be available for the purposes specified in subsection (d) (4) (B).

"SEC. 205. RESEARCH AND EVALUATION.—(a) The President is authorized to use funds made available under this part to carry out programs of research into, and evaluation of, technical, economic, social and political problems of development, the factors affecting the relative successes and costs of development activities, the means, techniques and such other aspects of development assistance as he may determine, in order to increase the value and benefit of such assistance. In authorizing research designed to examine political, social and related obstacles to development, emphasis should be given to understanding of the ways in which development assistance can support democratic social and political trends in developing countries.

(b) In conducting programs under this chapter, the President shall conduct a continuous evaluation of the effectiveness of development programs, both past and current, using modern management techniques and equipment, so that experience gained in the development process may increase the effectiveness of current and future development programs.

"SEC. 206. SELF-HELP FUND.—Notwithstanding the limitations of section 202 on the number of countries to which technical assistance may be furnished, the President is authorized during each fiscal year to use funds made available under such section to assist friendly less developed countries or

areas, through self-help project, emphasizing the participation of local human and material resources, up to a total amount not to exceed 1 per centum of the funds made available under section 202 for (1) Worldwide distribution.

"SEC. 207. POPULAR PARTICIPATION.—(a) In furnishing assistance under this part, the President shall place emphasis on assuring maximum participation in the task of economic, social, and political development on the part of the people of less developed countries through the encouragement of democratic private and local government institutions.

"(b) In order to carry out the purposes of this section, programs under this part shall—

"(1) recognize the differing needs, desires, and capacities of the people of the respective less developed countries and areas,

"(2) utilize the intellectual resources of such countries and areas in conjunction with assistance provided under this Act so as to encourage the development of indigenous institutions that meet their particular requirements for sustained economic and social progress, and

"(3) support civic education and training in skills required for effective participation in governmental and political processes essential to self-government.

"(c) In order to carry out the purposes of this section, the President shall develop systematic programs of inservice training to familiarize United States Government personnel with the objectives of this section and to increase their knowledge of the political and social aspects of development. In addition to other funds available for such purposes, not to exceed 1 per centum of the funds made available under section 202 may be used for carrying out the objectives of this subsection.

"SEC. 208. POPULATION PROGRAMS.—(a) While every nation is and should be free to determine its own policies and procedures with respect to problems of population growth and family planning within its own boundaries, nevertheless, voluntary family planning programs to provide individual couples with the knowledge and medical facilities to plan their family size in accordance with their own moral convictions and the latest medical information can make a substantial contribution to improved health, family stability, greater individual opportunity, economic development, a sufficiency of food, and a higher standard of living.

"(b) The President is authorized to provide assistance for programs relating to population growth in friendly countries and areas, on such terms and conditions as he shall determine, to foreign governments, the United Nations, its specialized agencies, and other international and regional organizations and programs, United States and foreign nonprofit organizations, universities, hospitals, accredited health institutions, and voluntary health or other qualified organizations.

"(c) In carrying out programs authorized in this section, the President shall establish reasonable procedures to ensure, whenever family planning assistance from the United States is involved, that no individual will be coerced to practice methods of family planning inconsistent with his or her moral, philosophical, or religious beliefs.

"(d) As used in this section, the term 'programs relating to population growth', includes, but is not limited to, demographic studies, medical, psychological, and sociological research and voluntary family planning programs, including personnel training, the construction and staffing of clinics and health centers important to effective population programs, specialized training of doctors and paramedical personnel, the manufacture of medical supplies, the dissemination of family planning information, and provision of medical assistance and supplies.

"(e) It is the sense of the Congress that the President give priority to devising imaginative efforts to substantially increase assistance programs relating to population growth and to encourage greater expenditures by other donors and recipient countries, to the end that voluntary population programs receive the emphasis necessary to become effective. The President may use funds made available under this part and foreign currencies owned or controlled by the United States to achieve the purposes of this section, and notwithstanding any other provision of this Act, funds used for such purposes may be used on a loan or grant basis.

"(f) Of the funds provided to carry out the provisions of part I of this Act for the fiscal year 1970, \$100,000,000 shall be available only to carry out the purposes of this section and, notwithstanding any other provision of this Act, funds used for such purposes may be used on a loan or grant basis.

"(g) The Administrator of the Agency for International Development shall assign responsibility for population control assistance to an officer appointed pursuant to section 624(a) of this Act, and such officer shall direct, coordinate, and expedite all assistance authorized under this section, and each overseas mission which provides population control assistance shall report regularly to such officer on the progress of such assistance.

"SEC. 209. PROTOTYPE DESALTING PLANT.—(a) In furtherance of the purposes of this part and for the purpose of improving existing, and developing and advancing new, technology and experience in the design, construction, and operation of large-scale desalting plants of advanced concepts which will contribute materially to low-cost desalination in all countries, including the United States, the President is authorized to participate in the development of a large-scale water treatment and desalting prototype plant and necessary appurtenances to be constructed in Israel as an integral part of a dual-purpose power generating and desalting project. Such participation shall include financial, technical, and such other assistance as the President deems appropriate to provide for the study, design, construction, and, for a limited demonstration period of not to exceed five years, operation and maintenance of the water treatment and desalting facilities of the dual-purpose project.

"(b) Any agreement entered into under subsection (a) of this section shall include such terms and conditions as the President deems appropriate to insure, among other things, that all information, products, uses, processes, patents, and other developments obtained or utilized in the development of this prototype plant will be available without further cost to the United States for the use and benefit of the United States throughout the world, and to insure that the United States, its officers, and employees have a permanent right to review data and have access to such plant for the purpose of observing its operations and improving science and technology in the field of desalination.

"(c) In carrying out the provisions of this section, the President may enter into contracts with public or private agencies and with any person without regard to sections 3648 and 3709 of the Revised Statutes of the United States (31 U.S.C. 529 and 41 U.S.C. 5).

"(d) Nothing in this section shall be construed as intending to deprive the owner of any background patent or any right which such owner may have under that patent.

"(e) In carrying out the provisions of this section, the President may utilize the personnel, services, and facilities of any Federal agency.

"(f) The United States costs, other than its administrative costs, for the study, design, construction, and operation of a prototype plant under this section shall not exceed either 50 per centum of the total capital costs of the facilities associated with

the production of water, and 50 per centum of the operation and maintenance costs for the demonstration period, or \$40,000,000, whichever is less. There are authorized to be appropriated, subject to the limitations of this subsection, such sums as may be necessary to carry out the provisions of this section, including administrative costs thereof. Such sums are authorized to remain available until expended.

"SEC. 210. PROGRAMS FOR PEACEFUL COMMUNICATION.—(a) The President is authorized to use funds made available under section 202 to carry out programs of peaceful communications which make use of television and related technologies, including satellite transmissions, for educational, health, agricultural, and community development purposes in the less developed countries.

"(b) In carrying out programs in the fields of education, health, agriculture, and community development, the agency primarily responsible for part I shall, to the extent possible, assist the developing countries with research, training, planning assistance and project support in the use of television and related technologies, including satellite transmissions. The agency shall make maximum use of existing satellite capabilities, including the facilities of the International Telecommunications Satellite Consortium.

"(c) In implementing activities under this section, the agency primarily responsible for part I shall coordinate closely with Federal, State and local agencies and with non-governmental educational, health, and agricultural institutions and associations within the United States.

"SEC. 211. LOCAL CURRENCY UTILIZATION.—In furnishing assistance under this Act to the government of any country in which the United States owns excess foreign currencies as defined in section 612(b) of this Act, except those currencies generated under the Agricultural Trade Development and Assistance Act of 1954, as amended, the President shall endeavor to obtain from the recipient country an agreement for the release, on such terms and conditions as the President shall determine, of an amount of such currencies up to the equivalent of the dollar value of assistance furnished by the United States for programs as may be mutually agreed upon by the recipient country and the United States to carry out the purposes to which new funds authorized by this Act would themselves be available.

#### "CHAPTER 3—PRIVATE DEVELOPMENT ASSISTANCE

##### "TITLE I—PRIVATE ENTERPRISE ASSISTANCE

"SEC. 301. ROLE OF PRIVATE ENTERPRISE.—The Congress recognizes that vigorous and responsible private enterprise in less developed countries is both an objective and instrument of the economic, political, and social development which the United States seeks to encourage. Mobilization of private resources is a key to economic and social growth and serves as a means of participation in such growth by the people of less developed countries and the international community as a whole. Without support and encouragement of private enterprise, cooperative programs for advancing economic and social goals fail to utilize important resources and methods required in the developmental process and the effectiveness of development assistance and cooperation is diminished. Therefore, in administering assistance under this part, priority shall be given to an expanded role in economic and social development for private enterprise; and the President, in determining whether and to what extent the United States shall furnish development assistance under this part to any country or area, shall take into account—

"(a) the extent to which the country is creating a favorable environment for private enterprise and investment, both domestic and foreign, and for employers and free trade

unions to work together in developing a healthy economy;

"(b) the effectiveness of policies to strengthen the institutional framework of systems of credit, savings, banking, and marketing;

"(c) the adequacy of transportation, water, power, and communications systems which undergird commerce and trade;

"(d) the adequacy of policies which provide incentives for private production, and which seek to eliminate uneconomic or discriminatory constraints on such production; and especially the adoption of incentives needed for a healthy agricultural sector; and

"(e) the availability of trained manpower to meet the short- and long-term requirements for human skills in all sectors.

"SEC. 302. CAPITAL AND TECHNICAL ASSISTANCE FOR PRIVATE ENTERPRISE DEVELOPMENT.—In administering assistance under this part, the President shall emphasize programs and projects which support and encourage the expansion of active private enterprise responsive to developmental needs. Such programs and projects may include (a) technical assistance to increase the abilities in less developed countries to manage and operate private entities, and to improve the skills of industrial and agricultural workers, (b) capital projects to increase the capacity of public and other facilities essential for private enterprise, and (c) loans to finance the importation of goods essential for private agricultural and industrial production. Such assistance shall, to the extent possible, be coordinated with self-help efforts, including economic policies which support private enterprise activities and contribute to developmental objectives. The President shall coordinate assistance under this part with, and utilize to the extent he deems desirable, the facilities of the Overseas Private Investment Corporation established under title II of this chapter, and he is authorized to transfer funds made available under chapter 2 of this part to such Corporation for the purposes and subject to the terms and conditions governing the uses of such funds. Upon request by such Corporation and agreement with the agency primarily responsible for administering part I, the overseas missions and staffs of such agency may act on behalf of such Corporation, with or without compensation. In order to further effectuate the purposes of this chapter, not less than 50 per centum of the loan funds made available under sections 203 and 204 shall be available for loans made to encourage economic development through private enterprise.

"SEC. 303. UNITED STATES PRIVATE ENTERPRISE PARTICIPATION.—(a) In furnishing assistance under this part the President shall, to the maximum extent practicable, utilize private trade channels and the services of United States private enterprise, including nonprofit organizations, labor unions, cooperatives, savings and loan associations, credit unions, private experts and consultants, and educational institutions, and shall encourage continuing relationships between private United States institutions and their counterparts in less developed countries.

"(b) The President shall take appropriate steps to enable United States private enterprise to respond effectively in providing goods and services for assistance programs and projects authorized under this Act. It is declared to be in the national interest to encourage and develop the actual and potential capacity of American small business and to utilize this important segment of our economy in providing such goods and services. Insofar as practicable and to the maximum extent consistent with the purposes of this Act, the President shall assist American small business to participate equitably in the furnishing of commodities, defense articles, and services (including defense services) financed with funds made available under this Act—

"(1) by causing to be made available to suppliers in the United States, and particularly to small independent enterprises, information, as far in advance as possible, with respect to purchases proposed to be financed with such funds;

"(2) by causing to be made available to prospective purchasers in the countries and areas receiving assistance under this act information as to such commodities, articles, and services produced by small independent enterprises in the United States; and

"(3) by providing for additional services and methods to assure that small business is afforded better opportunities to participate equitably in the furnishing of such commodities, articles, and services financed with such funds.

"(c) There shall be an Office of Small Business, headed by a Special Assistant for Small Business, in such agency of the United States Government as the President may direct, to assist in carrying out the provisions of subsection (b) of this section.

"(d) The Secretary of Defense shall assure that there is made available to suppliers in the United States, and particularly to small independent enterprises, information with respect to purchases made by the Department of Defense pursuant to part II, such information to be furnished as far in advance as possible.

"SEC. 304. SUPPORT OF VOLUNTARY ASSISTANCE.—(a) The Congress recognizes that United States private citizens and organizations significantly assist less developed countries by creating institutions and engaging in activities relating to development, relief, and rehabilitation which advance the purposes of this Act.

"(b) (1) The President is authorized (notwithstanding the provisions of the Mutual Defense Assistance Control Act of 1951, as amended) to furnish assistance on such terms and conditions as he may determine to schools and libraries outside the United States founded or sponsored by United States citizens and serving as study and demonstration centers for ideas and practices of the United States and to hospital centers for medical education and research outside the United States founded or sponsored by United States citizens. For such purposes, there is hereby authorized to be appropriated to the President for the fiscal year 1970, \$15,900,000, to remain available until expended, of which \$3,000,000 shall be available solely to furnish assistance under this subsection to the Weizmann Institute in Israel.

"(2) There is authorized to be appropriated to the President for the fiscal year 1970, for the purpose of furnishing assistance under this part, \$2,500,000 to be distributed as follows:

"(A) \$1,900,000 for Merkaz Lechinuch Iohud; and

"(B) \$600,000 for Amana Ulpenat B. A.

"(3) There is authorized to be appropriated to the President for the purposes of paragraph (1) of this subsection, in addition to amounts otherwise available for such purposes, \$5,000,000, to remain available until expended, to provide financial assistance for the expansion in Israel of the medical facilities of Hadassah, an American voluntary organization registered with the President's Advisory Committee on Voluntary Foreign Aid.

"(c) The President is authorized to use funds made available under this part to pay transportation charges from United States ports, or in the case of excess or surplus property supplied by the United States, from foreign ports, on shipments by the American Red Cross and United States voluntary nonprofit organizations registered with and approved by the Advisory Committee on Voluntary Foreign Aid in order to further the efficient use of United States voluntary contributions for relief and rehabilitation of

friendly peoples. Where practicable, the President shall make arrangements with the receiving country for free entry of such shipments and for the making available by that country of local currencies to defray the transportation cost of such shipments from the port of entry of the receiving country or area to the designated shipping point of the consignee.

"(d) The President shall maintain a system for collecting information concerning private activities and opportunities for participation of individuals and associations in the development process and shall utilize to the extent possible such information in connection with programs carried out under this part.

"SEC. 305. ASSISTANCE TO UNITED STATES EDUCATIONAL AND RESEARCH INSTITUTIONS.—Not to exceed \$10,000,000 of the funds made available in any fiscal year under section 202 may be used for assistance, on such terms and conditions as the President may determine, to research and educational institutions in the United States for the purpose of strengthening their capacity to develop and carry out programs concerned with the economic and social development of less-developed countries.

"SEC. 306. HOUSING GUARANTIES.—In order to facilitate and increase the participation of private enterprise in furthering the development of the economic resources and productive capacities of less developed friendly countries and areas, and to promote the development of thrift and credit institutions engaged in programs of mobilizing local savings for financing the construction of self-liquidating housing projects and related community facilities, the President is authorized to issue guaranties, on such terms and conditions as he shall determine, to eligible investors, as defined in section 328(c), assuring against loss of loan investments for self-liquidating housing projects as well as investments made to strengthen the programs of those institutions engaged directly or indirectly in the mobilization of local savings for the purpose of financing self-liquidating housing projects and related community facilities, including home mortgages. The total face amount of guaranties issued hereunder, outstanding at any one time, shall not exceed \$130,000,000. Such guaranties shall be issued under the conditions set forth in the second and third provisos of subsection 204(d)(3) and all of subsections 204(d)(2) and 204(d)(4) except that an additional amount of \$15,000,000 shall be available for the purposes set forth in 204(d)(4), and all of the provisions thereof shall apply to guaranties issued under the authority of this section as well as to guaranties issued under subsection 204(d).

"TITLE II—OVERSEAS PRIVATE INVESTMENT CORPORATION

"SEC. 321. CREATION, PURPOSE, AND POLICY.—To mobilize and facilitate the participation of United States private capital and skills in the economic and social progress of less developed friendly countries and areas, thereby complementing the development assistance objectives of the United States, there is hereby created the Overseas Private Investment Corporation (hereinafter called the Corporation), which shall be an agency of the United States under the policy guidance of the Secretary of State.

"In carrying out its purpose, the Corporation, utilizing broad criteria, shall undertake—

"(a) to conduct its financing operations on a self-sustaining basis, taking into account the economic and financial soundness of projects and the availability of financing from other sources on appropriate terms;

"(b) to utilize private credit and investment institutions and the Corporation's guaranty authority as the principal means of mobilizing capital investment funds;

"(c) to broaden private participation and

revolve its funds through selling its direct investments to private investors whenever it can appropriately do so on satisfactory terms;

"(d) to conduct its insurance operations with due regard to principles of risk management including, when appropriate, efforts to share its insurance risks;

"(e) to utilize, to the maximum practicable extent consistent with the accomplishment of its objectives, the resources and skills of small business and to provide facilities to encourage its full participation in the programs of the Corporation;

"(f) to encourage and support only those private investments in less developed friendly countries and areas which are sensitive and responsive to the special needs and requirements of their economies, and which contribute to the social and economic development of their people;

"(g) to consider in the conduct of its operations the extent to which less developed country governments are receptive to private enterprise, domestic and foreign, and their willingness and ability to maintain conditions which enable private enterprise to make its full contribution to the development process;

"(h) to foster private initiative and competition and discourage monopolistic practices;

"(i) to further to the greatest degree possible, in a manner consistent with its goals, the balance of payments objectives of the United States;

"(j) to conduct its activities in consonance with the activities of the agency primarily responsible for administering part 1 and the international trade, investment and financial policies of the United States Government; and

"(k) to advise and assist, within its field of competence, interested agencies of the United States and other organizations, both public and private, national and international, with respect to projects and programs relating to the development of private enterprise in less developed countries and areas.

"SEC. 322. CAPITAL OF THE CORPORATION.—The President is authorized to pay in as capital of the Corporation, out of dollar receipts made available through the appropriation process from loans made pursuant to this part or pursuant to predecessor authority contained in provisions repealed by the Foreign Assistance Act of 1969 and from loans made under the Mutual Security Act of 1954, as amended, for the fiscal year 1970, not to exceed \$20,000,000 and for the fiscal year 1971 not to exceed \$20,000,000. Upon the payment of such capital by the President, the Corporation shall issue an equivalent amount of capital stock to the Secretary of the Treasury.

"SEC. 323. ORGANIZATION AND MANAGEMENT.—(a) STRUCTURE OF THE CORPORATION.—The Corporation shall have a Board of Directors, a President, an Executive Vice President and such other officers and staff as the Board of Directors may determine.

"(b) BOARD OF DIRECTORS.—All powers of the Corporation shall vest in and be exercised by or under the authority of its Board of Directors ("the Board") which shall consist of eleven Directors, including the Chairman, with six Directors constituting a quorum for the transaction of business. The Administrator of the Agency for International Development shall be the Chairman of the Board, ex officio. Six Directors (other than the President of the Corporation, appointed pursuant to subsection (c) who shall also serve as a Director) shall be appointed by the President of the United States, by and with the advice and consent of the Senate and shall not be officials or employees of the Government of the United States. At least one of the six Directors appointed under the preceding sentence shall be experienced in small business, one in organized labor, and one in cooperatives. Each such Director shall be ap-

pointed for a term of no more than three years. The terms of no more than two such Directors shall expire in any one year. Such Directors shall serve until their successors are appointed and qualified and may be re-appointed.

"The other Directors shall be officials of the Government of the United States, designated by and serving at the pleasure of the President of the United States.

"All Directors who are not officers of the Corporation or officials of the Government of the United States shall be compensated at a rate equivalent to that of level IV of the Executive Schedule (5 U.S.C. 5315) when actually engaged in the business of the Corporation and may be paid per diem in lieu of subsistence at the applicable rate prescribed in the standardized Government travel regulations, as amended from time to time, while away from their homes or usual places of business.

"(c) PRESIDENT OF THE CORPORATION.—The President of the Corporation shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and shall serve at the pleasure of the President. In making such appointment, the President shall take into account private business experience of the appointee. The President of the Corporation shall be its Chief Executive Officer and responsible for the operations and management of the Corporation, subject to bylaws and policies established by the Board.

"(d) OFFICERS AND STAFF.—The Executive Vice President of the Corporation shall be appointed by the President of the United States by and with the advice and consent of the Senate, and shall serve at the pleasure of the President. Other officers, attorneys, employees, and agents shall be selected and appointed by the Corporation, and shall be vested with such powers and duties as the Corporation may determine. Of such persons employed by the Corporation, not to exceed thirty-five may be appointed, compensated or removed without regard to the Civil Service laws and regulations, of whom not to exceed fifteen may be compensated at rates and steps of the General Schedule higher than those provided for grade 15 of the General Schedule established by section 5332 of title 5 of the United States Code, but not in excess of the highest rate of grade 18 thereof: *Provided*, That under such regulations as the President of the United States may prescribe, officers and employees of the United States Government who are appointed to any of the above positions may be entitled, upon removal from such position, except for cause, to reinstatement to the position occupied at the time of appointment or to a position of comparable grade and salary. Such positions shall be in addition to those otherwise authorized by law, including those authorized by section 5108 of title 5 of the United States Code.

"SEC. 324. INVESTMENT INCENTIVE PROGRAMS.—The Corporation is hereby authorized to do the following:

"(a) INVESTMENT INSURANCE.—(1) To issue insurance, upon such terms and conditions as the Corporation may determine, to eligible investors assuring protection in whole or in part against any or all of the following risks with respect to projects which the Corporation has approved—

"(A) inability to convert into United States dollars other currencies, or credits in such currencies, received as earnings or profits from the approved project, as repayment or return of the investment therein, in whole or in part, or as compensation for the sale or disposition of all or any part thereof;

"(B) loss of investment, in whole or in part, in the approved project due to expropriation or confiscation by action of a foreign government; and

"(C) loss due to war, revolution or insurrection.

"(2) Recognizing that major private in-

investments in less developed friendly countries or areas are often made by enterprises in which there is multinational participation, including significant United States private participation, the Corporation may make arrangements with foreign governments (including agencies, instrumentalities or political subdivisions thereof) or with multilateral organizations for sharing liabilities assumed under investment insurance for such investments and may in connection therewith issue insurance to investors not otherwise eligible hereunder: *Provided, however*, That liabilities assumed by the Corporation under the authority of this subsection shall be consistent with the purposes of this title and that the maximum share of liabilities so assumed shall not exceed the proportionate participation by eligible investors in the total project financing.

"(3) Not more than 10 per centum of the total face amount of investment insurance which the Corporation is authorized to issue under this subsection shall be issued to a single investor.

"(b) INVESTMENT GUARANTIES.—To issue to eligible investors guaranties of loans and other investments made by such investors assuring against loss due to such risks and upon such terms and conditions as the Corporation may determine: *Provided, however*, That such guaranties on other than loan investments shall not exceed 75 per centum of such investment: *Provided, further*, That except for loan investments for credit unions made by eligible credit unions or credit union associations, the aggregate amount of investment (exclusive of interest and earnings) so guaranteed with respect to any project shall not exceed, at the time of issuance of any such guaranty, 75 per centum of the total investment committed to any such project as determined by the Corporation, which determination shall be conclusive for purposes of the Corporation's authority to issue any such guaranty: *Provided, further*, That not more than 10 per centum of the total face amount of investment guaranties which the Corporation is authorized to issue under this subsection shall be issued to a single investor.

"(c) DIRECT INVESTMENT.—To make loans in United States dollars repayable in dollars or loans in foreign currencies (including, without regard to section 1415 of the Supplemental Appropriation Act, 1953, such foreign currencies which the Secretary of the Treasury may determine to be excess to the normal requirements of the United States and the Director of the Bureau of the Budget may allocate) to firms privately owned or of mixed private and public ownership upon such terms and conditions as the Corporation may determine. The Corporation may not purchase or invest in any stock in any other corporation, except that it may (1) accept as evidence of indebtedness debt securities convertible to stock, but such debt securities shall not be converted to stock while held by the Corporation, and (2) acquire stock through the enforcement of any lien or pledge or otherwise to satisfy a previously contracted indebtedness which would otherwise be in default, or as the result of any payment under any contract of insurance or guaranty. The Corporation shall dispose of any stock it may so acquire as soon as reasonably feasible under the circumstances then pertaining.

"No loans shall be made under this section to finance operations for mining or other extraction of any deposit of ore, oil, gas, or other mineral.

"(d) INVESTMENT ENCOURAGEMENT.—To initiate and support through financial participation, incentive grant, or otherwise, and on such terms and conditions as the Corporation may determine, the identification, assessment, surveying and promotion of private investment opportunities, utilizing wherever feasible and effective the facilities

of private organizations or private investors: *Provided, however*, That the Corporation shall not finance surveys to ascertain the existence, location, extent or quality, or to determine the feasibility of undertaking operations for mining or other extraction, of any deposit of ore, oil, gas or other mineral. In carrying out this authority, the Corporation shall coordinate with such investment promotion activities as are carried out by the Department of Commerce.

"(e) SPECIAL ACTIVITIES.—To administer and manage special projects and programs, including programs of financial and advisory support which provide private technical, professional or managerial assistance in the development of human resources, skills, technology, capital savings and intermediate financial and investment institutions and cooperatives. The funds for these projects and programs may, with the Corporation's concurrence, be transferred to it for such purposes under the authority of section 302 or from other sources, public or private.

"SEC. 325. ISSUING AUTHORITY, DIRECT INVESTMENT FUND AND RESERVES.—(a) (1) The maximum contingent liability outstanding at any one time pursuant to insurance issued under section 324(a) shall not exceed \$7,500,000,000.

"(2) The maximum contingent liability outstanding at any one time pursuant to guaranties issued under section 324(b) shall not exceed in the aggregate \$750,000,000, of which guaranties of credit union investment shall not exceed \$1,250,000: *Provided*, That the Corporation shall not make any commitment to issue any guaranty which would result in a fractional reserve less than 25 per centum of the maximum contingent liability then outstanding against guaranties issued or commitments made pursuant to section 324(b) or similar predecessor guaranty authority.

"(3) The Congress, in considering the budget programs transmitted by the President for the Corporation, pursuant to section 104 of the Government Corporation Control Act, as amended, may limit the obligations and contingent liabilities to be undertaken under section 324 (a) and (b), as well as the use of funds for operating and administrative expenses.

"(4) The authority of section 324 (a) and (b) shall continue until June 30, 1974.

"(b) There shall be established, a revolving fund, known as the Direct Investment Fund, to be held by the Corporation. Such fund shall consist initially of amounts made available under section 322, shall be available for the purposes authorized under section 324(c), shall be charged with realized losses and credited with realized gains and shall be credited with such additional sums as may be transferred to it under the provisions of section 326.

"(c) There shall be established in the Treasury of the United States an Insurance and Guaranty Fund, which shall have separate accounts to be known as the Insurance Reserve and the Guaranty Reserve, which reserves shall be available for discharge of liabilities, as provided in section 325(d), until such time as all such liabilities have been discharged or have expired or until all such reserves have been expended in accordance with the provisions of this section. Such Fund shall be funded by: (1) the funds heretofore available to discharge liabilities under predecessor guaranty authority (including housing guaranty authorities), less both the amount made available for housing guaranty programs pursuant to section 204(d) (4) (B) and the amount made available to the Corporation pursuant to section 325(e); and (2) such sums as shall be appropriated pursuant to section 325(f) for such purpose. The allocation of such funds to each such Reserve shall be determined by the board after consultation with the Secretary of Treasury. Additional amounts

may thereafter be transferred to such reserves pursuant to section 326.

"(d) Any payments made to discharge liabilities under investment insurance issued under section 324(a) or under similar predecessor guaranty authority shall be paid first out of the insurance reserve, as long as such reserve remains available, and thereafter out of funds made available pursuant to section 325(f). Any payments made to discharge liabilities under guaranties issued under section 324(b) or under similar predecessor guaranty authority shall be paid first out of the guaranty reserve as long as such reserve remains available, and thereafter out of funds made available pursuant to section 325(f).

"(e) There is hereby authorized to be transferred to the Corporation at its call, for the purposes specified in section 326, all fees and other revenues collected under predecessor guaranty authority from December 31, 1968, available as of the date of such transfer.

"(f) There is hereby authorized to be appropriated to the Corporation, to remain available until expended, such amounts as may be necessary from time to time to replenish or increase the Insurance and Guaranty Fund or to discharge the liabilities under insurance and guaranties issued by the Corporation or issued under predecessor guaranty authority.

"SEC. 326. INCOME AND REVENUES.—In order to carry out the purposes of the Corporation, all revenues and income transferred to or earned by the Corporation, from whatever source derived, shall be held by the Corporation and shall be available to carry out its purposes, including without limitation—

"(a) payment of all expenses of the Corporation, including investment promotion expenses;

"(b) transfers and additions to the insurance or guaranty reserves, the Direct Investment Fund established pursuant to section 325 and such other funds or reserves as the Corporation may establish, at such time and in such amounts as the board may determine; and

"(c) payment of dividends, on capital stock, which shall consist of and be paid from net earnings of the Corporation after payments, transfers and additions under subsections (a) and (b) hereof.

"SEC. 327. GENERAL PROVISIONS RELATING TO INSURANCE AND GUARANTY PROGRAMS.—(a) Insurance and guaranties issued under this title shall cover investment made in connection with projects in any less developed friendly country or area with the government of which the President of the United States has agreed to institute a program for insurance or guaranties.

"(b) The Corporation shall determine that suitable arrangements exist for protecting the interest of the Corporation in connection with any insurance or guaranty issued under this title, including arrangements concerning ownership, use and disposition of the currency, credits, assets, or investments on account of which payment under such insurance or guaranty is to be made, and any right, title, claim or cause of action existing in connection therewith.

"(c) All guaranties issued prior to July 1, 1956, all guaranties issued under sections 202(b) and 413(b) of the Mutual Security Act of 1954, as amended, all guaranties heretofore issued pursuant to prior guaranty authorities repealed by the Foreign Assistance Act of 1969, and all insurance and guaranties issued pursuant to this title shall constitute obligations, in accordance with the terms of such insurance or guaranties, of the United States of America and the full faith and credit of the United States of America is hereby pledged for the full payment and performance of such obligations.

"(d) Fees shall be charged for insurance and guaranty coverage in amounts to be determined by the Corporation. In the event

fees to be charged for investment insurance or guaranties are reduced, fees to be paid under existing contracts for the same type of guaranties or insurance and for similar guaranties issued under predecessor guaranty authority may be reduced.

"(e) No insurance or guaranty of an equity investment shall extend beyond twenty years from the date of issuance.

"(f) No insurance or guaranty issued under this title shall exceed the dollar value, as of the date of the investment, of the investment made in the project with the approval of the Corporation plus interest, earnings or profits actually accrued on said investment to the extent provided by such insurance or guaranty.

"(g) No payment may be made under any guaranty issued pursuant to this title for any loss arising out of fraud or misrepresentation for which the party seeking payment is responsible.

"(h) Insurance or guaranties of a loan or equity investment of an eligible investor in a foreign bank, finance company or other credit institution shall extend only to such loan or equity investment and not to any individual loan or equity investment made by such foreign bank, finance company or other credit institution.

"(i) Claims arising as a result of insurance or guaranty operations under this title or under predecessor guaranty authority may be settled, and disputes arising as a result thereof may be arbitrated with the consent of the parties, on such terms and conditions as the Corporation may determine. Payment made pursuant to any such settlement, or as a result of an arbitration award, shall be final and conclusive notwithstanding any other provision of law.

"(j) Each guaranty contract executed by such officer or officers as may be designated by the board shall be conclusively presumed to be issued in compliance with the requirements of this Act.

"(k) In making a determination to issue insurance or a guaranty under this title, the Corporation shall consider the possible adverse effect of the dollar investment under such insurance or guaranty upon the balance of payments of the United States.

"SEC. 328. DEFINITIONS.—As used in this title—

"(a) the term 'investment' includes any contribution of funds, commodities, services, patents, processes, or techniques in the form of (1) a loan or loans to an approved project, (2) the purchase of a share of ownership in any such project, (3) participation in royalties, earnings, or profits of any such project, and (4) the furnishing of commodities or services pursuant to a lease or other contract;

"(b) the term 'expropriation' includes, but is not limited to, any abrogation, repudiation, or impairment by a foreign government of its own contract with an investor with respect to a project, where such abrogation, repudiation, or impairment is not caused by the investor's own fault or misconduct, and materially adversely affects the continued operation of the project;

"(c) the term 'eligible investor' means: (1) United States citizens; (2) corporations, partnerships, or other associations including nonprofit associations, created under the laws of the United States or any State or territory thereof and substantially beneficially owned by United States citizens; and (3) foreign corporations, partnerships, or other associations wholly owned by one or more such United States citizens, corporations, partnerships, or other associations: *Provided, however,* That the eligibility of such foreign corporation shall be determined without regard to any shares, in aggregate less than 5 per centum of the total of issued and subscribed share capital, required by law to be held by other than the United States owners: *Provided further,* That in the

case of any loan investment a final determination of eligibility may be made at the time the insurance or guaranty is issued; in all other cases, the investor must be eligible at the time a claim arises as well as at the time the insurance or guaranty is issued; and

"(d) the term 'predecessor guaranty authority' means prior guaranty authorities (other than housing guaranty authorities) repealed by the Foreign Assistance Act of 1969, sections 202(b) and 413(b) of the Mutual Security Act of 1954, as amended, and section 111(b) (3) of the Economic Cooperation Act of 1948, as amended (exclusive of authority relating to informational media guaranties).

"SEC. 329. GENERAL PROVISIONS AND POWERS.—(a) The Corporation shall have its principal office in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be a resident thereof.

"(b) The President shall transfer to the Corporation, at such time as he may determine, all obligations, assets and related rights and responsibilities arising out of, or related to, predecessor programs and authorities similar to those provided for in section 324 (a), (b), and (d). Until such transfer, the agency heretofore responsible for such predecessor programs shall continue to administer such assets and obligations, and such programs and activities authorized under this title as may be determined by the President.

"(c) The Corporation shall be subject to the applicable provisions of the Government Corporation Control Act, except as otherwise provided in this title.

"(d) To carry out the purposes of this title, the Corporation is authorized: To adopt and use a corporate seal, which shall be judicially noticed; to sue and be sued in its corporate name; to adopt, amend, and repeal bylaws governing the conduct of its business and the performance of the powers and duties granted to or imposed upon it by law; to acquire, hold or dispose of, upon such terms and conditions as the Corporation may determine, any property, real, personal, or mixed, tangible or intangible, or any interest therein; to invest funds derived from fees and other revenues in obligations of the United States and to use the proceeds therefrom, including earnings and profits, as it shall deem appropriate; to indemnify directors, officers, employees and agents of the Corporation for liabilities and expenses incurred in connection with their Corporation activities; to require bonds of officers, employees, and agents and pay the premiums therefor; notwithstanding any other provision of law, to represent itself or to contract for representation in all legal and arbitral proceedings; to purchase, discount, rediscount, sell, and negotiate, with or without its endorsement or guaranty, and guarantee notes, participation certificates, and other evidence of indebtedness (provided that the Corporation shall not issue its own securities, except participation certificates for the purpose of carrying out section 321(c)); to make and carry out such contracts and agreements as are necessary and advisable in the conduct of its business; to exercise the priority of the Government of the United States in collecting debts from bankrupt, insolvent or decedents' estates; to determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed, and paid, subject to provisions of law specifically applicable to Government corporations; to take such actions as may be necessary or appropriate to carry out the powers herein or hereafter specifically conferred upon it.

"(e) The Auditor-General of the Agency for International Development (1) shall have the responsibility for planning and directing

the execution of audits, reviews, investigations, and inspections of all phases of the Corporation's operations and activities and (2) shall conduct all security activities of the Corporation relating to personnel and the control of classified material. With respect to his responsibilities under this subsection, the Auditor-General shall report to the Board of Directors of the Corporation. The agency primarily responsible for administering part I shall be reimbursed by the Corporation for all expenses incurred by the Auditor-General in connection with his responsibilities under this subsection.

"SEC. 330. ADVISORY COUNCIL.—In order to further the purposes of the Corporation there shall be established an Advisory Council to be composed of such representatives of the American business community as may be selected by the chairman of the board. The president and the board of the Corporation shall, from time to time, consult with such Council concerning the objectives of the Corporation. Members of the Council shall receive no compensation for their services but shall be entitled to reimbursement in accordance with section 5703 of title 5 of the United States Code for travel and other expenses incurred by them in the performance of their functions under this section.

"SEC. 331. AGRICULTURAL CREDIT AND SELF-HELP COMMUNITY DEVELOPMENT PROJECTS.—

(a) It is the sense of the Congress that in order to stimulate the participation of the private sector in the economic development of less developed countries in Latin America, the authority conferred by this section should be used to establish pilot programs in not more than five Latin American countries to encourage private banks, credit institutions, similar private lending organizations, cooperatives, and private nonprofit development organizations to make loans on reasonable terms to organized groups and individuals residing in a community for the purpose of enabling such groups and individuals to carry out agricultural credit and self-help community development projects for which they are unable to obtain financial assistance on reasonable terms. Agricultural credit and assistance for self-help community development projects should include, but not be limited to, material and such projects as wells, pumps, farm machinery, improved seed, fertilizer, pesticides, vocational training, food industry development, nutrition projects, improved breeding stock for farm animals, sanitation facilities, and looms and other handicraft aids.

"(b) To carry out the purposes of subsection (a), the Corporation is authorized to issue guaranties, on such terms and conditions as it shall determine, to private lending institutions, cooperatives, and private nonprofit development organizations in not more than five Latin American countries assuring against loss of not to exceed 25 per centum of the portfolio of such loans made by any lender to organized groups or individuals residing in a community to enable such groups or individuals to carry out agricultural credit and self-help community development projects for which they are unable to obtain financial assistance on reasonable terms. In no event shall the liability of the United States exceed 75 per centum of any one loan.

"(c) The total face amount of guaranties issued under this section outstanding at any one time shall not exceed \$15,000,000. Not more than 10 per centum of such sum shall be provided for any one institution, cooperative, or organization.

"(d) The Inter-American Development Institute shall be consulted in developing criteria for making loans eligible for guaranty coverage under this section.

"(e) The guaranty reserve established under section 325(c) shall be available to make such payments as may be necessary to discharge liabilities under guaranties issued under this section.

"(f) Notwithstanding the limitation contained in subsection (c) of this section, foreign currencies owned by the United States and determined by the Secretary of the Treasury to be excess to the needs of the United States may be utilized to carry out the purposes of this section, including the discharge of liabilities incurred under this subsection. The authority conferred by this subsection shall be in addition to authority conferred by any other provision of law to implement guaranty programs utilizing excess local currency.

"(g) The Corporation shall, on or before January 15, 1972, make a detailed report to the Congress on the results of the pilot program established under this section, together with such recommendations as it may deem appropriate.

"(h) The authority of this section shall continue until June 30, 1972.

"SEC. 332. REPORTS TO THE CONGRESS.—(a) After the end of each fiscal year, the Corporation shall submit to the Congress a complete and detailed report of its operations during such fiscal year.

"(b) Not later than March 1, 1974, the Corporation shall submit to the Congress an analysis of the possibilities of transferring all or part of its activities to private United States citizens, corporations or other associations.

"CHAPTER 4—MULTILATERAL AND REGIONAL ORGANIZATIONS AND PROGRAMS

"SEC. 401. GENERAL AUTHORITY.—(a) Multilateral organizations play an important role in the promotion of development and the maintenance of peace. To support programs of these organizations, the President is authorized, on such terms and conditions as he may determine—

"(1) to use funds made available under this part for voluntary contributions for such organizations and for programs administered by them; and

"(2) to transfer to the International Bank for Reconstruction and Development, the International Finance Corporation, the International Development Association, the Asian Development Bank, the African Development Bank, and the Inter-American Development Bank up to 10 per centum of funds made available for development assistance under chapter 2 of this part, for use pursuant to the laws governing United States participation in such institutions, if any, and the governing statutes thereof and without regard to the requirements of this or any other act.

"(b) In the event that funds made available under this part are used by or under the management of the financial institutions identified in section (a)(2) hereof, such funds may be used in accordance with requirements, standards or procedures established by such institutions concerning completion of plans and cost estimates, contracts and contractors, and determinations of feasibility, rather than with requirements standards or procedures concerning such matters set forth in this or other acts; and such funds may also be used without regard to the provisions of section 901(b) of the Merchant Marine Act, 1936, as amended (49 Stat. 1985; 46 U.S.C. 1241), whenever the President determines that such provisions cannot be fully satisfied without seriously impeding or preventing accomplishment of the purposes of such programs: *Provided*, That compensating allowances are made in the administration of other programs to the same or other areas to which the requirements of said section 901(b) are applicable.

"(c) Voluntary contributions to the United Nations Development Program may not exceed 40 per centum of the total contributed for such purposes (including assessed and audited local costs) for each calendar year. The President shall seek to assure that no contribution to the United Nations Development Program authorized by this Act shall

be used for projects for economic or technical assistance to the Government of Cuba, so long as Cuba is governed by the Castro regime.

"(d) There is hereby authorized to be appropriated to the President for grants for Indus Basin Development, in addition to any other funds available for such purposes, for use in the fiscal year 1970, \$7,530,000, which shall remain available until expended. Any unappropriated portion of the amounts heretofore authorized to be appropriated for loans for Indus Basin Development, for use beginning in fiscal year 1969, may be appropriated in any subsequent fiscal year.

"(e) In any case in which a fund established solely by United States contributions under this or any other Act is administered by an international organization under the terms of an agreement between the United States and such international organization, such agreement shall provide that the Comptroller General of the United States shall conduct such audits as are necessary to assure that such fund is administered in accordance with such agreement.

"(f) There is authorized to be appropriated \$1,000,000 for fiscal year 1970, and \$1,000,000 for fiscal year 1971, to provide added contribution to the United Nations Relief and Works Agency for expansion of technical and vocational training of Arab refugees.

"(g) No contributions by the United States shall be made to the United Nations Relief and Works Agency for Palestine Refugees in the Near East except on the condition that the United Nations Relief and Works Agency take all possible measures to assure that no part of the United States contribution shall be used to furnish assistance to any refugee who is receiving military training as a member of the so-called Palestine Liberation Army or any other guerrilla type organization or who has engaged in any act of terrorism.

"SEC. 402. REGIONAL PROGRAMS.—In furnishing assistance under this part, the President shall encourage the cooperation of less developed countries in regional programs and the promotion of regional development institutions, so that the economic, social, and political development of such regions may be more readily advanced. In so doing the President may use regional multilateral and bilateral channels of assistance, as he deems appropriate.

"SEC. 403. MULTILATERAL COORDINATION OF DEVELOPMENT PROGRAMS.—In furnishing assistance under this part, the President shall encourage the participation in development assistance by other developed countries and shall seek to insure multilateral coordination of development assistance programs. In so doing, the President shall take into account the advantages of integrating programs of the United States with programs of multilateral organizations and other donors, and shall participate, where appropriate, in development assistance consortia and other groups which coordinate assistance from various sources for particular recipient countries.

"CHAPTER 5—EMERGENCY AND SUPPORTING ASSISTANCE

"SEC. 451. DISASTER ASSISTANCE.—Notwithstanding the provisions of this or any other Act, the President is authorized to use funds provided to carry out the provisions of this part to furnish assistance abroad on such terms and conditions as he may determine—

"(a) for famine or disaster relief;

"(b) for reconstruction or rehabilitation assistance for victims of famine or disasters; and

"(c) for aid in the preparation for, or prevention of, the effects of threatened famine or disasters.

Assistance under (a) or (b) shall be furnished no later than one year after the disaster or famine has ended.

"SEC. 452. SUPPORTING ASSISTANCE.—(a)

The President is authorized to furnish assistance, on such terms and conditions as he may determine, to or for friendly countries and areas, and to organizations and bodies eligible to receive assistance under this part, in order to support or promote economic or political stability or security.

"(b) There is authorized to be appropriated to the President to carry out the purposes of this section \$414,600,000 for the fiscal year 1970, and \$414,600,000 for the fiscal year 1971, which amounts shall remain available until expended. Bilateral assistance under this section shall not be furnished to more than twelve countries in any fiscal year.

"(c) In order to promote a durable peace in the Middle East, and to enable the United States to join with other nations in programs which will contribute to that end, thereby carrying out the purposes of this section, upon a determination by the President that a peaceful settlement has been achieved in the Middle East, there is authorized to be appropriated such sums as the President may request for use solely for programs and projects in the Middle East which are directly related to (1) peacekeeping activities, (2) resettlement and vocational training of refugees, (3) rehabilitation or restoration of public services and facilities damaged by war, and (4) programs of health, education, agriculture, and community development. The authorization of appropriations contained in this subsection shall expire at the end of the five-year period beginning July 1 of the first fiscal year in which funds are appropriated pursuant to such authorization.

"SEC. 453. CONTINGENCY FUND.—(a) There is hereby authorized to be appropriated to the President for the fiscal year 1970 not to exceed \$15,000,000 for use by the President for assistance authorized by this part in accordance with the provisions applicable to the furnishing of such assistance, when he determines such use to be important to the national interest.

"(b) The President shall provide quarterly reports to the Congress on the programing and obligation of funds under subsection (a)."

Mr. ZABLOCKI (during the reading). Mr. Chairman, I ask unanimous consent that section 1 of 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 Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE of Illinois, 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. 14580) to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world to achieve economic development within a framework of democratic, economic, social, and political institutions, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks in the RECORD on the bill H.R. 14580.

The SPEAKER. Is there objection to

the request of the gentleman from Wisconsin?

There was no objection.

**REQUEST TO MEET AT 11 O'CLOCK  
A.M. TOMORROW**

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourns to meet at 11 o'clock tomorrow.

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

Mr. HALL. Mr. Speaker, reserving the right to object, what would be the purpose of interrupting committee meetings already planned and witnesses already called and so forth by coming in early tomorrow?

Mr. ALBERT. Mr. Speaker, if the gentleman will yield, hopefully we will finish this bill tomorrow, to be rather frank with my friend.

Mr. HALL. Mr. Speaker, I would query the distinguished majority leader further under my reservation, do we have plans to finish out this week and work Friday looking toward adjournment by Christmas?

Mr. ALBERT. Certainly, if we have any business on Friday. But I would say to the gentleman that we will finish all the business, and we will finish it this week, whether we adjourn on Friday or Thursday. It would have no bearing upon the ultimate adjournment of the House. We have no other business—

Mr. HALL. Mr. Speaker, I find this exceedingly strange. I cannot understand why we come in here and adjourn some days at 12:20, and come in early other days in order to finish a particular bill, and then say that it has no effect upon when we will adjourn for Thanksgiving, or when we will adjourn sine die the first session of this Congress.

It would seem apparent, Mr. Speaker, that there is so much work to be done, and we have a limited time in which to do it, and, if we are going to do it, we ought to be working, as I said once before, from weekend to weekend and around the clock.

Mr. ALBERT. If the gentleman prefers that I withdraw the request, then I will.

Mr. HALL. I would have preferred that the distinguished majority leader had not made the request in the first place if there is no other basis for it than what has been made in the colloquy so far.

Mr. ALBERT. Then I withdraw the request.

The SPEAKER. The request is withdrawn.

**RETIREMENT OF SENATOR SPES-  
SARD LINDSEY HOLLAND**

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

Mr. HALEY. Mr. Speaker, on November 12, 1969, my longtime friend and Florida's senior Senator, the Honorable SPESARD LINDSEY HOLLAND, announced that he would not seek reelection to the U.S. Senate. His retirement in 1970 will bring to the close a career that has covered more than a half of a century—a

career that began as county prosecutor in his native county of Polk and will end with his powerful position as the eighth-ranking Member of the U.S. Senate. In each position he has held, in each step of his career, he has served with distinction and with honor. He has become, indeed, one of the greater elder statesmen of our times.

The Senator has many loyal friends throughout Florida, throughout the Nation, who recognize the effective and efficient work he has done in every position he has held and who are grateful for the fine representation he has given us. Many words will be spoken about his service and high tribute to his abilities and to his accomplishments will come from many people as he retires to private life. But the true measure of a man is the devotion he receives from his neighbors of a lifetime, from the people of his hometown who know their native son better than anyone else could know him.

On November 13, our mutual friend, Loyal Frisbie, editor and publisher of the Polk County Democrat—representing a family newspaper that has served Polk County for many years—in his editorial, "There Aren't Many Like Him," expresses well the high esteem in which SPESARD HOLLAND is held in his hometown. This editorial expression of the measure of this great American is only a single expression of the respect and esteem that thousands upon thousands of Floridians hold for one of our State's most distinguished native sons.

It is my privilege to have worked with and to have known the friendship of SPESARD LINDSEY HOLLAND for more than 40 years. I know the truth of Loyal Frisbie's words. I wonder if there are any more like SPESARD HOLLAND. If there are, then Florida and the Nation will be the beneficiaries.

The editorial, "There Aren't Many Like Him," follows:

**THERE AREN'T MANY LIKE HIM**

When Spessard Holland steps out of the United States Senate at the end of next year, it will be more than simply one of 100 senators turning his position and responsibilities over to a new man.

It will be the end of an era.

Make that two eras.

For the man, it will be the end of half a century and more of outstanding public service by Bartow's most distinguished native son.

For the state of Florida, it will be the end of having this wise and patient man in public office, where his knowledge and talent have for so long been available.

As he rose through the ranks of government, from County Prosecutor to County Judge to State Senator to Governor to U.S. Senator, he found increasingly wider scope for his unique abilities, increasingly greater challenges for service.

Spessard Holland has made his fellow citizens, and especially those whose home is in Bartow, proud of him every step of the way. Few persons can stay so long in the public eye without showing feet of clay. But Holland has done so.

Real statesmen are rare in these frenzied days. Holland is one.

The timing and method of his announcement that he would not seek re-election next year are typical of the man. Months ago, he said that he would announce by year's end whether or not he would seek a fifth full term as senator.

Candidates who wanted to run if Holland should not begin nervously to line up if-and-when support. More recently, Holland said that he would make up his mind by about Dec. 1. But when he reached his decision, he didn't delay speaking out so that all might know.

A lesser man, planning soon to bow off the public stage, would have played out the suspense, keeping himself in the spotlight as long as possible.

Holland's friends are shocked to learn that he has had a heart ailment for eight years. There has been no slackening of the energy and dedication with which he has attended to the public's business—and this, too, is typical of the man.

There is little doubt that if he had chosen to run again, Holland would have been re-elected by a wide margin, and there are many Floridians who were hoping that he would. Under the circumstances, though, he obviously made the right decision.

Holland has been flexible enough to progress with the times, while never once yielding ground on the high principles and sound governmental philosophy which have marked his career from the beginning.

He is remembered as one of Florida's ablest Governors—and one who gave the full four years of his term to the people of Florida.

Unlike so many of his predecessors, he did not spend the last year or more of his term preparing another career for himself.

In the Senate, he has been one of a dwindling number of senators who have held that when a change in the Constitution is needed, it should be made by constitutional amendment—not by statute or court decision. By his stubborn devotion to this principle he succeeded after long effort in gaining passage of the Holland Amendment, the 24th, which outlawed the poll tax as a prerequisite for voting.

Some 20 years earlier while Governor, he had persuaded the Florida Legislature to do the same in this state. Both in Florida and in the nation at large, then, he was responsible for measures which removed a weapon that had long been used to keep Negroes from voting. And his actions in both areas were started long before Civil Rights became a flaming and popular issue.

It is no reflection on the candidates who are lining up for a run at the office he will vacate to say that there is no actual or prospective candidate in sight who can measure up to the stature of Spessard Holland. There just aren't many people of his caliber, in or out of politics.

Florida will be poorer when he no longer represents this state in the Senate. But we in Bartow will be happy to have him coming home again, still the undefeated champion of Florida politics and a Senior Statesman who has never lost the common touch.

**DISCOVERY OF PUERTO RICO**

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

Mr. CORDOVA. Mr. Speaker, the 19th of November is the anniversary of the discovery of Puerto Rico in 1493, on the second voyage of the *Admiral of the Ocean Sea* from Spain west to the Indies.

One of the men in the *Admiral's* entourage on that voyage was a soldier from Granada, Juan Ponce de León. He requested of the Spanish crown, and was eventually granted, a charter to settle and rule the newly discovered land.

In 1508, Ponce de León became the first Governor of Puerto Rico. Eventually he sailed west from Puerto Rico to the

mainland, an adventurous dreamer in pursuit of an impossible dream.

Today also marks another momentous second voyage, the second voyage of men to the moon, men who a few days ago departed from the mainland peninsula where Ponce de León pursued his dream, and have this morning landed in the dream world of the moon.

The descendants of Ponce de León in Puerto Rico share the exultation of our Nation in the exploits of the new breed of "conquistadores" who plow through the uncharted vastness of space. We also share the troubles of our Nation. We share the rebellion of numbers of our young. We share the grief of blood and death in Southeast Asia. We share the pride in the noble and heroic qualities of a generation which matches the best in our history. This generation is truly exemplified by young men like Carlos Lozada, a boy from Puerto Rico and from the Bronx, posthumously awarded the Medal of Honor only yesterday, a worthy peer of the brave and generous men who have lived and fought and died for centuries in pursuit of the impossible dream that is now our America.

The official citation describes the magnificent heroism of Private Lozada in knowingly offering his life to protect his comrades:

#### CITATION

The President of the United States of America, authorized by Act of Congress, March 3, 1863, has awarded in the name of The Congress, the Medal of Honor posthumously to Private First Class Carlos J. Lozada, United States Army, for conspicuous gallantry and intrepidity in action at the risk of his life above and beyond the call of duty:

Private First Class Carlos J. Lozada, United States Army, distinguished himself by conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty on 20 November 1967, in the battle of Dak To, Republic of Vietnam. While serving as a machine gunner with 1st Platoon, Company A, 2d Battalion (Airborne), 503d Infantry, 173d Airborne Brigade (Separate), Private Lozada was part of a four man early warning outpost, located thirty-five meters from his company's lines. At 1400 hours a North Vietnamese Army company rapidly approached the outpost along a well defined trail. Private Lozada alerted his comrades and commenced firing at the enemy who were within ten meters of the outpost. His heavy and accurate machine gun fire killed at least twenty North Vietnamese soldiers and completely disrupted their initial attack. Private Lozada remained in an exposed position and continued to pour deadly fire upon the enemy despite the urgent pleas of his comrades to withdraw. The enemy continued their assault, attempting to envelop the outpost. At the same time enemy forces launched a heavy attack on the forward west flank of Company A with the intent to cut them off from their battalion. Company A was given the order to withdraw. Private Lozada apparently realized that if he abandoned his position there would be nothing to hold back the surging North Vietnamese soldiers and that the entire company withdrawal would be jeopardized. He called for his comrades to move back and that he would stay and provide cover for them. He made this decision realizing that the enemy was converging on three sides of his position and only meters away, and a delay in withdrawal meant almost certain death. Private Lozada continued to deliver a heavy, accurate volume of suppressive fire against the enemy until he was mortally wounded. His actions

not only inflicted heavy casualties on the enemy but saved the lives of many of his comrades, several of whom were seriously wounded and had to be carried during the withdrawal. His heroic deed served as an example and an inspiration to his comrades throughout the ensuing four-day battle. Private Lozada's actions are in the highest traditions of the United States Army and reflect great credit upon himself, his unit, and the United States Army.

#### THE PERIL OF AIR POLLUTION

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

Mr. MIKVA. Mr. Speaker, today I am reintroducing, with 19 cosponsors, the Air Pollution Abatement Act of 1969. I wish to thank my colleagues for joining me in this effort to control and prevent air pollution.

Since introducing this bill on October 23, 1969, I have become increasingly convinced that such legislation should be a top congressional priority. Contrary to the pronouncements of some naive spokesmen, pollution is getting more serious every day. This is evidenced both by people's mounting concern about the perils and costs of air pollution and the increasing body of medical evidence that contaminated air endangers the health and well-being of man.

That the air is dirtier than ever is proven by the fact that we hurled 140 million tons of pollutants into the air this year, compared with only 130 million tons 2 years ago. Let no one be deceived: controlling air pollution is an ideal—not a reality. The public knows this and so does every Member of this body.

I might illustrate the public's growing concern about air contamination with two examples. A "breathers lobby" in Pennsylvania has declared war on the annihilation of the air. Disgusted with the dirty air and governmental inaction, a group of public-spirited citizens voiced their concerns at a hearing called to discuss the kind of pollution control standards Pennsylvania should adopt. Largely as a result of this group's efforts, the State air pollution commission adopted the most stringent limits in the Nation. In my own State of Illinois, a similarly aroused citizenry persuaded State officials to adopt more stringent standards than expected.

Concern about the deterioration of the air also manifests itself among people generally. The results of a questionnaire sent to the Second Congressional District of Illinois, which I represent, show that 92 percent of the 10,000 respondents consider air pollution to be a most critical problem. The distress of these citizens is mirrored in the desire of an overwhelming majority of Americans to halt air pollution. I believe that the extreme concern of the public about the corruption of the atmosphere gives Congress a mandate for action and justifies increased efforts at the national level to remedy a most deplorable situation.

That the situation is deplorable is shown by the fact that air pollution costs the United States over \$12 billion annually. Dirty air ruins crops and vegetation, causes steel in bridges and rails to

deteriorate, kills cattle and sheep, wastes valuable fuel in powerplants, and blocks out sunlight by as much as 40 percent. But the cost in dollars is not the worst of it. Dirty air is shortening our lives and damaging our health.

The sudden menace of prolonged air inversions has increased the rates of death—especially among our elderly citizens—in such cities as New York and Donora, Pa. But these dramatic episodes are analogous to the visible portion of an iceberg. Doctors also have been documenting, with increased frequency, that repeated exposure for prolonged periods to unclean air can severely damage a person's health. For example, a New York study discovered a direct relation between the major components in air pollution and excess deaths in that city over a 5-year period. In Buffalo, four doctors measured hospitalization rates for children troubled by asthma and eczema, compared to air pollution levels. They found a striking association between air pollution levels and hospitalization of these children.

Mr. Speaker, when I consider these discoveries, a phrase of a poignant ballad haunts me: "When will they ever learn, when will they ever learn." I hope we do not learn too late. The Congress must wage war on all types of air pollution, whether vehicular or industrial, whether the source is mobile or stationary. This bill attacks stationary sources of pollution alone. However, I am supporting the efforts of the gentleman from Washington (Mr. FOLEY) to control pollution from automobiles. Passage of legislation to control both types of pollution will assure the public that Congress really does recognize the peril of air pollution.

The Members cosponsoring the Air Pollution Abatement Act are Messrs. ANDERSON of California, ANNUNZIO, BINGHAM, BROWN of California, BYRNE of Pennsylvania, CONYERS, FARBER, HALPERN, KOCH, LOWENSTEIN, MACDONALD of Massachusetts, MATSUNAGA, MRS. MINK, MESSRS. PIKE, PODELL, REES, SCHEUER, SYMINGTON, and WRIGHT.

#### GETTING BEHIND THE PRESIDENT

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

Mr. HAMMERSCHMIDT. Mr. Speaker, the White House has received a wire bearing the names of more than 2,300 Arkansas citizens who support the President's policies seeking peace in Vietnam.

Mr. Elbert Fausett of Little Rock, had the idea for a "Get behind the President" telegram. He and several businessmen placed an ad in the Little Rock newspapers, asking people to write, authorizing the use of their names on a wire which reads as follows:

Mr. President, we support your efforts for a just peace in Vietnam. Yes, President Nixon, we support the deliberate and honorable course you outlined in your speech Monday to achieve a solution to the Vietnam War. We are Democrats, Republicans, and Independent concerned Arkansans, and we know you inherited a complex problem in Vietnam. We believe that this problem has top priority from your administration.

We are all tired of this war, but we are getting even more tired of those who offer daily criticisms but no workable solutions.

We Arkansans are proud of our country and the traditions we are trying to uphold, and we support you in your policy. We are convinced that you are doing your best to end the war, bring our American troops home, and win a peace of dignity and honor in the American tradition.

Heading the list of the more than 2,300 Arkansans who signed the wire, were names of members of the Support America Committee of Arkansas which carried out the project: Mrs. Wayne H. Babbitt, S. J. Beauchamp, Jr., Elbert L. Fausett, Leo H. Griffin, Frank H. Parke, and Brig. Gen. Hugh Cort (retired).

The mail response and the telegram indicate very strong support in Arkansas for a responsible settlement of the controversy in Vietnam. In my view, the wire represents a forthright expression of their deep concern, and their faith in the institutions of this great Nation.

#### GALLAGHER INTRODUCES RESOLUTION TO ESTABLISH SELECT COMMITTEE ON TECHNOLOGY, HUMAN VALUES, AND DEMOCRATIC INSTITUTIONS

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

Mr. GALLAGHER. Mr. Speaker, I rise today to introduce a resolution to establish a Select Committee on Technology, Human Values, and Democratic Institutions. I am well aware of the quite legitimate objections against select committees generally but I believe that the threats to the American people and to our system of government which are posed by the new technology demands that a concentrated effort take place within the House of Representatives.

I take as my basic text the words of Dr. Emmanuel Mesthene, director of the Harvard program on technology and society. In a program reprint of 1968 entitled, "How Technology Will Shape the Future," Dr. Mesthene poses this question:

What happens to the traditional relationships between citizen and government, to such prerogatives of the individual as personal privacy, electoral consent, and access to the independent social criticism of the press and to the ethics of and public control over a new elite of information keepers, when economic, military, and social policies become increasingly long-range, machine-processed, information-based, and expert-dominated?

I would only make one small addition, directly relevant to those of us in the House of Representatives: What happens to the independence of the legislative branch when the vast majority of those experts are at the service of the executive branch? Further, can our Republic continue to stand if public men are unable to meaningfully influence the policies of government? Dr. Mesthene comments on this basic dilemma:

Computers and associated intellectual tools can make our public decisions more informed, efficient and rational, and less subject to lethargy, partisanship, and ignorance. Yet that possibility seems to imply a degree of

expertise and sophistication of policymaking and implementing procedures that may leave the public forever ill-informed, blur the lines between executive and legislature (and private bureaucracies) as all increasingly rely on the same experts and sources of information, and chase the idea of federalism into the history books close on the heels of the public-private separation.

#### NO EXISTING JURISDICTION IS CAPABLE

Mr. Speaker, let me deal with a major question in the establishment of a Select Committee on Technology, Human Values, and Democratic Institutions. The new technology today has a pervasive effect on every single aspect of American life. Its problems are those which cannot be dealt with by an organization focusing on specialized areas of interest. Since a valid study must assess long-range impacts and side effects which are frequently both ill-perceived and potentially harmful to immediate success of programs, we must assemble a body of knowledge which assimilates insights from many disciplines.

It is instantly apparent that such a wide-ranging consideration of potentialities and portents must, by necessity, cut across existing lines of congressional committee jurisdiction. Nothing in this speech should be taken as implying criticism of currently standing committees, subcommittees, or their dedicated members. However, the problem is so vast and promises dislocations in so many areas of our life, that it is outside both the jurisdiction and the competence of existing committee structures.

#### STUDIES NOW IN PROGRESS

This is not to say that the problems are not undergoing study, both within the Congress and outside it. The Harvard program on technology and society has been almost exclusively financed by IBM and, while Dr. Mesthene and his associates are skillfully posing meaningful questions, the answers are so important to America that a public body must be mobilized. Work is being done by the Computer Science and Engineering Board of the National Academy of Sciences. A subgroup is considering the effect of the computer on privacy, data banks, and due process.

The American Academy of Arts and Sciences, acting through its Committee on the Year 2000, has a working party on the social impact of computers.

Private industry is equally concerned. The Business Equipment Manufacturers Association has recently formed a special program on security and privacy to assist computer hardware manufacturers in building protective measures into the machines.

This small fragment of the interest in the new technology is hopeful, and it is reflected in the activities of many States, most notably California. Further, dozens of our major universities have seminars and courses on the threats and promises of technology.

I do not believe the Congress has fully measured the sweeping changes in American institutions and precepts toward which technology is pushing us. I believe that one critical task for the select committee would be to establish close liaison with these prestigious groups that we may have the benefit of their views. But

these decisions are going to vitally effect us, and so we must act as more than a clearinghouse for data developed elsewhere.

This is why I believe that we must resist the temptation to establish a commission, rather than a select committee. We must input data to keep the Congress relevant to the new technology, and I feel that it should be oriented toward and controlled exclusively by the legislative branch, which most closely reflects the voice of the people. It is my judgment that the legislative process itself stands in the most danger and, therefore, as a simple act of self-preservation, we alone must guide the scope and direction of the inquiry.

#### POLLUTION OF THE POLITICAL ATMOSPHERE

One of the most hopeful developments I have seen in the 91st Congress is the growing realization that a basic realignment of priorities must take place with respect to the deployment of new technologies. The pollution of our air and our water as a side effect of technology is coming under increasingly informed scrutiny. It is to be expected that the many plans which are circulating in both the Congress and the executive will coalesce into a new mechanism to provide an assessment of the pollution of our physical environment.

But the pollution of our political atmosphere and the dilution of the role of political leadership in evolving society has received surprisingly little attention. Documents which have been forwarded to and developed by the Congress have, in my judgment, underemphasized what the new technology really means to us as Members of Congress, and what effects it will have upon the basic democratic processes in which Americans have placed their confidence. Dr. Mesthene has encapsulated the concerns which are now being expressed by many others, most notably Dr. Alan Westin of Columbia University and Prof. Arthur Miller of the University of Michigan Law School. I would now like to turn my attention to some of these areas which have been isolated as questions and which, hopefully, the Select Committee on Technology, Human Values, and Democratic Institutions could lead us to having our own expertise which would perhaps not solve the problems but at least recognize the clear and present dangers.

#### THE IMPACT OF INFORMATION IN A DEMOCRACY

It has been said that the entire history of mankind is to be found in information theory—who knows what, who believes what, and who controls access mechanisms. From DNA dictating the development of the individual organism to computer/communication systems determining the characteristics of society is a quantum jump, but only of degree, not of kind. Interlocking information systems, containing personal data and quantifying the quality of life, are the double helixes of mankind's future.

The vast majority of the few people who believe the assertions in the preceding paragraph consider themselves to be part of a new elite of information keepers. Almost all of the rest of us believe that those who deal on a day-to-day basis with new technologies are capable

of evaluating the social consequences of their actions. Further, since this generation of data collectors and disseminators is demonstrably benevolent, it is felt that no harm can come to America from the unrestricted, almost unobserved, application of technological marvels.

The prevailing mood can be summed up in a paraphrase of Al Smith's famous statement:

The only cure for the ills of democracy is more democracy.

The feeling is widespread in America that the only cure for the ills of the new technology is more and newer technology.

#### RELATIONSHIP BETWEEN CITIZEN AND GOVERNMENT

When Dr. Alan Westin appeared before my Special Subcommittee on Invasion of Privacy in March 1968, I put the following question to him:

Is there a possibility of the formation of a data elite manipulating American society by their manipulation of data on individual Americans?

I knew that Dr. Westin takes this problem very seriously for, among his many important activities, he is editing a book on information systems and democratic politics for Harvard's program on technology and society. In my judgment, it will be a crucial question for the continuation of American democracy. All around us we see a rising tide of disenchantment with Government and I am convinced that one of the root causes of the violence that afflicts so much of American life is the current reality of the lack of the individual's ability to influence and alter decisions which affect the quality of his life and the quantity of his opportunities.

Those of us in the House of Representatives have a special and specific reason to be concerned. We must go to the people every 2 years and we are judged not only on our own merits but also upon the general success or failure of Federal programs. It is my conviction that while we have retained the ability to occasionally pull shut the purse strings, we are in the process of being denied the right to tug at the reins which steer the executive branch.

Dr. Westin responded to my question with a most interesting series of statements which could, in themselves, justify the immediate establishment of a Select Committee on Technology, Human Values, and Democratic Institutions. Here are some of Dr. Westin's remarks:

I think it will be a while before the line can be drawn between what can be achieved through new management science techniques and information systems and what still remains the art of the political process. I am afraid the line is going to get very blurred in the next half-decade or decades because it is essentially the poor and the black who want access into and participation in the system. They have never had a voice of the kind the middle classes have had in the political system. . . . There is a dangerous arrogance that can be built up when a small group of people believe that they have the language, the system, and the most scientific way of making decisions.

While Dr. Westin did not make specifically this point, I believe that his remarks which follow indicate the way people now believe they are being addressed by many of their leaders:

We have new technical ways of making decisions. Why don't you just ratify those? We can't let you participate because the planning is so complex that you don't even know the language and we will often have to make commitments that run 3 or 5 years ahead.

The point seems obvious to me that America simply does not have 3 or 5 years to demonstrate its ability to respond to the legitimate demands of our people. One vital result of the creation of a Select Committee on Technology, Human Values, and Democratic Institutions would be to humanize the "dangerous arrogance" of which Dr. Westin speaks.

I would now like to devote a sizable section of this speech to detailing some of the alleged benefits which the new technology is visiting upon the American people at this very moment. Many of these examples have been discussed elsewhere and I have commented upon some before. But the range and diversity disclosed in this section suggests one task which the Select Subcommittee on Technology, Human Values, and Democratic Institutions would perform. Science and technology are creating a new world and the Select Committee could discover just what kind of a world it will be and could ask the simple question: Is this the kind of world we want?

#### A NATIONAL DATA BANK OF CREDIT INFORMATION

Credit Data Corp.'s office in Anaheim, Calif., maintains files on 11 million persons in the Western States and can be instantly accessed, on special telephone lines, from as far away as New York City. This office handles more than 100,000 requests for credit information each day in less than 3 minutes each. According to Datamation of March 1969, direct teletype terminals are to be installed in the offices of many heavy users of the system.

When Credit Data Corp.'s president, Dr. Harry C. Jordan, testified before the Special Subcommittee on Invasion of Privacy, we learned that its computerized operation began when he convinced the Bank of America to yield 8 million data items relating to the financial histories of the bank's customers. Further, we learned that in 3½ years Credit Data Corp., assuming the continuation of its current growth rate, will have a privately owned national data bank containing a dossier on every single American who has ever applied for credit.

The Associated Credit Bureaus, Inc., has over 2,100 member bureaus around the country and they are actively marketing, in conjunction with International Telephone & Telegraph, a computer package which will connect all the bureaus. Over 100 million records are now contained in the ACB's system.

#### MOTORISTS: PROCEED AT YOUR OWN RISK

The important and necessary job of planning for auto use has caused the development of surveillance devices along our highways. On September 29, 1969, I disclosed a pilot project being conducted by the Metropolitan Washington Council of Governments. Photographs are taken of a moving auto, license numbers are matched against vehicle registrations, and a questionnaire is sent to the owner. Numerous disturbances of "the domestic tranquility" have come to my attention: A husband traveling the wrong way on

the wrong parkway, a wife now under constant suspicion because she swears the car was not out of the garage on the time it was alleged to have been observed, and perhaps most poignant, a young man now in a military academy in California because he had violated instructions not to take his parents' car onto the parkway.

Since then, my attention has been directed to a device developed and being marketed by LTV Aerospace Corp. called Orbis III. It is being tested in Falls Church, Va., and is in operation on the freeway between Dallas and Fort Worth in Texas. Let me quote from the description in Aviation Week & Space Technology of July 21, 1969:

Data derived from the system includes a head-on photograph of the vehicle, its occupants including the driver, the license plate, the location of the offense, date and time, and the posted speed limits. . . . It can be operated unattended or from within a mobile unit and has all-weather day-and-night capabilities.

Heart of Orbis 3 is an electro-optical system developed by LTV which provides a clear photographic image, penetrating vehicle tinted glass and even dark glasses worn by the occupants, either by day or night. . . . computer and camera located in a bullet-proof container, the size of a large rural mailbox.

Instant, automatic ticketing of speeders may cut down on auto accidents as this system is designed to do. When I was discussing this system with some of my office staff, however, one of my clerks exclaimed:

That's why I never go into McLean, Va., anymore. What if it makes a mistake?

The salary I pay this clerk will not mean that the loss of his business will bankrupt merchants in McLean, but it is not hard to predict a similar reaction all around the country which would result in a serious financial loss to the jurisdictions which choose to save a little money on police cars. Other undesirable side effects demand earnest study.

#### THE COMPUTER FINDS A USEFUL NUMBER AND ELIMINATES IT

Solely to make its computerization program more efficient, the Library of Congress has recently changed its card catalog number so that it is impossible to determine the year a work which bears it was published. In a letter of October 2, 1969, Martin Bookspan, ASCAP executive and one of the leading classical record reviewers, commented:

You are quite right in pointing out that the first two digits of the Card Catalog Number . . . has been an invaluable aid to consumers and collectors. . . . The elimination of these two digits to make the job of the computers easier certainly represents the withdrawal of a valuable service to the public.

I would add that the sole purpose of the Library of Congress is to serve both the Congress and the American people. Further, if we are to assume from this that computer efficiency is the guiding factor at the Library, what will happen if the computer produces evidence that librarians are inefficient and uneconomical?

#### CENTRALIZATION OF SENSITIVE RECORDS

The California Department of Social Welfare recently disciplined two psychi-

atric social workers who had refused to yield personal case histories on the grounds that to do so would invade their client's privacy. The State is in the process of developing a model centralized computerized system and according to a recent article in the San Francisco Chronicle:

Once the social services computer system is perfected it will form a foundation for broader state system which could include rehabilitation, employment, and other related management information.

The concerned welfare workers have formed a group known as the Committee on Clients' Rights which made the following statement on July 13, 1968:

We are concerned that the client's social security number linked with his psychosocial diagnosis for even the most salutary purpose may lead to adverse situations for the person seeking help.

The committee goes on to say that they obviously have a deeper commitment to the welfare of their clients than does any data processor, who merely regards them as depersonalized cases. The need for prior planning was emphasized in a report about this dispute prepared by the Golden Gate Chapter of the National Association of Social Workers. They declared on September 24, 1968:

The Administration did not help staff to raise relevant questions . . . it was not until the manuals were printed and the forms designed and in the hands of the workers expected to use them that workers expected themselves in a position of sufficient knowledge of what had developed to formulate the good questions raised by the Committee.

The very existence of a select committee could go a long way to seeing that those questions are raised at the very beginning of any large-scale computerized system containing sensitive data.

A RECORD OF EVERY VACATION AND EVERY TRIP

The Civil Aeronautics Board has before it a plan of 11 major airlines to establish a common computerized reservation system. Travel agents will be able to book airlines space, order hotel rooms, reserve rental cars on a nationwide and undoubtedly worldwide basis. The privacy and security of the data are not a design feature of any of the plans which have been brought to my attention.

A MODERN GOD OF WAR WOULD BE ABLE TO HURL REAL THUNDERBOLTS

The U.S. Naval Institute proceedings of July 1960 carries a paper entitled "Weather Control and National Strategy." It says, in part:

Try to imagine the fantastic possibilities of one nation possessing the capability to arrange over large areas, or perhaps the entire globe, the distribution of heat and cold, rain and sunshine, flood and drought, to the advantage of itself and its allies and to the detriment of its enemies. We must think about it—now—for this is the direction in which technology is leading us . . . (Emphasis in Original)

THE SOCIAL SECURITY NUMBER AS A UNIVERSAL IDENTIFIER

The social security account number is now being used as the key to identify individuals by the Army, the Air Force, the Veterans' Administration, the Internal Revenue Service, the Civil Service

Commission, the Federal Aviation Agency, the Treasury Department, private credit and employment agencies, dozens of State and local agencies, and in hundreds of research projects. The Social Security Administration has not taken a formal position either in favor or opposed to this escalation.

In a letter dated March 21, 1968, the Commissioner of Social Security said that he was in the process of forming an advisory council "to study the important public policy issues involved and to formulate findings and recommendations which would help guide our actions in this matter in the years ahead." On October 21, 1968, Mr. Ball responded to a letter from my special subcommittee which had requested further information about the advisory council:

Although we are pursuing these activities intensively, at this point it is difficult to predict when the council might be established and functioning.

We have heard nothing further about this council from the Social Security Administration. Certainly one task of the Select Committee on Technology, Human Values, and Democratic Institutions would be to provide the Social Security Administration with a body of public and private opinion over the use of the social security number as a universal identifier.

PERSONAL SURVEILLANCE MECHANISMS

In addition to the widely discussed techniques of wiretapping, the new technology has developed listening devices of a staggering variety. For example, the infinity transmitter requires only a brief access to an individual's telephone to install a simple device. Then, from anywhere in the world, the intruder dials the phone number, blows a whistle before the phone rings, and the transmitter is activated, disclosing every sound in the room to any telephone in the world.

Further, research into sonic booms has discovered the ability of fire to amplify sound. The capability of a microphone aimed across a restaurant to overhear any conversation may make it essential to say to a companion with whom you wish to have a confidential discussion: "Blow out the candle, I want to talk to you privately."

MACY'S DOES TELL GIMBELS

Credit bureaus around the Nation are now selling computerized lists of "good risks" to firms opening up stores in their areas. If a man has done well in repaying his obligations to one firm, he will receive invitations from others. It does not seem to trouble merchants who have established customers that potential competitors have access to this data; thus, technology provides the way for Macy's to tell Gimbel's.

BY THEIR CHILDREN SHALL THEY TRAIL THEM

The Office of Education now has a data bank under construction in Arkansas which will contain all the educational, psychological, and health records of the children of migrant workers. It has yet to be determined whether access to this nationwide system will, or can, be limited to the concerned school administrators. Certainly, no privacy protection procedures were in the original plans and the director has been quoted as saying that,

to the best of his knowledge, anyone will have access to these records.

It is apparent that the records of schoolchildren should be available to teachers in the new districts and this data bank will serve an extremely useful function in that regard. But if others are to have access and the parents of the children believe that they are followed and recorded by this bank, then they will probably not permit the child to go to school at all. Thus, a laudable purpose will be destroyed by insensitive planning.

MOE, THE BUGGED ELK AND DAVE, THE DEADLY DOLPHIN

In Yellowstone National Park, an elk named Moe will have a transmitter affixed to his body. Signals will be relayed to the satellite Nimbus 3 and the data gained will be sent to scientist's computers. The data is to be collected to plan methods for assuring the survival of elk herds. A far more deadly use of animals is the current research being conducted to employ the intelligence and adaptability of dolphins to turn them into kamikaze submarines. A powerful explosive charge is placed in the dolphin's body, he is trained to follow sonar soundings, and to ram potential enemies.

Can we be sure that these are not trial runs for eventual human applications. After all, we sent monkeys and dogs into space before we entrusted a human life to the tip of a rocket.

THE SPECIAL SUBCOMMITTEE ON INVASION OF PRIVACY

The preceding examples represent but a tiny sample of the ability of the new technology to intrude on our present and dictate our future, and are an infinitesimal sample of what has been brought to my attention because of my identification with the issue of invasion of privacy.

Since Congressman WILLIAM DAWSON, the distinguished chairman of the Committee on Government Operations established my privacy inquiry in 1964, we have formally considered psychological testing, the suggested national data bank, and initiated congressional concern with the credit industry. Chairman DAWSON has been exceedingly kind to me, as he has been to all younger members of his committee, and certainly much of the public knowledge of the dangers of the new technology is due to his concern and wisdom.

Throughout the years, the special subcommittee has attempted to create a climate of concern and I believe that, in the areas we have considered thus far, we have been successful. But our investigations have convinced me that the Congress needs to undertake a detailed study of the full problem and that it have major support. I would be more than willing to assist to a select committee with the expertise we have developed within the Special Subcommittee on Invasion of Privacy.

WHAT WOULD THE SELECT COMMITTEE DO

The first task of a select committee would be, in my judgment, to input data about the impact on humans of developing Federal programs. I would envision the select committee as being a powerful advocate within the executive branch and with congressional committees for the rights of the individual citizen. All

too often we seem willing to sacrifice far too much in pursuit of the laudable goals of efficiency and economy.

By being able to focus exclusively upon side effects of proposed and ongoing programs a Select Committee on Technology, Human Values, and Democratic Institutions could discover the toxic in the tonic of technology and could program out what are often regarded as deadly and deadening Federal actions.

Its advocacy role could perform another important function. By being a focal point for citizen complaints it might well act as an ombudsman for information policy. The debate over the 1970 Census has disclosed that there is abroad in the land a very real threat of resistance to Federal data collection efforts. A select committee could evaluate citizen distress and could channel it into constructive action.

#### PRIVACY

I would not presume to detail the full range of the activities of the select committee. In addition to the very real questions already suggested, I believe that it could present evidence as to the effectiveness of surveillance as a tool to insure social order. In 1968, Sociologist Barry Schwartz presented remarks which should be further explored:

Surveillance may itself create the disorder which it seeks to prevent . . . Where privacy is prohibited man can only imagine separateness as an act of stealth . . . (In a social structure) rules governing privacy, then, if accepted by all parties, constitute a common bond providing for periodic suspensions of interaction.

Poet Robert Frost put it much simpler:  
Good fences make good neighbors.

I have presented the case for privacy many times in the past and the evidence which has been disclosed has shown how real and how important it is to civilized society. A select committee would, as a first order of business, mount an effort to put what each of us feels to be true for ourselves into practical effect to protect the privacy of others as well.

#### SYSTEMS ANALYSIS

The fullest flower of technology's garden is systems analysis, a revolutionary new scientific decisionmaking tool. Its apparent success in military and space planning has thrust it into civilian applications as well. Millions of public dollars are being expended and the results remain largely unknown.

Serious doubts have arisen about its ultimate effectiveness and grave suspicions abound about its basic character. Dr. Ida R. Hoos of the Space Sciences Laboratory at the Berkeley campus of the University of California is one of the few who has studied it from a disinterested aspect and she has harsh things to say about both systems analysis and systems analysts:

Systems analysis can neutralize highly charged political matters and, perhaps, even remove them from the arena of public debate . . . It helps rationalize a position, bypasses the checks and balances that safeguard the democratic process, and centralizes control—all in the name of efficiency.

As Dr. Hoos evaluates systems analysis, everyone is capable of doing it when

a contract is offered, but few confess having done it when trouble develops.

Dr. Hoos points out what would seem to be particularly difficult problems in analyzing systems analysis. The concept is like a chameleon because the analyst apparently is a chameleon:

Consultant to the government on one project, staff member of the contractor next, and later, entrepreneur seeking contracts on his own, the systems specialist pursues an existence characterized by common sense, whichever side of the table he happens to be occupying.

Systems analysis now presumes to wear the mantle of Galileo and Pasteur and has the audacity to brand its detractors as naive anti-intellectuals. I would expect the select committee to assemble the expertise necessary to discover just what systems analysis is, what it does, and whether or not its results are truly in the public interest.

#### TECHNOLOGY'S DIRECT THREAT TO THE CONGRESS

Somewhere in the funds which you and I have approved in the ordinary authorization and appropriation process is, I am confident, a pilot project to make it unnecessary for any Member of Congress to ever again exercise his own judgment on public policy. Computer technology has made the instant electorate an operational possibility.

All that would be necessary is to have our Washington offices keyed into computer terminals scattered throughout our districts and every single issue, every single vote could be part of a referendum. This would change our Nation from a Republic in which legislators assess the intricacies of bills and act on behalf of the people into a pure democracy where every whim of the majority becomes law.

I would point out that in the recent debate over changing the electoral college, a major argument in favor of altering this institution which has existed since our Republic began, was the absolute necessity to immediately respond to the disclosures of public opinion polls. The names of Jefferson and Lincoln were replaced by the names of Gallup and Roper, and we responded to the moment, no matter how fleeting that moment may prove to be.

I do not want to leave this subject without mentioning current plans to computerize rollcalls. While it may be wise to automatically record and tabulate the votes of Members, we should be very careful that we do not, at the same time, lead toward a situation in which Members are not required to come together at certain periods. Frankly, I think we need more ways to bring us together to exchange insights, facts, opinions, and simple good fellowship. I am sure I am not revealing a club secret when I say that many of my legislative judgments are the result of personal contacts with Members; I am sure it is the same for all of us.

#### CONCLUSION

Mr. Speaker, Gertrude Stein once said something to the effect that the United States is the oldest society in the world because we were the first nation into the 20th century. It is my feeling that the

rush toward the new technology actually represents a hardening of our arteries and a failure of confidence in ourselves. Using technology to make hard decisions, or to provide graceful nonsolutions for problems, is a form of codified senility. I do not want America to be remembered as the only country that ever went from infancy to senility without passing through a period of maturity.

The abundance provided us by our technology and our unparalleled natural resources, has made us the envy of the world and our standard of living is the world's standard for eventual achievement. Yet, in this process, I believe we have become overabundant ourselves. By relying on the methodology of technology, we are imposing a layer of fat between government and people.

I believe that a Select Committee on Technology, Human Values, and Democratic Institutions could be a major impetus in America recapturing its youth. By making the values of our Founding Fathers truly our own, we can recover some of the pride in being Americans that seems to have gone out of modern life. By its constant advocacy of sophisticated means to make the Constitution viable, I believe the select committee can help to stem the tide of alienation, disenchantment, and disillusion which is becoming a cataract.

In no sense will such a select committee be a bastion against change nor will it wail against cherished illusions slipping away. It will, in my judgment, help to direct change and help to find the goals to match our means.

It is all well and good for us to talk of freedom and to proclaim our belief in individual dignity. A Select Committee on Technology, Human Values, and Democratic Institutions can be the instrument to make the American dream a reality, and not the nightmare of despair which troubles the sleep of so many acute observers. Only by insisting that respect for the individual be the guiding spirit of our technology, can we expect any respect for the Nation's goals and our Nation's leaders. We have an opportunity today to show our seriousness in dealing with the great domestic issues; and the greatest of these is preserving and expanding human values. Our democratic institutions have provided the framework for almost 200 years—it is up to us today to take this step which may allow the Congress and the Federal Government to remain relevant in our revolutionary times.

Finally, Mr. Speaker, a major undertaking of the Select Committee on Technology, Human Values, and Democratic Institutions would be to seek out the potential toxic in the promised tonic of technology. Let me make it clear: The select committee would not oppose change or be a forum for naive anti-intellectualism. The benefits of technology are as important to the health of our society and our economy as civil liberties are to the health of democratic government.

The orthodox businessman living "rugged individualism" and the alienated youth "doing his own thing" are both expressing American traditions and both are threatened by the rigidity of thought

and the standardization of action which much in America today seems to engender. The new technology is pushing us toward an entirely different kind of nation than that which we have known and loved.

The major job of a Select Committee on Technology, Human Values, and Democratic Institutions would be to make clear where we are heading and, most important, permit us to ask the question: Is that where we want to go?

**RESOLUTION ESTABLISHING THE SELECT COMMITTEE ON TECHNOLOGY, HUMAN VALUES, AND DEMOCRATIC INSTITUTIONS**

Whereas, the development of technology is advancing at an unparalleled rate of speed and is rapidly coming to affect every level of American life; and

Whereas, the operations of industry and Government are coming more and more to rely on highly sophisticated computer technology to assist them in their operations; and

Whereas, the full significance and the effects of technology on society and on the operations of industry and Government are largely unknown; and

Whereas, computers and other technological innovations aid in the gathering and centralization of massive information of all kinds on individuals and, consequently, call into question the effect of technology on the right of privacy; and

Whereas, Congress needs a committee ready and able to evaluate the effects of technology on the operations of Government, on the democratic institutions and processes basic to the United States, and on the basic human and civil rights of our citizens: Now, therefore, be it

*Resolved*, That there is hereby created a select committee to be known as the Select Committee on Technology, Human Values, and Democratic Institutions to be composed of nine Members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.

The committee is authorized and directed to conduct a full and complete investigation and study of the development and proliferation of technology in American society, including the role and effectiveness of computer technology in the operations of industry and Government, the consequences of using computers to solve social questions which traditionally have been addressed without the assistance of computers and other machines, and the effects of technology and machines on democratic institutions and processes. The committee shall also study the use of computers and other technical instruments in gathering and centralizing information on individuals and the effect of such activity on the human and civil rights.

For the purpose of carrying out this resolution the committee, or any subcommittee thereof authorized by the committee to hold hearings, is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary; except that neither the committee nor any subcommittee thereof may sit while the House is meeting unless special leave to sit shall have been obtained from the House. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him,

and may be served by any person designated by such chairman or member.

The committee shall report to the House as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

**CONGRESS SHOULD TAKE CHARGE OF ENVIRONMENT QUALITY CRUSADE**

The SPEAKER pro tempore (Mr. ROYBAL). Under a previous order of the House, the gentleman from Colorado (Mr. BROTZMAN), is recognized for 15 minutes.

Mr. BROTZMAN. Mr. Speaker, I deeply appreciate your setting aside time on our busy calendar for a special order in behalf of my proposal that the House rules be amended to establish a Standing Committee on the Environment.

It is mandatory, in my opinion, that a major effort be mounted for man to gain positive and perpetual control over those byproducts of civilization which are destroying our physical environment. We have both an obligation and an opportunity to become that generation in which men, for the first time, begin leaving the earth, its water, and its atmosphere in better condition than they found it.

It seems to me that the Congress of the United States should be firmly in the driver's seat in this coming crusade. Despite the excellent work which has been done within our existing committee structure in some environmental areas, generally speaking our approach has been fragmented and sporadic when a unified, hard-driving approach is sorely needed.

Accordingly, last April I introduced my resolution to establish a Standing Committee on the Environment. This committee would have jurisdiction over most—although not all—of the environmental problems which today beset the Nation and the world.

My resolution, House Resolution 375, proposes that the committee charter include water quality, air quality, weather modification, waste disposal of all kinds, pesticides and herbicides, and acoustic problems.

Following the initial introduction of this resolution, 59 other Members have joined in sponsorship.

It is my hope that the Committee on Rules will schedule hearings in time for this resolution to come to the floor during the 91st Congress. Further, I would hope that the other body would establish a parallel committee to give still further impetus to the crusade for a world worth living in.

Mr. Speaker, when I began my research which led to the introduction of House Resolution 375, I knew that the quality of life in the world had been compromised by centuries of poor stewardship by man over his environment. You hardly need be an expert to know that the air in our metropolitan areas has deteriorated, that our waters have grown foul and that our lands have been badly misused.

However, I had no idea just how far we had fallen. As I read research studies and spoke to the scientists and technologists who already are involved in the fight, I learned that—at best—we are faced with several decades of hard-nosed public policies and expensive therapy in order to reverse the degradation of our land, our waters and our atmosphere.

At worst, we are already ecologically moribund, and all of the higher forms of life are endangered species.

Personally, I think the prognosis is about midway between the extremes, and it may take as much as 100 years to gain a firm grip over the quality of our environment.

I believe the time has come to attack the factors which are degrading our environment, systematically, and as a matter of the highest national priority.

I do not imply that either the executive branch or the Congress have been blind to the threats or negligent in stepping out to meet them.

But I do believe that insufficient human and material resources have been brought to bear. Furthermore, I think that the problems are so interrelated and complex that it is going to require a "systems management" approach, such as we employ in our most sophisticated space age industries, to be equal to the challenge.

It is incumbent upon Congress, in my view, to take a standing committee approach in providing the enabling legislation and—perhaps most important of all—eternal oversight as the environmental salvage efforts proceed.

I could not be more pleased with the broad pattern of support for the Committee on the Environment concept which is evidenced by the list of resolution cosponsors.

An analysis of the Members who have joined with me indicates that conservatives, moderates, and liberals have joined in about equal proportions in supporting the proposal. Also both parties are well represented.

I think it is particularly noteworthy that 33 of our 50 State delegations are represented. Significantly, the three States with the greatest population account for 20 of the 60 cosponsors. There are eight from New York, seven from Pennsylvania, and five from California. Logically, it should be so, because these delegations represent areas which will be the front lines of the fight for environmental quality.

Mr. Speaker, I am pleased to announce that 30 Members today joined in sponsoring resolutions identical to House Resolution 375. They include:

Mr. ADDABBO of New York.  
Mr. ANDERSON of Illinois.  
Mr. BROYHILL of North Carolina.  
Mr. BUCHANAN of Alabama.  
Mr. BURKE of Florida.  
Mr. CARTER of Kentucky.  
Mr. COWGER of Kentucky.  
Mr. DENT of Pennsylvania.  
Mr. FOREMAN of New Mexico.  
Mr. HANSEN of Idaho.  
Mr. HECHLER of West Virginia.  
Mrs. HECKLER of Massachusetts.  
Mr. HUNT of New Jersey.  
Mr. KLEPPE of North Dakota.

Mr. McCLORY of Illinois.  
 Mr. MAYNE of Iowa.  
 Mr. PODELL of New York.  
 Mr. RIEGLE of Michigan.  
 Mr. ROONEY of Pennsylvania.  
 Mr. SCHEUER of New York.  
 Mr. SCHNEEBELI of Pennsylvania.  
 Mr. SEBELIUS of Kansas.  
 Mr. STANTON of Ohio.  
 Mr. WHITEHURST of Virginia.  
 Mr. WILLIAMS of Pennsylvania.  
 Mr. WYATT of Oregon.  
 Mr. WRIGHT of Texas.  
 Mr. ZWACH of Minnesota.  
 Mr. QUIE of Minnesota.  
 Mr. ROTH of Delaware.

The 29 Members who previously joined me in sponsoring resolutions identical to House Resolution 375 included:

Mr. BLACKBURN of Georgia.  
 Mr. BURTON of Utah.  
 Mr. CAHILL of New Jersey.  
 Mr. CAMP of Oklahoma.  
 Mr. DON CLAUSEN of California.  
 Mr. CONTE of Massachusetts.  
 Mr. COUGHLIN of Pennsylvania.  
 Mr. FISH of New York.  
 Mr. GUBSER of California.  
 Mr. HALPERN of New York.  
 Mr. HOGAN of Maryland.  
 Mr. HORTON of New York.  
 Mr. KYROS of Maine.  
 Mr. LLOYD of Utah.  
 Mr. LUJAN of New Mexico.  
 Mr. McCLOSKEY of California.  
 Mr. McDADE of Pennsylvania.  
 Mr. MANN of South Carolina.  
 Mr. MIKVA of Illinois.  
 Mr. MOLLOHAN of West Virginia.  
 Mr. PIKE of New York.  
 Mr. REID of New York.  
 Mr. SAYLOR of Pennsylvania.  
 Mr. STEIGER of Arizona.  
 Mr. TAFT of Ohio.  
 Mr. TALCOTT of California.  
 Mr. TEAGUE of California.  
 Mr. WOLD of Wyoming.  
 Mr. WYMAN of New Hampshire.

Mr. Speaker, I have asked leave to revise and extend my remarks, and accordingly I would like to include therein the list of those who joined in cosponsoring prior to today and those who have joined with me today.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

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

Mr. BROTZMAN. I yield to the gentleman.

#### THE ENVIRONMENTAL QUALITY EDUCATION ACT

Mr. BRADEMÁS. Mr. Speaker, I want to commend the gentleman for his concern.

If the gentleman would allow me to do so, I would like to advise him that earlier this week my colleagues, the gentleman from New York (Mr. SCHEUER), the gentleman from New York (Mr. REID), and the gentleman from Idaho (Mr. HANSEN), and I introduced the Environmental Quality Education Act, the purpose of which is to give support to the schools of our country, in particular, to educate Americans about the entire spectrum of problems associated with the environment. In effect, our bill is a companion to the kind of enterprise in which the

gentleman is engaged. I therefore commend him and hope he will give sympathetic consideration to our proposal at such time as we have hearings on it.

(Mr. BRADEMÁS asked and was given permission to revise and extend his remarks, and to include extraneous matter.)

Mr. BRADEMÁS. Mr. Speaker, the legislation which we have proposed can help us to begin now to educate Americans, especially schoolchildren, about the entire range of problems that will determine the kind of environment we have in the future.

Mr. Speaker, the costs to the American citizen—both in economic and qualitative terms—from a polluted environment are staggering.

Air pollution causes annual damages in the United States estimated at \$12 billion.

Pesticides, once hailed as man's benefactors, now threaten the existence of many species of fish and wildlife.

Our two largest fresh water lakes—Michigan and Erie—are dangerously polluted as are thousands of rivers and streams throughout the country.

The growth of cities has so often meant urban sprawl and blight. Other environmental deterioration—oil slicks, uncontrolled smog, unsightly junkyards—has endangered the health of our citizens and seriously impaired the quality of our national life.

Mr. Speaker, the Environmental Quality Education Act is based on the recognition that the decay of our Nation's environment and ecological balance is due in part to poor understanding on the part of most Americans of the threat posed to our environment by an exploding technology. It is also premised on an awareness of the inadequate resources available at present for educating the public on environmental problems. H.R. 14753 provides for education and action to help meet this serious deficiency.

Today our elementary and secondary schools have far too little assistance for teaching environmental education, and our colleges and universities are similarly unprepared.

Under our bill, Federal funds would be provided for developing materials for teaching about natural resources, conservation, pollution control, and the need to maintain a balanced ecology—the proper relationship between man and nature.

Americans today are awakening to the grave dangers both to our environment and our lives of a continuing failure to develop intelligent environmental policies.

Essential to shaping such policies and to generating public support for them is an informed citizenry.

Today our elementary and secondary schools have almost no resources with which to teach environmental education.

Our bill, by providing for curriculum development by colleges and universities, teacher training, pilot projects, and support of environmental courses in schools and in local communities, can help fill this serious gap in our educational system.

As our distinguished colleague, Con-

gressman HANSEN, a cosponsor of this legislation, has eloquently pointed out:

If we are to protect the environment that sustains life, we must learn more about it, more about the danger and the remedy. As a foundation for action we must initiate a comprehensive program to awaken the Nation to the crisis and to stimulate effective programs that will maintain the quality of air, water, soil, and other elements on which the survival of mankind depends. Nothing short of massive educational efforts backed by a coordinated program of action will be equal to the threat.

Mr. Speaker, the provisions of the Environmental Quality Education Act authorize the following kinds of activities:

First, development of environmental education courses for elementary, secondary, college, and adult education programs;

Second, initiation of pilot demonstration projects to test such new curricula;

Third, provision for evaluating the effectiveness of these projects and disseminating significant results and curricular materials for use throughout the country;

Fourth, training in environmental quality education for schoolteachers, other educational and public service personnel, and community and business leaders;

Fifth, creation of community education programs on environmental quality; and

Sixth, appointment of an Advisory Committee on Environmental Quality Education by the Secretary of the Department of Health, Education, and Welfare to aid in implementing provisions of the act.

Mr. Speaker, I am pleased that the Environmental Quality Education Act has bipartisan sponsorship, and as it has been referred to the Select Education Subcommittee, which I have the honor to chair, of the Committee on Education and Labor. I hope to conduct hearings on the measure in the next session of Congress.

Mr. Speaker, at this point I insert the text of H.R. 14753, the Environmental Quality Education Act.

#### H.R. 14753

A bill to authorize the United States Commissioner of Education to establish educational programs to encourage understanding of policies and support of activities designed to enhance environmental quality and maintain ecological balance

*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 "Environmental Quality Education Act".*

#### STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress of the United States finds the deterioration of the quality of the Nation's environment and of its ecological balance is in part due to poor understanding by citizens of the Nation's environment and of the need for ecological balance; that presently there do not exist adequate resources for education citizens in these areas, and that concerted efforts in educating citizens about environmental quality and ecological balance are therefore necessary.

(b) It is the purpose of this Act to encourage and support the development of new and improved curriculums to encourage understanding of policies, and support of ac-

tivities designed to enhance environmental quality and maintain ecological balance; to demonstrate the use of such curriculums in model educational programs and to evaluate the effectiveness thereof; to disseminate curricular materials and information for use in educational programs throughout the Nation; to provide training programs for teachers, other educational personnel, public service personnel, and community and industrial business leaders and employees, and government employees at State, Federal, and local levels; to provide for community education programs on preserving an enhancing environmental quality and maintaining ecological balance.

#### USES OF FUNDS

SEC. 3. (a) From the sums appropriated, the United States Commissioner of Education, hereinafter referred to in this Act as the "Commissioner", shall assist in educating the public on the problems of environmental quality and ecological balance by:

(1) Making grants to or entering into contracts with institutions of higher education and other public or private agencies, institutions, or organizations for:

(a) Projects for the development of curriculums to encourage preserving and enhancing environmental quality and maintaining ecological balance.

(b) Pilot projects designed to demonstrate and test the effectiveness of the curriculums described in clause (a) whether developed with assistance under this Act or otherwise.

(c) In the case of applicants who have conducted pilot projects under clause (b), projects for the dissemination of curricular materials and other information regarding the environment and ecology.

(2) Undertaking directly or through contract or other arrangements with institutions of higher education or other public or private agencies, institutions, or organizations evaluations of the effectiveness of curriculums tested in use in elementary, secondary, college, and adult education programs involved in pilot projects described in paragraph 1(b).

(3) Making grants to institutions of higher education, local educational agencies, and other public or private organizations to provide preservice and inservice training programs on environmental quality and ecology (including courses of study, symposiums, and workshops, institutes, seminars, conferences) for teachers, other educational personnel, public service personnel, and community, business and industrial leaders and employees, and government employees at State, Federal, and local levels.

(4) Making grants to local educational, municipal, and State agencies and other public and private nonprofit organizations for community education on environmental quality and ecology, especially for adults.

(5) Making grants for preparation and distribution of materials suitable for use by mass media in dealing with the environment and ecology.

#### APPROVAL OF APPLICATIONS

SEC. 4. (a) Financial assistance for a project under this Act may be made only upon application at such time or times, in such manner, and containing or accompanied by such information as the Commissioner deems necessary, and only if such application—

(1) provides that the activities and services for which assistance under this title is sought will be administered by or under the supervision of the applicant;

(2) sets forth a program for carrying out the purposes set forth in section 3 and provides for such methods of administration as are necessary for the proper and efficient operation of such programs;

(3) sets forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in

the absence of such Federal funds, be made available by the applicant for the purposes described in section 3, and in no case supplant such funds.

(4) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title; and

(5) provides for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require and for keeping such records, and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) Applications from local educational agencies for financial assistance under this Act may be approved by the Commissioner only if the State educational agency has been notified of the application and been given the opportunity to offer recommendations.

(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulation, be subject to approval in the same manner as original applications.

#### ADVISORY COMMITTEE ON ENVIRONMENTAL QUALITY EDUCATION

SEC. 5. (a) The Secretary of Health, Education, and Welfare shall appoint an Advisory Committee on Environmental Quality Education which shall—

(1) advise the Secretary concerning the administration of, preparation of, preparation of general regulations for, and operation of, programs supported with assistance under this Act;

(2) make recommendations regarding the allocation of the funds under this Act among the various purposes set forth in section 3 and the criteria for establishing priorities in deciding which applications to approve, including criteria designed to achieve an appropriate geographical distribution of approved projects throughout all regions of the Nation;

(3) review applications and make recommendations thereon;

(4) review the administration and operation of projects and programs under this Act, including the effectiveness of such projects and programs in meeting the purposes for which they are established and operated, make recommendations with respect thereto, and make annual reports of its findings and recommendations (including recommendations for improvements in this Act) to the Secretary for transmittal to the Congress; and

(5) evaluate programs and projects carried out under this Act and disseminate the results of such evaluations.

(b) The Advisory Committee on Environmental Quality Education shall be appointed by the Secretary without regard to the civil service laws and shall consist of twenty-one members. The Secretary shall appoint one member as Chairman. The Committee shall consist of persons familiar with education, information media, and the relationship of man as producer, consumer, and citizen to his environment and the Nation's ecology. The Committee shall meet at the call of the Chairman or of the Secretary.

(c) Members of the Advisory Committee shall, while serving on the business of the Advisory Committee, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding \$100 per day, including travel time; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 of the United States Code for persons in the Government service employed intermittently.

#### TECHNICAL ASSISTANCE

SEC. 6. The Secretary, in cooperation with other Cabinet officers with relevant juris-

dition, shall, upon request, render technical assistance to local educational agencies, public and private nonprofit organizations, private profit-making organizations, institutions of higher learning, agencies of local, State, and Federal Government and other agencies deemed by the Secretary to play a role in preserving and enhancing environmental quality and maintaining ecological balance. The technical assistance shall be designed to enable the recipient agency to carry on education programs which deal with environmental quality and ecology and (2) deal with environmental and ecological problems pertinent to the recipient agency.

#### PAYMENTS

SEC. 7. Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

#### ADMINISTRATION

SEC. 8. In administering the provisions of this Act, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

#### AUTHORIZATION

SEC. 9. There is authorized to be appropriated for the fiscal year ending June 30, 1970, for carrying out the purposes of this Act such sums as Congress may deem necessary.

Mr. Speaker, at this point in the RECORD, I insert the text of an excellent speech which points to the need for legislation such as the Environmental Quality Education Act.

I refer to an address by Dr. Elvis J. Stahr, former Secretary of the Army, former president of Indiana University, and now president of the National Audubon Society. Dr. Stahr's address, delivered on September 18, 1969, at Cape May, N.J., follows:

#### THE EARTHLY ENVIRONMENT

##### INTRODUCTION

Less than sixty days ago man left Space-ship Earth in a still tinier spaceship and set foot on Earth's little moon for the first time. He found a barren and lifeless environment on that satellite, though Earth, which itself is one of the smaller satellites of a minor star we call the Sun, has teemed with life for millennia. Here, in an environment possessing the indispensable elements of air, water, sunlight, and soil, there developed, over time, a complex life support system, an ecosystem, in which thousands upon tens of thousands of living species of plants and animals, including the one called man, have evolved in mutual interdependence. That ecosystem is now in danger.

I daresay, therefore, that every conservationist experienced that historic July weekend in two dimensions, even the keenest curiosity about the lunar environment not providing escape from deep concern about what is happening to the Earthly Environment. The irony that man can mobilize his technology, his genius and his ambitions sufficiently to take him to the moon and back during an era when, because of his own shortsightedness, his own ill-advised actions and attitudes, those same things so desperately need mobilizing to keep Mother Earth habitable, stimulates feelings ranging from great hope to great despair, depending on one's mood and perhaps one's degree of knowledge and understanding of what man actually is doing daily to his historic home.

As for me, I have much fear, yet also some hope and some faith, or I wouldn't have decided to commit to the conservation effort

the best of what remaining good years I may have. I am very happy to be here this morning, therefore, happy and honored to be with so many who share my concerns and are laboring in the vineyard. I congratulate and thank Frank McLaughlin and New Jersey Audubon for planning and convening this symposium which I anticipate will consider, and develop constructive approaches to, some of the specific problems about which I shall be talking generally this morning.

#### OVERVIEW—NEW JERSEY

Now, first, let me mention briefly a few matters of mutual concern close to home, following which I'd like to attempt an overview of the present situation nationwide and then to suggest what may be necessary if the quality of the Earthly Environment, and therefore of the life within it, is not to proceed downhill to disaster.

Close to home, then—The Interior Department recently made a proposal that, on the face of it, looks good. They want to set up a National Recreation Area to preserve as much as possible of the undeveloped seashore that still remains around New York Harbor. For one thing, the plan would include Jamaica Bay and its unique wildlife sanctuary—and presumably would give it protection from the current threat of expansion of Kennedy Airport runways out into the Bay.

Sandy Hook would be included. Sandy Hook, of course, is now occupied by the Army and by a park on land leased from the Army by the State of New Jersey. Some of the people who know the area best—Frank McLaughlin is one—question whether National Seashore status would protect Sandy Hook's beaches, dunes and holly forest as well as they are now being protected by the Army and by the State. They ask whether the new plan would lead to over-use and hence to destruction of fragile habitats it had meant to save.

It's a good question, and I propose that the National and New Jersey Audubon Societies find the answer. Precisely what does the Interior Department have in mind for Sandy Hook under this proposal? Can we suggest improvements to their plan? Could adequate safeguards against over-use be written into the legislation, as in the nearby case of the Fire Island National Seashore?

I'd like to find the answers, decide on the best policy to follow, and then work side by side with the New Jersey Audubon Society to implement that decision. There's a lot at stake here—an attempt to save the remaining natural oceanfront of the nation's biggest metropolitan complex.

There are many other things going on in this state that New Jersey Audubon can be congratulated upon—some of them things that National helped to accomplish. A lot more needs to be done in the future. In fact, as Frank McLaughlin has pointed out so often, no conservation issue is ever won. We can never relax, because yesterday's victories can always be lost again today.

The Great Swamp, for example, was threatened by a garbage dump before we were scarcely through congratulating ourselves for getting it protected under the National Wilderness Preservation System. The New Jersey and National Audubon Societies helped squelch that one.

Sunfish Pond has been saved from one threat of destruction but legislation is still needed to protect it. The Pine Barrens is still there and is under consideration as a National Monument and Reserve—but that's certainly one that is going to take a great deal of work in the future.

The Hackensack Meadows is—at least in time and acreage—probably the biggest issue facing New Jersey today. For the next thirty years we'll have to be riding herd on that area, seeing to it that plans for development of the meadowlands provide for protection of a maximum amount of salvageable natural

area, open space and recreational opportunity.

The degree of past cooperation between our National and New Jersey Societies leads us all I hope, to look forward to even closer and more effective cooperation in the future. I have been told by some of you that there are a few people who are reluctant to embrace the cooperative approach because they are fearful of our obtaining members from each other if we work together. Perhaps it will help clear the air if I say that our own Regional Representative for the region that includes New Jersey has one and only one mission in this state, and that is to cooperate—to help the two organizations to work together, and to work with others, as effectively as possible, on such things as the Pine Barrens and the Meadows. Alan Miller is a fine young man and a dedicated conservationist. I hope you'll get to know him better and will work with him. We are of course very happy to have three thousand members in New Jersey. We are also glad that many of these fine people belong to both organizations. But I assure you that we have no intention of luring people away from another conservation organization. On the contrary, we are looking for new members among those millions of Americans who don't yet belong to any but who are becoming concerned and should be enlisting in the fight for a decent world for their children's children to live in.

#### OVERVIEW—U.S.A.

Now let me try to broaden the perspective of my backdrop or keynote for your symposium.

As we enter the seventies, three things stand out in an overview of the conservation situation in America, it seems to me.

One is the increasingly widespread concern about what man is doing to his environment. Another is the broadening of the conservation movement form a preoccupation with minerals, wildlife and wilderness to a concern with the whole balance of nature and the total environment of man. The third is that despite the growing awareness reflected in the first two, Earth's environment continues, in the main, to deteriorate. Pollution, degradation and even destruction of air, water, soil, natural areas, natural ecosystems and natural beauty are still proceeding faster than are protective and corrective counter-measures.

#### MAN AND HIS ENVIRONMENT

It is now abundantly evident that of the countless thousands of species on Earth, not only the most complex, but the most dangerous, is the one called man. Man is the only one to achieve the capability of altering drastically the ecosystems that make life possible here and thus to have the ability to destroy himself and all other life. And he is steadily engaged in doing that! Rarely, perhaps, is this his deliberate objective—but far too rarely does he deliberately guard against it. His impact on the natural environment of this little planet has already been tremendous, but he is now altering that environment at a rate whose acceleration is almost staggering. No matter what aspect of the natural environment one considers, one finds that man himself is destroying or degrading it: land, rivers, forests, wildlife, even the oceans and atmosphere. And that part of the environment which might be called man-made is in some ways the worst of all: the cities.

Why is this happening? Because there persist tragic inadequacies in man's understanding of nature, of his own relations to it, and of what he must do about them and how. Many men don't know what is happening; even more, including many who ostensibly are well educated, do not understand why it is happening, and far too few are as yet committed to finding and spreading the necessary knowledge and acting upon it while there may yet be time.

The really big problems of the environment have resulted from man's own actions. Infinitely more damaging than nature's dramatic storms and earthquakes are what man does day-in and day-out. Curiously, many of the problems can be expressed or suggested in terms that also begin with the letter "P": population growth, pollution, persistent pesticides, power plants—from automobile motors to jet engines to atomic reactors—ploughing, paving, plundering power tools—from bulldozers to deep drills—politics, quick profits, public passivity, and lack of intelligent planning.

And yet I believe man possesses the intelligence, is capable of the foresight, and can organize the means to solve his environmental problems. Sometimes he has tried this seriously; usually he has not. His highly developed technology is used on a gigantic scale to solve narrowly defined, relatively short-range problems in such fields as transportation, power generation, flood control, industrial production, and housing and services for a fast-growing population. Grossly inadequate attention is given, however, to the far-reaching effects of the resulting environmental alterations. Many of the simplest basics of man's relation to nature are largely ignored. In fact planning at every level, from the private "developer" to the national government, has too rarely taken ecological factors seriously into account. The ancient injunction that man should have dominion over the Earth and all that dwell therein seems often to be interpreted to mean that he should destroy the Earth and all that dwell therein, rather than use them wisely and with a sense of the future. Thus, even while man steadily increases the quantity of his own species (and in considerable measure as a result of that) he busily degrades the quality of the life to which he can look forward. Indeed, during recent decades when millions of people have been agonizing about the potential sudden destruction of man's environment through atomic warfare, those multiplying millions have actually been eroding and destroying that environment themselves at a frightening pace.

Thus the estuaries, nurseries of the sea, are dredged and filled for real estate profits even while population pressures point to great future needs for more food from the sea. Dams built for the protection of flood plains from occasional floods result in permanently flooding large acreages of the dwindling numbers of natural river gorges, forests and scenic areas. Airports are often sited on foundation produced by the dredging and filling of marshlands, lake shores or coastlines which are vital to natural life cycles. Mounting masses of solid wastes and sewage are often dumped into the nearest lake, river or bay. Factories producing great quantities of pollutants are often located on streams into which the effluent is unloaded. Farmers, home-owners and even some managers of public lands apply persistent chlorinated hydrocarbon pesticides, such as DDT and dieldrin, in an effort to kill certain insects (which usually can be controlled by other, less dangerous means) and as a result pollute lakes, streams and even oceans for years and years with substances that inhibit the oceanic oxygen-producing organisms and are threatening with extinction numerous wild species (including the national bird, the bald eagle) and whose worst effects on human health will not even be known for some time. Detergents and fertilizers find their ways into waters where their nitrates and phosphates produce eutrophication—as in Lake Erie. There is pretty good scientific evidence that less than 60% of the amount of atmospheric oxygen currently consumed in our 48 contiguous states is replenished from their total territory. Not only carbon dioxide but lead poisons, rubber, asbestos, radioactive parti-

cles, dangerous compounds of sulphur and nitrogen, and much else are constantly spewed into the air, and in alarming quantities. To all this, add such atrocities as oil spillage and drilling leaks, poorly regulated strip mining, wrongly-located dams, wrongly-routed highways, urban crowding, littering, wanton killing of non-game animals and birds, rising accumulations of filth and crescendoes of noise in our cities, and one must conclude that ecological ignorance and apathy in the American society are almost overwhelming.

#### NEED FOR EDUCATION

Clearly, there are serious needs both for conservation education and for environmental action. Schools and colleges, in the main, have done a demonstrably miserable job of educating about the fundamentals of man's relations to nature and about the incredibly complex yet magnificently systematic web of natural life forces and cycles—the balance of nature—which has been and remains the only source of life we know of. Political agencies at all levels of government have failed to protect adequately the public's vital interest in a decent environment. And people almost everywhere have been reproducing their species at a rate greater than their little planet can indefinitely sustain.

#### BROADENING OF CONSERVATION MOVEMENT

Has the point of no return been reached? No one knows for sure. The growing memberships and activities of private conservation organizations suggest that there are many Americans who believe that there may yet be time for man to save himself from his own attitudes, appetites and technology, and who are determined to work to that end. The growing concern of the Federal Government has been highlighted by several forward-looking (but as yet inadequately funded) pieces of legislation, particularly during the Johnson Administration; by President Nixon's establishment in June, 1969, of an Environmental Quality Council of key cabinet members chaired by the President himself, and by the introduction of several items of much-needed new legislation in the 91st Congress. A few states and communities and two countries have recently banned or limited the use of DDT; several others, including New Jersey, are seriously considering it (and I'm sure New Jersey Audubon is in the vanguard); and the National Audubon Society has now launched a nationwide campaign to ban both its use and its export. Public agencies in some states and cities are exhibiting increasing courage and sophistication in fighting pollution and in preserving open spaces, wildlife and natural areas. In recent years citizen groups have been influential in preserving some of the redwoods, protecting the Grand Canyon from a power project and getting a number of other national treasures in public ownership. They fight today to protect the Everglades and other threatened natural areas, as well as to save endangered species such as the alligator, the whooping crane, the California condor and many others. Nearly every day, in fact, somewhere in the country conservation-minded people undertake *defensive* action against some new threat to the quality of the environment. Sometimes they are successful. But the "war" is only beginning.

What is urgently needed is a grand strategy for taking the *offensive*. Fighting "brush fires" is not enough, especially when only some of them are fought successfully and even those victories are too often temporary. A sound and farseeing environmental policy, based on sound scientific research and deliberate value choices, and backed by strong political and economic decisions, is the best and probably the last hope for man to have a decent world to live in. The value choices must be made *first*, and then the technologists brought into play, in *support* of those

choices. History has already seen too much of the other way round.

#### OBSTACLES

Unfortunately, there are at least three serious handicaps to the mounting of the kind of offensive that is now essential. One is the fragmented approach of our educational system; a second is the fragmented approach of our governmental structure, and the third is the fragmented approach of the conservation movement itself.

#### Fragmented approach of education system

In education, the root of the failure may lie in the almost frenzied specialization which has virtually taken over. Even the environmental sciences are studied piecemeal; nature is broken into little pieces—geology, botany, astronomy, zoology, bacteriology, ichthyology, climatology, physics, chemistry, biophysics, biochemistry, genetics, soil dynamics, etc., etc.—but scarcely anywhere in academe are the pieces put back together.

The engineers have a useful concept called "systems engineering". By this they mean that at Cape Kennedy, say, it's not just whether a thousand and one sub-components will test out separately; what really counts is whether they will all work together and put the capsule into space and bring it back safely. In education—goodness knows—topics of research have a way of splitting apart on us as fast as we try to weave them together. Specialization up to a point has been useful, but the tragedy is that almost everybody is studying and teaching pieces, and stopping there—hardly anyone is teaching and very few are even studying how the pieces relate to one another and to man and his total environment. There is even lacking in the typical college graduate and graduate student the realization that how the pieces fit together is crucial and therefore it is perilous to tamper ignorantly with nature's balances. Thus, within—just as outside—the educational community, challenging yet narrowly defined problems are solved triumphantly while in the very process broader, deeper and more important problems are not only ignored but sometimes exacerbated.

Somehow more environmental awareness must be fed into curricula all along the line. Chemists, biologists and engineers, like sociologists, lawyers, economists, political scientists, and all the rest, don't know and aren't learning or trying to learn enough about where their own specialized discipline or profession fits into the patterns of man's relations to the natural world. We can no longer afford to turn out engineers, well-trained in the mechanics of building highways and dams and runways, who have scarcely been asked even to ponder whether in a particular project their bulldozers may be irreversibly altering a region's ecology to the ultimate detriment of both wild and civilized life. We can no longer afford agricultural graduates who don't appreciate what the wrong kinds of pesticides and fertilizers are doing to the world beyond the farmer's fence. We desperately need more humanists and social scientists and opinion leaders who realize how very much the quality of people's lives depends on the quality of their environment—and that there can be no healthful environment in defiance of nature.

#### 2. Fragmented approach of government

Turning to government, again one finds far too much fragmentation, specialization and lack of coordination. The need for cohesion and vision in environmental policies is glaringly acute in the Federal bureaucracy, where almost unbelievable numbers of government agencies are making important environmental decisions with little administrative machinery for full exchange of information, let alone for thorough coordina-

tion of policy. And Congressional committees tend to divide up their work in the same way. But it doesn't stop there. Decisions and actions of immense collective impact on the environment are taken almost daily, mostly without serious or competent efforts at planning, by conglomerations of state agencies and by countless local authorities who have all too little understanding of ecology and too often don't try to get it. Then, too, private developers and Chambers of Commerce across the land are almost frenetically active in seeking to alter the natural environment for short-term economic objectives, too often heedless of the long-range impact, even on economic health!

To top it all, there is much too little recognition that "nature" and "nation" are very different words, that this planet, this biosphere, is really a single, unpartitionable ecosystem, that air, and water and wildlife, and even soil and people, are not divisible into tightly closed and separately manageable ecologic compartments. A global approach to many conservation problems is ultimately going to have to be taken; how much more environmental damage does man want to tolerate before he sets about it in earnest?

#### 3. Fragmented approach of conservation movement

The third sector in disarray is the general public. The too-commonly accepted definition of "progress" as being almost any multiplication of the works of man has deterred people from resisting pollution, unwarranted invasions of open space and other outrages even when their own immediate environs are directly affected. Nearly everyone is now beginning to understand that something precious is lost when, say, a stream or lake is hopelessly polluted—but the public hasn't yet learned how to protect itself from the polluters. Far too few, even of those deeply concerned, have banded together in the organized groups which give major impact to their voices. And there persists a tendency to deride conservationists as blind opponents of progress, when in fact what they oppose is blind "progress"—the kind that fails to consider consequences.

Some headway is now being made toward coordinating the efforts of the numerous national and local conservation organizations on matters of nationwide or planetary import. Diversity, of course, can be, and has been, a source of strength. For that matter, some persons are just more willing to give their time or their money to help wildlife, others to protect places of natural beauty, others fight for clean air, and so on. All such groups are useful to some degree, but the conservation movement must become increasingly not only evangelical but ecumenical. The elements of the environment are interrelated and interdependent, after all; shouldn't we approach them that way?

#### HOPEFUL SIGNS

There are hopeful signs. Schools and colleges here and there are emphasizing ecology. Nature centers are being established in more and more communities. Both the executive and the legislative branches of the Federal Government seem seriously to be groping for coordinating machinery. There is an occasional sign that the courts may be persuaded to develop remedies, in certain types of cases, for abuses of the environment. The great conservation organizations—National Audubon Society, the Sierra Club and others—have not only broadened their own objectives but are beginning to form coalitions for special efforts. The fight against the Everglades jetport began just that way.

But it is only too clear that, beyond all this, some basic shake-ups of cultural attitudes and some genuine reorientations of economic and political approaches will be the prices demanded by the future if man is

to have a habitat fit for living as distinguished from mere surviving. Eventually it could even come right down to survival if those prices are not paid, or are tendered too late. Choices in the future cannot be preserved without constraints in the present. An economy based on constant and unending growth must eventually destroy itself by consuming or unbalancing its natural base. A political environment which affords inadequate mechanisms and policies for the protection of the public at large and of posterity, yet provides substantial protections—even tax advantages—to polluters, exploiters and short-term profit-seekers, can scarcely be expected to ensure a decent natural environment over the long pull. The perversion of the principle of private property to permit a property owner not only to degrade permanently what he "owns" temporarily, but even to pass pollution into the air and water on which other people depend is a fantastic departure from the old common law of nuisance.

In short, at the present stage of man's rather uneasy sojourn on Mother Earth, the problems resulting from his appetites and technical prowess are finally coming clear but the solutions are not. Thus his pressing challenge is to conceptualize—and then to implement—fresh policies, based on natural realities, which will turn him to new and sounder directions in his now rapidly degenerating relationships with the natural world. For man, despite all his recent population growth, is making himself an endangered species! Nature can be very unforgiving. Some of the most thoughtful scientists here and abroad give man not centuries but only decades of survival—quite aside from any thought of nuclear war—unless drastic changes come about in his attitudes toward nature and toward his own propagation. In calling for a worldwide conference on the environment in 1972, the Secretary General of the United Nations has emphasized in the strongest terms that present trends and actions around the world are taking the environment headlong to a point of no return.

The handwriting is no longer obscure. Only if enough people care enough soon enough are their grandchildren, much less their grandchildren's posterity, likely to have a decent world to live in.

Can man meet this greatest of all challenges? His ability to fly to the moon has proven once again that his potential is awesomely great. Are there lessons in that success which could be of value in tackling the admittedly less dramatic but surely even more important question of the future quality of earthly life?

The needed elements of a strategy can be clustered in several ways; just to illustrate, my distinguished former colleague at Indiana University, Lynton Keith Caldwell, has suggested seven focuses for a U.S. strategy: 1. The "internalized behavior" of individual people. 2. Tax policy. 3. Population control. 4. Industry and the environment. 5. Domestic intergovernmental relations. 6. Business practices, including advertising. 7. Land use control. A global strategy would include similar elements.

Clearly the job is not one for biologists, or even ecologists, alone. In fact, in each case nearly every discipline and profession has some contribution to make, some in problem analysis, some in value selection and policy formulation, some in implementation of desired change—and some in all these areas. But they must interact; they must work together, and there must be some effective means of coordination of planning and eventually of management of effort.

Government is scarcely the most logical choice to be leader of the strategy planning group, at least in the beginning, since its own present organization, its susceptibility to short-term pressures, its fragmentation,

layering and inertia constitute one of the large problem areas.

No single university is likely to have adequate resources or even to reorganize appropriately what it has.

Industry is growing worried, and in many instances is behaving better, but it is nevertheless to narrowly mission-oriented to give the matter sufficiently high priority to overcome inherent conflicts of interest, or to be able to pull together the wide spectrum of brainpower and resources needed.

All these—governments, universities, industries—have a contribution to make, and probably at least some desire to make it. But the leadership, the stimulus, the insistence, must, as I see it, come from the conservation movement.

Some of us are even now working on plans for a means of developing an effective strategy for the environment. There is today a public mood of receptivity, even of demand, for such a strategy. If all goes well, you'll be hearing more about it.

If all doesn't go well, we passengers of Spaceship Earth could indeed end up "standing knee-deep in sewage reaching for the stars."

Mr. BROTZMAN. I thank the gentleman from Indiana for his comments. Having just had a seminar on this particular problem in Colorado with other interested people in my district, I should like to point out that we were quite impressed at the tremendous interest in this subject on the part of the youth of America. There is a profound desire on their part to learn more about the problem, to go to work on it with those of us who have been here longer and, in fact, to try to improve the quality of American life, particularly the environmental factors we spoke of. So I will certainly be pleased to have an opportunity to examine the gentleman's bill. I thank him for his contribution.

Mr. MIKVA. Mr. Speaker, I enthusiastically endorse the innovative proposal of the gentleman from Colorado (Mr. BROTZMAN) to establish a Standing Committee on the Environment in the House of Representatives. I commend the gentleman's initiative in seeking a needed change in the committee structure of this body.

Critics may charge that the last thing that the environment needs is a committee. I would be the first to agree that what the environment needs most is a thorough restoration. However, I also realize that the environment cannot do this without man's help.

Nature fashioned its own marvelous ways to maintain the quality of the environment. Rain scrubs the air of dust, the earth filters impurities out of subterranean water, and the wind carries away particles suspended in the air. However, man has disrupted these natural processes. He has spewn so many contaminants into the sky, that wind and water can no longer cleanse the air. He has dumped so many poisons into the rivers and lakes, that the earth can no longer purify the water that seeps into the ground. Even the soil itself has been corrupted by deposits of pesticides and herbicides.

Man disrupted nature. He now must restore nature. The Congress has made half-hearted, piecemeal attempts to control pollution. These attempts merit commendation as far as they go. But

they only go so far. What the environment needs is not fragmented and sporadic action by the Congress, but a unified and incessant attack on pollution and a coordinated and continuing effort to preserve natural resources. And what resources can we assess as being more valuable than our air, our water, and our soil?

A Standing Committee on the Environment would provide a mechanism for this body to launch a coordinated drive to enhance the quality of the environment. Such a committee is needed because the current arrangement has not worked. With responsibility for environmental quality scattered throughout the House, the deterioration of our environment has continued unabated. Tragically, Americans have become accustomed, to breathing smoggy air, catching contaminated fish and eating tainted food. I know that my colleagues are aware that we are being held accountable for our response to the concern of a majority of Americans about pollution. Unless Congress consolidates its responsibility for the environment, the voters will consolidate their existing movement to change the membership of the Congress.

A Standing Committee on the Environment is also needed because of the testimony of experts on the environment. Several witnesses at the recent Congressional Conference on the Environment testified that Congress must implement a systematic approach to deal with the problems of the environment. For example, Prof. Richard Duke advocated a coordinated approach because of the extremely complex interrelationships between man and various environmental factors. The pesticides which we employ to increase crop yields in the fields become the poisons which we find to contaminate fish in our lakes. Only with a single committee, can this body adequately understand and cope with complex environmental problems.

Moreover, Congress has scarcely started to consider other problems of the environment, such as noise pollution, thermal pollution, and the treatment of solid wastes. Under the jurisdiction of a Committee on the Environment, these problems would also be dealt with—dealt with in coordination with efforts to solve related environmental issues.

For the reasons cited above, I have reached the ironic conclusion that the environment needs a committee. I regret that this is the case. But the oil slicks on the coast of Santa Barbara, the foul air over Chicago, and the roar of jets in New York make necessary the establishment of a Standing Committee on the Environment in the House of Representatives.

Mr. TALCOTT. Mr. Speaker, I thank the gentleman from Colorado (Mr. BROTZMAN) and commend him upon his initiative in speaking out again in support of a standing committee on the environment.

I have cosponsored a bill to establish such a committee. I have done so for two major reasons. The committee system of the House and the other body needs reorganization to better fit the dynamic,

contemporary needs of our parliamentary system. A committee on environment would contribute to the reordering of the committee system which I deem necessary to meet the challenges to our federal system.

A principal reason for establishing a committee on the environment is the essentiality of dealing more directly and pertinently with our environment—the place where we live and the conditions under which we live.

We obviously need to do many deeds to accomplish many objectives. Collectively we inhabitants of this planet have several needs in common, no matter where we live, the most obvious of which is plain and simple survival for ourselves and our descendants.

We must be concerned about other life and other things on this earth. We have a special relationship to all other life—from other humans through the gamut of animals, fowl, fish, and plants. We have just as obvious a relationship with the land, air, and water. Our objective ought to be to leave our environment in better condition than we found it. I consider this an obligation—as an individual, citizen, and public official.

Unfortunately, we have permitted our environment to be polluted, our natural resources to have been despoiled, and our landscapes to be littered with debris. When we degrade our environment, we degrade our personalities and jeopardize the future generations of all forms of life.

Without dwelling in statistics or specifics, I suggest that there is a good deal more we need to know about our environment, our relationship with our environments, our abilities to cope with our environment and our capabilities to preserve our environment. A standing Committee on Environment can contribute to the marshaling of this crucial knowledge.

The problems are current, but they are also perpetual. Continual vigilance will be necessary to save a viable environment.

Individual awareness and motivation will be essential. The preservation of our environment is an individual responsibility primarily. No person has the right to pollute, despoil, or litter the environment of any neighbor. Also, no person should tolerate the degradation of our environment by any other person. But this awareness and motivation must be aroused. A standing committee of the Congress may be able to provide the necessary leadership.

We cannot simply try to avoid future pollution, despoilation, and litter—we have a good deal of restoration to do. Restoration must be a goal along with our goals of antipollution and preservation. A function of the committee would be to urge and direct restoration.

Many aspects of our environment deserve our attention. When we consider the preservation of our environment and the prevention of further deterioration, we must always keep uppermost the quality of our environment. The quality of our environment that we preserve deserves as much attention as the quantity of our environment that we preserve and restore. Oceans of water will be useless if it is polluted. Acres of denuded

forests are not worth saving. Saving oceans, rivers, forests, agricultural lands, animals, are absolutely necessary, but quality must be the keystone.

It is not enough for every individual to be concerned. It is highly desirable that President Nixon continue to lend his enormous personal interest and the prestige of his office to the matter of solving our environmental problems. The President's Council on Environment, the President's statements and messages on the subject of environment are adding a dramatic impetus—to the individual and governmental concerns.

Resources are not a problem. If we do not have the resources to preserve our environment, we do not have the resources for any national, individual, or societal goal.

Concern is an ingredient which must be motivated. Business, industry, local, and State governments must participate and cooperate. A standing committee of the Congress can contribute to this coordinated effort.

Techniques and systems are important, but the "systems approval" being developed for space exploration, communication, and weaponry, have applications to solutions to our environmental problems and achievement of our environmental goals.

Motivation, resources, systems must be organized. A standing committee of the Congress on environment is a step in the right direction.

Mr. HOGAN. Mr. Speaker, when we consider the environment, we envision fresh air, clean water, plenty of wholesome food, pleasant surroundings, adequate natural resources for both industry and recreation, and lots of elbow room. But present-day realities force us to also consider the unpleasant aspects of our environment—crowded and cluttered cities, dirty rivers and lakes, polluted air, and intense noise.

In recent years nearly everyone has become cognizant of the deterioration of our environment. Because this destruction of our physical surroundings now threatens the survival of mankind as a species, involved citizens are responding on every level with efforts and appeals to salvage nature from the often fatal effects of technological progress, industrialization, and urbanization.

I wholeheartedly join in this groundswell of support for restoring quality to our polluted environment. In fact, I am delighted to witness the interest of so many groups and individual citizens to these efforts in recent years. My own interest in saving our habitat from gradual deterioration began in 1959 when I joined the "Citizens for a Clean Potomac."

Mr. Speaker, I have supported legislation designed to combat the overall problem while focusing my attention more specifically on the Potomac River.

In April of this year, I addressed the Potomac River Enforcement Conference and at that time called for a multi-jurisdictional entity which would have the authority to impose antipollution regulations on all the numerous governmental entities which now share responsibility for the Potomac River.

The pollution of our environment is

a matter of national concern, and the Federal Government has the obligation to set and enforce the highest standards to control pollution. At the same time, however, the States and communities must play a major role in pollution control because an effective and equitable policy requires that due consideration be given to local needs, desires, and the opinions of the people most directly affected by pollution.

Nevertheless, I am convinced that these multiple agencies and interest groups must be unified and committed to a single policy if they are to be effective in any long-range efforts—and pollution curbs will require long-term planning and action. In the National Capital area I think this objective would be achieved through the proposed Potomac River compact.

On a nationwide scale the vote of this body to create a Council on Environmental Quality also provides a much-needed vortex for antipollution efforts.

To be consistent with this emphasis on unified coordination of pollution efforts, I urge my colleagues to give speedy consideration to the resolution, being reintroduced today by me and several of our colleagues, to establish a standing Committee on the Environment in the House of Representatives.

#### GENERAL LEAVE TO EXTEND

Mr. BROTZMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore (Mr. ROYBAL). Is there objection to the request of the gentleman from Colorado? There was no objection.

#### AN APPEAL FOR NATIONAL UNITY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York (Mr. WOLFF), is recognized for 60 minutes.

(Mr. WOLFF asked and was given permission to revise and extend his remarks, and to include extraneous matter.)

Mr. WOLFF. Mr. Speaker, this is the second in a series of what we hope will at some date in the future prove to be an ongoing debate on Vietnam.

Mr. Speaker, while I am addressing myself to the House today I would also like to address this statement to the President. What I have to say about the war in Vietnam and its impact on life here in the United States is, in essence, an appeal for national unity. I make this appeal because I believe that we have the strength to withstand external aggression, but that we face a grave threat of internal disruption. Disunity here at home is the only thing that could ever destroy our country.

We must never become the dis-United States of America.

The President understands this. He struck as his theme upon assuming office the slogan "Bring Us Together." I believe this is what he would like to do. I also believe the President when he says he seeks peace; all responsible Americans

want peace, even though we disagree on the best avenue toward this worthy goal. So I support the President's goal of peace.

But are we really moving toward this goal?

Instead of peace in Vietnam, we are promised a Vietnamization of the war. This is more talk of war and even if the South Vietnamese assume a greater share of the fighting our logistical and financial support probably will be required.

So, Mr. Speaker, I offer an alternative to Vietnamization of the war.

I call instead for Americanization of the peace.

Let us be the peacemakers and let us stop letting President Thieu and Vice President Ky perpetuate the war that is their only vehicle to power. The absence of representative government and freedom in South Vietnam has caused the substitution of one form of totalitarianism for another.

They do not represent the people and Ky is a most inappropriate person to be negotiating for peace since his power is built on prolonging the war. The South Vietnamese should remove Ky as the chief South Vietnamese negotiator in Paris, since he is incapable of negotiating to achieve peace.

Returning now to my earlier point, the President wants peace. He himself has said "it is time to end the war in Vietnam." Aside from this general goal which all Americans, except certain extreme elements on both ends of the political spectrum share, the President has told us very little. He tells us he has a plan—a means of achieving peace—but we have seen nothing of this plan.

The issue of how we shall achieve peace is one of which path is best for our country. The answer is not the opinion of a silent majority or a silent minority. What we need are not blind appeals for a policy we cannot understand; rather we need leadership that recognizes how vital peace is to the future of our country.

We cry out, Mr. Speaker, for leadership that understands the terrible divisions in our country and seeks to heal those divisions by ending the war and making the peace.

I would suggest that the President heed the following words from the late President Eisenhower:

There are those who feel that compromise is an indication of weakness. The fact is that it is a highly useful tool—in some cases the only tool that will do the job. If there are to be solutions, a President must work with others, bend a little this way or that within the limits of his basic principles.

Continuing my quote from President Eisenhower:

I have never believed that everyone in the opposition is a villain.

Had we taken a stiff-necked attitude we would have accomplished little.

I say to President Nixon—heed these words of your mentor and share them with the Vice President and Attorney General.

To tie these various points together—the time is long past due for us to make the peace, to stop engaging in a futile battle of public opinion polls, to reverse

the trend of disunity and to start to bring us together.

So I ask our President the following questions in which the future of our country may rest:

When, Mr. President, will we end the sacrifice of American lives for the sake of the Thieu-Ky regime?

When, Mr. President, will we stop giving precious American resources to autocrats who seek to perpetuate the war?

When, Mr. President, will it be understood that the great divisions in our country cannot be healed until the war is ended?

When, Mr. President, can we reverse the accelerating polarization of the American people so that you can achieve your worthy goal of bringing us together?

When, Mr. President, will it be realized that the cry for peace does not come from one part of our society, but from the hearts of all Americans?

When, Mr. President, will we have the leadership that places the best interests of our country above the well-meant but ill-advised counsel of a small group of individuals?

When, Mr. President, will we stop the hopeless attempt to save face and begin the vital attempt to save lives?

On October 2, I stood in this very spot and explained why I believe we must immediately begin a deliberate, orderly, and complete withdrawal of American troops from Vietnam.

Because my statement of October 2 is as relevant today as it was 6 weeks ago, I include it in the RECORD at this point:

STATEMENT DELIVERED OCTOBER 2, 1969, BY CONGRESSMAN LESTER L. WOLFF

I do wish to emphasize at the outset of this statement that I believe the first responsibility of our government is to provide for our security. For without that security our national ideals and goals are immediately in danger. So I speak, not as a pacifist, but as one who believes firmly in the importance of maintaining adequate defenses to insure our national security.

However, time and again since I took the oath of office almost five years ago, I have felt it my responsibility to speak out against what I regard as our tragic, futile policy in Vietnam. This war, that has taken 40,000 American lives and left 130,000 of our young men maimed and wounded, has been and remains the focus of our attention.

This is appropriate for it is clear that the prolonged war is the principle cause of the sharp divisions among Americans. The war is the single most important reason that our economy is beset by serious inflation, tight money and other dangers. The war has prevented the United States from correcting certain grave domestic problems to which we awakened only in this decade; and even our great country is unable to fight a land war in Asia and, at the same time, address itself to pressing domestic problems.

Despite the problems it has bred, it would be our responsibility to prosecute this war if it was vital to our national interest. But on balance, weighing the enormous costs against what we might possibly gain if all went our way in Vietnam (something that is quite unlikely), on balance, prolonging this war is not in our national interest. In fact, a continuation of the war, with the accompanying loss of American lives and the great drain on our national resources, is clearly contrary to the best interest of the United States.

I am drawn inexorably to the conclusion that we must begin immediately what former

Under Secretary of the Air Force Townsend W. Hoopes has called "deliberate, orderly but complete withdrawal" from Vietnam. This total withdrawal must begin now, for as President Nixon said several weeks ago, "The time has come to end this war." The President is correct and I urge him to use the power at his disposal to give true meaning to his words; for it is deeds and not words that will stop the killing of 200 young Americans every week.

We must have an end to the side-stepping that appears to be our current policy. Just as we drifted into this war and the overwhelming American combat role it seems as though the Administration would have us drift out. The consequence of such a policy would be substantial, unnecessary loss of thousands of American lives and protecting our men now in Vietnam must be our first concern.

The withdrawal that I seek, I might add, is not susceptible to any fixed timetable. To establish some far away date for the end of American fighting in Vietnam would probably ensure that we will be involved up until that deadline. Rather than indirectly prolonging the war by picking some future date arbitrarily we should move promptly in the manner suggested by Mr. Hoopes.

Moreover I believe we should, at the same time, propose in Paris an immediate, stand-still cease-fire. I have come to believe that the beginning of the end of American combat involvement in Vietnam must start immediately for the following reasons:

There is no reason to give 25 American lives every day to sustain the corruption in a South Vietnamese regime that is more interested in perpetuating its own power and waging war than it is in seeking peace.

Nor is there any reason to suffer the thousands of deaths that will ensue during a fictitious withdrawal such as the one already begun. The slim chance of saving face is not sufficient justification for additional American deaths and casualties.

Even today, more than four years after major escalation was begun, the South Vietnamese have not established a truly democratic government. Some time ago I saw, a glimmer of hope that democracy might be achieved but that glimmer has been extinguished. I shall only cite as a salient example the continued imprisonment of Truong Dinh Dzu, the man who ran second in the Vietnamese national elections, for alleged "treasonous statements"—charges never proven.

The South Vietnamese have provided no substantial moves to undertake their proper responsibility in fighting what is primarily their war.

At the same time some South Vietnamese governmental leaders provide impediments to peace with intransigent or unreasonable demands. I might note here the remarkable assertion last weekend by Vice President Ky in which he proposed to dictate American policy.

There is, here at home, a justifiable anxiety about the war that threatens to aggravate serious, existing differences among the American people.

There is, as has been charged so often of late, a confusion of priorities when we can fight this war, with its fantastic cost of 40,000 lives and more than \$100 billion of our resources, while failing to act against more pressing problems here at home. The focus of American interest is blurred; we must attack isolationism, but we must, at the same time, recognize that the primary needs of our own people come first.

Now I know it has been said that those who are critical of American policy should remain silent. I cannot accept this; if freedom of expression is ever to be stifled, then we will have begun to forfeit our greatness. Americans have a responsibility not to be silent about our national problems and national

needs, but rather to be honest, vocal and outspoken. Anything less than full freedom of expression would be a contradiction of our creed.

I believe the American errors in Vietnam can be identified in four separate Administrations. It is not, under any circumstances, a partisan issue and nothing is to be gained from futile efforts to place the blame here or there, with this individual or that.

My purpose, and I trust the purpose of all who differ with the evolution of our Vietnam policy, is not to affix blame. Rather I seek to correct the errors of the past and substitute for a failing policy new directions that will extricate us from a war that we cannot justify in terms of its cost to the American people.

The simple truth is that we cannot save face, salvage prestige or aid American interests in any way by permitting this war to continue.

I urge the President, in all good faith and with the conviction that what I propose is what the American people want and need, not to protract our disengagement.

The President seeks, as all Presidents should, the broad support of a majority of the American people. The only way this can be achieved is to begin immediately a reordering of our national priorities by undertaking without further delay the call for a stand-still cease-fire and the "deliberate, orderly but complete withdrawal" of American combat forces from Vietnam.

Since I spoke on October 2 there has been a rush of activity in and out of Congress regarding the war in Vietnam. We all waited with great hopefulness for the President's much heralded speech of November 3. And our hopes were dashed with "more of the same."

Let me interject before going on something that must be carefully understood. I support fully the Office of the President as do almost all Americans. My commitment to our country is such that I hold great respect for the Office. But my commitment to our country is so great that I cannot, in good conscience, blindly support a policy of the President when I believe he is wrong. No man is perfect; the Office of the President does not bestow infallibility upon the holder.

But despite this and despite the vague promises and lack of specifics in the President's November 3 speech, immediate efforts were undertaken in the House to endorse a policy that was never explained to us. Without hearings, without an explanation of terms, without a single witness, the Foreign Affairs Committee favorably reported that resolution that renews the congressional abdication of responsibility in Vietnam. I opposed that favorable report and now include portions of the minority report—which I signed—that accompanied that resolution:

#### MINORITY VIEWS ON FOREIGN AFFAIRS STATEMENT ON VIETNAM POLICY

We opposed the committee's action to favorably report this resolution on Vietnam both because the committee refused to hold any hearings on the measure and because the meaning of the resolution itself is unclear.

#### RESOLUTION DOESN'T MENTION WITHDRAWAL

This resolution was introduced on Tuesday, November 4, 1969. Although this resolution was drafted and signatures for the resolution were collected several days before the President's speech on November 3d, its submission to the House on November 4th was widely reported as an endorsement of the policy stated in the President's speech. It is

unclear to us whether or not the resolution is designed for that purpose since the reference to the President's position lacks specificity.

Indeed, the main stress of the President's November 3 statement was upon the policy of Vietnamization and the prospect of concomitant withdrawals of U.S. troops. The resolution is silent upon this aspect of the President's statement. An amendment offered in committee to endorse this element of the President's policy was defeated on a 15 to 12 vote with the members of the President's party voting 6 to 4 against that endorsement.

#### "EFFORTS FOR PEACE"

The resolution states that the House "affirms its support for the President in his efforts to negotiate a just peace in Vietnam." What does this mean? Does the House give carte blanche to President Nixon to do whatever he deems necessary to secure such a "just peace"?

On August 5, 1964, President Johnson told the Congress that our objective was only to see that "the peace and security of the area will be preserved." By the end of that year there were 23,000 troops in Vietnam.

On April 7, 1965, President Johnson said "the only path \* \* \* is the path of peaceful settlement." By the end of 1965 there were 181,392 troops in Vietnam.

On October 25, 1966, the President joined in a communique saying that "our united purpose is peace \* \* \* whether through discussion and negotiation or through reciprocal actions by both sides to reduce the violence." By the end of 1966 there were 389,000 troops in Vietnam.

On March 15, 1967, President Johnson said that "I think we have all reached broad agreement on our basic objectives in Vietnam. First, an honorable peace, that will leave the people of South Vietnam free to fashion their own political and economic institutions without fear of terror or intimidation from the North." By the end of 1967 there were 485,000 troops in Vietnam.

#### CLARIFYING AMENDMENTS REJECTED

Thus the search for a "just peace" has led to increases in U.S. military involvement in Vietnam. Two amendments to the resolution were offered in committee to avoid such an interpretation: One sought to avoid approval of any enlargement or escalation of involvement in Vietnam, and the other to make clear that this resolution did not afford an independent authorization for the commitment or maintenance of troops in Vietnam. Both amendments were voted down in committee.

#### FIRST COMMITTEE ACTION SINCE GULF OF TONKIN RESOLUTION

The House Foreign Affairs Committee has taken no action upon Vietnam policy since August 6, 1964, when it voted out the Gulf of Tonkin resolution after 1 day of hearings. Many members today regret the haste with which the Congress acted upon that resolution, for certainly few members understood that it would be later construed by the executive branch as authorization to engage in a massive military effort in Vietnam.

Since 1964 the House Foreign Affairs Committee has held no further hearings on Vietnam in connection with any proposed action by the committee, despite requests that it do so. It is ironic that when the committee, after 5 years, again addresses itself to the Vietnam issue, it does so in a closed session with no public hearings and inadequate time to fully debate a resolution which had been introduced only 48 hours earlier.

#### VIEWS OF PUBLIC ON VIETNAM HAVE CHANGED

During these 5 years widespread public concern has developed over the war. In part in response to this concern President Johnson in 1968 reversed earlier policy by limiting

and then ending the bombing of North Vietnam in an effort to initiate peace talks and move the United States toward disengagement. The House of Representatives played too little a part in that reversal of policy.

Many of us believe that the House through its committees has a deep obligation to the American people to study our Vietnam policies with great care in order to contribute toward the emergence of the wisest possible actions.

#### NO HEARINGS

Two separate motions for hearings on the resolution were made in the committee: One for 2 days of closed hearings, another for open hearings. Both were defeated.

We concur in the approach expressed by the majority leader in the Senate on the importance of committee consideration. In introducing a modified version of this resolution into the Senate he said:

"I would expect that the committee will consider the text thoroughly, very thoroughly, perhaps \* \* \* as the committee in its wisdom may decide \* \* \* as part of its hearings on Vietnam. It may well be the committee will want to suggest modifications, additions or subtractions."

He went on to say:

"Let me emphasize finally that I would expect the committee to take ample time to consider this resolution in all of its aspects. It is not introduced for purposes of window-dressing or propaganda and, since it is sponsored by the joint leadership, it is not introduced with partisan intent. The day is very late for anything other than the most sober consideration of this question. There is no margin for the misunderstandings of another Tonkin Gulf resolution in terms of the Senate's responsibility and in terms of the urgent need of the Nation for an end to this war."

Because we have heard no testimony about the President's policies and their prospects for leading either toward disengagement or toward prolonged involvement, we declined to vote to report the resolution.

Mr. Speaker, because of our unhappiness with the resolution endorsing blindly the President's Vietnam policy, 28 of us have introduced another resolution that calls for the withdrawal of American forces from Vietnam in a responsible manner consistent with the safety of American troops and Americans held prisoner by the National Liberation Front and North Vietnam. This resolution is totally in accord with our best national interests and deserves the immediate attention of the Foreign Affairs Committee and the full House. I include this resolution in the RECORD at this point:

#### RESOLUTION

*Resolved*, That it is the sense of Congress that the United States Forces in South Vietnam should be systematically withdrawn on an orderly and fixed schedule—neither precipitate nor contingent on factors beyond our control—to extend only over such period of time as shall be necessary to (a) provide for the safety of United States Forces, (b) secure the release of American prisoners of war, (c) assist any Vietnamese desiring asylum, and (d) enable the United States to make an orderly disposition of its facilities in South Vietnam.

Now, Mr. Speaker, the President obviously is under the greatly mistaken impression that what he has called "the great silent majority" of Americans are satisfied with the slow pace of withdrawal. I believe he is wrong. I believe the American people have reached the

point where they will no longer support a policy that is not explained to them; that they will no longer endorse without qualification a prolongation of the war in Vietnam.

But because the public opinion polls on this subject are so contradictory and because the President is obviously not getting accurate information as to the mood of the Nation, I have introduced a resolution calling upon the President to hold a national plebiscite on this most crucial question. I include that resolution in the RECORD at this point.

#### H. CON. RES. 449

Whereas the estimates of the public sentiment by political leaders, and the findings by the various public opinion polls, with respect to public support for the present policy in Vietnam have proven to be ambiguous and such ambiguity is serving to deepen the public divisiveness on the question of our pursuit of peace in Vietnam; and

Whereas because of the singular importance of the Vietnam question to the course of this Nation's future, it is essential that the Government have an accurate gage with respect to public sentiment in this matter: Now, therefore, be it

*Resolved, by the House of Representatives (the Senate concurring),* That it is the sense of the Congress that measures should be immediately undertaken to hold a national plebiscite (in which individuals aged eighteen or older may vote) in order that the public will be known with respect to the policy to be followed in seeking a just and lasting peace in Vietnam. And that it is the sense of Congress that the phrasing of the propositions to be placed before the voters in the plebiscite shall be determined by a commission of experts in the field of public surveys and analysis in order to insure that objectivity and comprehensiveness is attained.

Mr. Speaker, I cannot emphasize too greatly, at this point, that my position vis-a-vis American policy in Vietnam is not that of one who is either antimilitary or unaware of the need to resist communism. I believe we must maintain adequate defenses to deter war and to protect our national interests. I hold no brief for communism, nor for fascism, nor for any other "ism" but Americanism—the true spirit of freedom and the democratic way of life.

But I do believe continuation of the war in Vietnam is inconsistent with our national interests and that prolonging the war will actually work against the best interests of the United States.

Specifically I am becoming increasingly alarmed at the growing polarization among the American people. This is not merely a generation gap. Nor can it be identified as a split between extremists on the left and right.

Rather we are confronted with a sharp and dangerous division between millions of Americans who incorrectly ascribe varying degrees of patriotism to those who take one or another position on the war. This must not be a test of one's commitment to our country; on the contrary, I believe strongly that with the exception of certain fringe elements at both ends of the political spectrum Americans are equally patriotic but confused about what is really best for our country.

But we are left with the inescapable fact that the continued loss of Ameri-

can lives in Vietnam, the diversion of our resources needed at home to Vietnam and the futile attempt to save face instead of lives will only aggravate the polarization that threatens to do serious and perhaps permanent damage to our country.

There is a solution to this problem—it is tied to my opening comments about providing leadership to bring us together and end the disunity that endangers the very foundations of our society. The President should release a plan—a tentative timetable with appropriate conditions about protecting U.S. forces in the field—that begins immediately the deliberate orderly and complete withdrawal of all American forces from Vietnam. I have never favored timetables; but to withdraw in bits and pieces would compound our earlier error of escalating by bits and pieces.

Our withdrawal schedule should be based on the minimum loss of American lives, the return of all American prisoners and appropriate protection for South Vietnamese nationals who might be the victims of genocide.

Out of deep patriotism and strong feelings that our Nation's promise can be realized, I implore the President to follow this responsible, patriotic, and necessary course of action without further delay.

Yes, Mr. President, you can bring us together. You can be the peacemaker.

#### VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 30 minutes.

(Mr. DUNCAN asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. DUNCAN. Mr. Speaker, I have listened to most of the debate in the House of Representatives on the Vietnam issue.

The more I hear, the more I read, and the more I study the remarks of my colleagues who have supported the moratoriums, the more I believe that their position is much closer to that of President Nixon, than it is to that of the leaders of the demonstrations, or moratoriums.

I listened last evening to one of my colleagues, the distinguished gentleman from Montana. He said that he did not advocate an immediate withdrawal from Vietnam, but in his words, recommended a systematic de-Americanization of the war, and that the President should develop an orderly timetable of troop withdrawals contingent on the ability of the Vietnamese forces to assume the duties of prosecuting the war, and, of course, he said, conditioned upon the welfare and safe being of our own troops. This is essentially the plan of President Nixon.

This is not what the sponsors of the demonstrations, and is not what the Mobe, demand. They are demanding an immediate withdrawal.

I have also reviewed the RECORD of the speeches made on the evening of October 14, and I might say that I was present on the occasion. Nowhere in the RECORD, nor did I hear, one of my col-

leagues advocating an immediate withdrawal, however, an immediate withdrawal is what the Mobe is demanding.

One of our Senate colleagues when pressed as to how he would end the war, said he would end it by a negotiated settlement, or by a mutual withdrawal, or a mutual ceasefire. These methods sound good, but every child knows that Hanoi will not agree to anything. She will not agree to anything as long as we have dissension in this country.

The Vietnam problem cannot be solved by simple answers. However, some of the amateur theorists do offer simple answers which have proven in the past to be just idle talk.

There is no easy way out of Vietnam. We did not get into Vietnam in a well-planned, orderly fashion. President Nixon has had only about 9 months to try to unwind what it took 8 years to tangle into a mess beyond description.

May I say here I am for peace. I know from personal experience the hell and fury of war. No one wants peace more than I. No one wants peace more than the President, who must face this great international problem.

I am not, however, for giving aid and comfort to the enemies of everything we hold dear. It does not take great intelligence to know that actions of the demonstrators and peacemakers in the past have prolonged the war, and such actions can be measured in the lives of American men.

I am strongly of the opinion that the war would have been over 2 or 3 years ago if our own people had not urged Hanoi to hang on by creating dissension in this country.

At this point I would like to read an article by Jack Anderson which appeared in the Washington Post on October 15:

#### U.S. REVOLUTIONARIES LINKED TO HANOI

(By Jack Anderson)

TOKYO.—For the millions at home who will demonstrate against the Vietnam war today, the intelligence files here contain some facts worth pondering.

This column has examined documentary evidence that a few rabid revolutionaries who seek to dominate the anti-war movement in the United States are receiving instructions from Hanoi. They aren't against war at all; they merely are on the enemy's side.

Indeed, their aim is to stir up new "wars of liberation," including guerrilla warfare in the streets of America, to advance the Communist cause. Their immediate instructions are to agitate in the United States for an unconditional withdrawal from Vietnam.

In retrospect, I believe it was a mistake for the U.S. to plunge into the Vietnam conflagration. This remote patch of jungle simply hasn't been worth the price in American blood and treasure.

But those who are in a big rush to write off 38 887 American war dead and \$81,407,000,000 of the taxpayers' money should consider the French experience. The French pullout of North Vietnam 15 years ago precipitated a Communist slaughter that hadn't been duplicated since the mad days of Adolph Hitler.

Too hasty abandonment of South Vietnam likewise might produce another bloodbath. Yet the Hanoi-directed militants, according to intelligence documents, are striving to turn the antiwar protest into a national demand for "quick and complete withdrawal of U.S. troops from South Vietnam."

Possibly to avoid treason charges, the American militants are not in direct touch with the Hanoi government. Most contacts, apparently, have been kept on a friend-to-friend or organization-to-organization basis.

The Hanoi-controlled South Vietnam Liberation Students' Union for example, maintains an underground liaison with U.S. leaders of the Students for a Democratic Society and the Students' Committee for the end of the Vietnam War.

On the eve of the Vietnam Moratorium, Tran Buu Kiem, the Students' Union chairman and former chief Vietcong delegate in Paris, wrote a letter to his American disciples urging "the active and massive participation of the American youths and students in this fall struggle movement."

#### HANOI LETTER

The letter, dated Oct. 6, called for a prompt American pull-out from Vietnam. Kiem contended that the replacement of a score of thousands of troops is insignificant, as compared with about half a million U.S. youths still remaining in South Vietnam.

"Your interests and those of the American people and the United States do not lie in such a drop-by-drop troop pull-out, but in the quick and complete withdrawal of U.S. troops from South Vietnam; not in the Vietnamization or de-Americanization of the war in South Vietnam, which is unpopular and costly in human and material resources, but in ending it . . .

"If Mr. Nixon, sincerely wants to live up to his promise to end the war, a promise which he made when he ran for office and when he took over the presidency," the Kiem letter continued, "there is no other way than to respond to the 10-point solution of the Republic of South Vietnam's provisional revolutionary government by quickly withdrawing all U.S. and satellite troops from South Vietnam without imposing any conditions and by abandoning the lackey Thieu-Ky-Khiem administration, leaving the South Vietnamese people to decide their own internal affairs.

"You are entering a new seething and violent struggle phase. We hope that you all will pool your efforts in achieving great success in this fall struggle phase."

#### INTELLIGENCE REPORT

Another intelligence document, made available to this column, casts a revealing light on the North Korean role in stirring up opposition to the constitutional amendment, which will determine the future of South Korea. A national referendum will be held Friday to determine whether South Korea's bantam President Chung Hee Park can run for a third term.

"In connection with the constitutional amendment," declares the intelligence analysis, "the Pyongyang regime is trying to arouse popular views adverse to the constitutional amendment in an effort to create political chaos in the Republic of Korea. The Pyongyang regime is concentrating all efforts on its psychological warfare to encourage the recalcitrant elements in the South."

The attempt to extend President Park's rule for another term has been described, even in the Western press, as undemocratic. The truth is that the Park government has adhered scrupulously to the democratic processes.

Once the referendum is decided by popular vote on Friday, South Korea's troubles may merely be beginning. The intelligence document estimates that North Korea will intensify its efforts to subvert South Korea next year, thus "taking advantage of the possible political chaos in the ROK during the 1971 election."

Mr. Speaker, I have received several letters from constituents of mine who have given their sons for the cause of

freedom. I have also read many letters inserted in the RECORD by my colleagues. All of these letters in sum and substance say we resent these long-haired demonstrators desecrating the names of their sons or husbands, as the case may be. We all read with regret where mothers and fathers came to Washington to request these people to not use the names of their sons.

Mr. Speaker, I prefer to follow our President, and take his advice in preference to that of Mitch Miller and some of my colleagues who know nothing whatsoever about war, military strategy, or, might I say, how to secure peace.

At this point, I would like to insert a letter and an article from the American Security Council's Washington Report:

OCTOBER 14, 1969.

Congressman JOHN J. DUNCAN,  
House Office Building,  
Washington, D.C.

DEAR CONGRESSMAN DUNCAN: I do not know if other mothers have written their government to express their feelings and ask the questions I am asking. Perhaps I am just one of many.

It will, no doubt, be quite a surprise to some that parents can be confused. There also comes a time when they can no longer remain silent.

We have an article dated Sept. 19 which states that the names of the Americans killed in Vietnam were to be deposited in a casket in November in Washington.

My husband and I resent this. We do not want our son's name used. We feel we have every right to ask the government's help. How much more are the parents supposed to take? Was not the loss of our son enough? The very thought of this action taking place has truly upset us.

We lost our son Aug. 8, 1966. It does not seem possible that our son is gone. I keep hoping that it was a mistake and that our son will come home altho I have been told there was no mistake.

Our son was in Korea at the time he volunteered to go to Vietnam. While home on leave he told me he was an American soldier, he owed it to his Country and government and that it was his wish that all little boys growing up now would never be in uniform.

It is obvious that we have in our government those that feel that our sons are no less than animals and feel no responsibility where they are concerned except to use them politically.

When men in our government have their names called at the Paris peace table and Hanoi speaks openly of the help given them, as well as others you see on TV and read about, one can hardly keep from wondering where free speech stops and treason starts.

Every American who has ever served in Vietnam and those who are there now had every right to expect their government to be behind them. After all, who is responsible for them being there? Certainly not the Pentagon. I truly feel that this shows how little value has been placed on our sons' lives. Or is it only who dies that is important?

I can only ask where were these men when the first fighting troops were sent to Vietnam?

Where were they February, 1962 when Senator Robert Kennedy was in Saigon and said, "We are going to win this war in Vietnam. We will remain until we do win."

Isn't it true that it was not President Johnson who broke away from the Truman-Eisenhower policy?

Is it true that the statement was made, after the troops were sent to Vietnam, that it would show Khrushchev we meant business?

President Eisenhower's remark about "Mill-

tary Complex" was brought up, but was his remark about the Communists or the one that no politician could conduct a war. Isn't it true he would not endorse sending the fighting troops to Vietnam?

The pressure was put on President Johnson to halt the bombing. Then we were told they would talk seriously about peace. Our sons died.

Has Hanoi ever shown any signs of wanting to stop fighting or to agree on anything that has been suggested?

If this is a civil war, as some say, why do they have troops in Laos? Why is there fighting there? Isn't it true that Hanoi does not tell its own people the truth? That they have wounded troops in Laos to keep them from being seen?

Isn't it true that they did not keep the agreement made with the French on withdrawing all Red forces north of the 17th parallel? Didn't they refuse an "on site" inspection and hid their weapons of war? Isn't it true that Canadian observers said the Reds murdered 11,500 South Vietnamese, these by terror?

In 1961 the Communists had a full-blown offensive mounted against Laos. Isn't it true that President Kennedy announced that he would never permit a Red dominated Laos?

At the time of the Pueblo affair there were those who instead of discussing the true seriousness of it used to slap our country around and did not show any concern for the men. This also included the men lost on the plane and those in North Korea at the present time. How many Americans have been killed by the North Koreans altho there isn't much said about it?

How many men have died and how many times has the military been blamed for political mistakes?

I have an article, very small, which says, "Russia assures Washington that although it will build a base for its missile firing nuclear submarines no missiles will be stored on Cuban soil. None will be in Cuban hands." How much is truly known about what Cuba does have? What will the Americans have to pay for the advice given President Kennedy?

And for those who only think of money, remember the cost of the Bay of Pigs?

I can't remember how many times I've heard men in our government talk about the cost of the Vietnam war—money-wise—and never mention the loss of our sons, the injured, the prisoners of war, or the ones lucky enough to live through the hell.

Because money came first with them, I will ask them to do this—think about how much your children mean to you, money-wise, now multiply it by 40,000.

I've heard the remarks made that some volunteers had done so for the extra money. This will, no doubt, come as a surprise. To get home from Korea before going to Vietnam, our son had to pay his own way. I have the papers, the cost was \$627.00. This he was paying off at so much a month. His duffel bag was lost on the way to Vietnam; he was never paid for it. We sent him the things he asked for. He also asked me to send him a gun cleaning outfit, which I did. I wrote the airline, after our son's death, to see if his duffel bag had been found. I wanted his things back in his room. I was informed it had not been found.

Why do we hear the phrase "American barbarism." Yet silence prevails at the barbarism of the enemy. Perhaps these bleeding hearts do not feel that what happens to our sons could be called barbarism. Yet you see and read about them upholding everything in the book, here at home.

We hear so much about "moral obligation," but where is it where our fighting men are concerned? Could it be that they expect our sons to salute them and say, "Oh, wonderful ones, we who are about to die, salute you."

How many of them have had or have at the present time sons fighting in Vietnam?

I heard the Vietnam war called "poor man's war." Our three sons and son-in-law were volunteers for the military service, but who can ignore the unfairness of the draft. When our government asks young men to put their lives on the line it has no right to play God and say you fight and die because of their financial situation. The draft should include all. Now we hear that we should have all volunteers. Would the situation be the same? By this I mean, those that can't get jobs, etc? Wouldn't it still be more of the same—the haves and the have nots?

We heard the words, "I'm sorry" by one in regard to the Gulf of Tonkin agreement. I think it is a condition rather than an expression of regret.

How many laws are passed by our government which they do not consider includes "me" and "mine?" Or has it become the "used" and the "users?" I saw my husband go through hell before, at the time our son was in Vietnam and our youngest in Italy and after our son's death, and only God knows how many Americans found themselves in the same position. I wrote to Washington in 1965 and 1966. Our son died without knowing the truth. Our state could not be blamed.

How many known Communists are there in our Country? Isn't it true they can even work in our defense plants? Yet our sons died thousands of miles from home fighting them.

I think hundreds of our sons would be alive today if military decisions had not been ignored. The "arm chair generals" made the decisions. Yet some of the loudest critics were in on the "ground floor." Perhaps they thought that because they had not declared it a "war" they could change their minds. But wasn't it too late? Let them tell the dead and injured, not only of Vietnam but also of Korea, that it wasn't a war. I have heard that they do not receive full benefits because it wasn't a "declared" war. Is this true?

But how quick they are to criticize President Johnson, President Nixon, the military or any one else that doesn't agree with them. Or isn't it just to make themselves look good in the public eye and to "cover up" their poor decisions?

These great humanitarians at home with the blood of our sons on their hands. Why should the Reds talk about peace? It gives you plenty to think about, your son fighting thousands of miles from home and the enemy being given encouragement by his own countrymen. What about our sons' rights? How can those in our government censor a member over money and not ask questions about the aid and comfort given North Vietnam?

My last two questions are: When is murder a murder? Will all the little boys, growing up now, be in uniform?

Sincerely,

S/Mrs. F. J. SHERROD.

[From the Washington Report, Oct. 21, 1969]

#### MOBILIZATION FOR SURRENDER

As protests against the war in Vietnam rise across the country, Americans should become aware of the origins of these protests.

During the late Spring of 1969, a group of approximately 30 radical leaders of anti-war organizations issued a Call to a National Anti-War Conference to be held in Cleveland, Ohio, July 4-5, 1969. The Call was initiated for the most part by individuals associated with the National Mobilization Committee to End the War in Vietnam (MOBE), an organization which has functioned as a coalition for numerous anti-war groups operating throughout the country. Included among these persons who endorsed the Conference Call were such MOBE leaders as David Dellinger, Robert Greenblatt, Donald Kallish, Sidney Lens, Sidney Peck and Maxwell Primack.

Functioning as the lineal descendant of A. J. Muste's November 8 Mobilization Committee for Peace in Vietnam, MOBE has a three-year history involving violence and civil disobedience. MOBE sponsored the October 21-22, 1967 demonstrations in Washington, D.C., during which time repeated attempts were made to close down the Pentagon. It also jointly planned and executed the disruption of the 1968 Democratic Party National Convention held in Chicago, and sponsored the demonstrations in the Nation's Capital on January 18-20, 1969 in protest over the inauguration of President Nixon.

In a determined effort to revive and strengthen agitational protest activities against U.S. military involvement in Vietnam, MOBE-oriented initiators of the Cleveland Conference believed that a more extensive formation of MOBE was required in order to establish an effective anti-war program. According to the published Call, the purpose of the Conference was to "broaden and unify the anti-war forces in this country and to plan co-ordinated national anti-war actions for the fall." The Conference was hosted by a MOBE-affiliated organization called the Cleveland Area Peace Action Council (CAPAC), a coordinating body of several dozen anti-war groups in Cleveland, in cooperation with the University Circle Teach-In Committee at Case Western Reserve University. The meetings were held during the entire two-day period at the University's Strosacker Auditorium. Publicity for the Conference was arranged by several organizations including the Student Mobilization Committee to End the War in Vietnam, a group dominated by the Trotskyist Socialist Workers Party.

The Conference was attended by approximately 900 persons, many of whom were delegates from anti-war groups comprising individuals identified in sworn testimony as Communists, well-known Communist sympathizers and radical pacifists in their leadership. Among the more notorious organizations represented at the Conference, in addition to MOBE and CAPAC, were the Communist Party, U.S.A., W.E.B. DuBois Clubs of America, National Lawyers Guild, Chicago Peace Council, Southern California Peace Action Council, Veterans for Peace in Vietnam, Socialist Workers Party, Young Socialist Alliance, Student Mobilization Committee to End the war in Vietnam, Youth Against War and Fascism, Fifth Avenue Vietnam Peace Parade Committee, Women's Strike for Peace, and the Students for a Democratic Society. There were also in attendance persons representing so-called "GI underground newspapers" which are devoted to disseminating anti-war propaganda and to discrediting the U.S. Armed Forces.

A Steering Committee of about 20 to 30 members formed the ruling clique at the Conference. In effect, the Steering Committee was a self-appointed group composed mostly of Communists and radical pacifists with pro-Communist leanings who have participated in MOBE action projects in varying degrees. Members of the Steering Committee with Communist backgrounds included the following: Arnold Johnson, Public Relations Director and legislative representative of the Communist Party, U.S.A. (CPUSA); Irving Sarnoff, who has served as a member of the District Council, Southern California CPUSA; Sidney M. Peck, a former State Committeeman, Wisconsin CPUSA; Dorothy Hayes of the Chicago Branch, Women's International League for Peace and Freedom, who has been identified in sworn testimony in 1965 as a Communist Party member; Sidney Lens (Sidney Okun), leader of the now defunct Revolutionary Workers League; and Fred Halstead, 1968 presidential candidate of the Socialist Workers Party. Moreover, Steering Committee member David Dellinger, MOBE Chairman, declared in a May 1963 speech: "I

am a communist, but I am not the Soviet-type communist."

The first day of activity was mainly devoted to speeches by MOBE officials and representatives of various groups. Among those who participated in the deliberations on July 4, 1969, were Jerry Gordon, Chairman, Cleveland Area Peace Action Council; Sidney Peck, MOBE Co-Chairman; Irving Sarnoff, Dellinger, LeRoy Wolins, leader of the Chicago branch, Veterans for Peace in Vietnam; Stewart Meacham, Peace Secretary, American Friends Service Committee; Mark W. Rudd, National Secretary, Students for a Democratic Society (SDS); Bill Ayers, SDS Education Secretary; Arnold Johnson, of the CPUSA; Jack Spiegel, once a Communist Party candidate for Congress in Illinois; David Hawk, Co-Coordinator, Vietnam Moratorium Committee; Douglas Dowd, New University Conference; and several persons representing Trotskyist organizations. In addition to Peck, Sarnoff and Johnson, Wolins and Spiegel have been identified as members of the Communist Party.

There were a number of other individuals attending the Conference, in addition to those previously identified, who have been closely linked with activities of the Communist Party, U.S.A. or its front apparatuses. Some of these persons were Phil Bart, newly appointed Chairman, Ohio CPUSA; Jay Schaffner, W.E.B. DuBois Clubs of America; Charles Wilson of Chicago; Ishmael Flory, Afro-American Heritage Association; Gene Tournour, National Secretary, W.E.B. DuBois Clubs of America; and Sylvia Kushner, leader of the Chicago Peace Council.

The Conference was well represented by a number of functionaries of the Socialist Workers Party (SWP) and its youth arm, Young Socialist Alliance (YSA). It is noteworthy that the Conference itself was marked by periods of dissension. At the outset of the Conference, it became apparent that the majority of those in attendance were affiliated with numerous anti-war groups operating under the domination of the Trotskyist SWP or YSA.

There were two principal issues at the Conference which were vigorously debated with respect to the nature of Fall anti-war demonstrations. First, the SWP essentially held that a Fall anti-war action should comprise only a massive, legal as well as peaceful march on Washington, with the sole demand of immediate withdrawal of the U.S. Armed Forces from Vietnam. This proposal brought about a split in the Steering Committee; however, it was defeated. David Dellinger and Douglas Dowd presented the majority proposal which called for the Steering Committee's support of a "Washington action" project together with the endorsement of the scheduled "Chicago action" originally planned by SDS for September 27, 1969. Interestingly, the SDS project extended the "Washington action" demand beyond troop withdrawals and advocated civil disobedience as a necessary part of the demonstrations.

Secondly, the other main source of disagreement which occurred at the Conference involved a proposal by SDS National Secretary Mark Rudd to plan the Fall anti-war actions to center around the Marxist-Leninist theme of an "anti-imperialist struggle." The SDS proposal was disapproved by the majority of the delegates who took the position that the Fall demonstrations should concern only the issue of the Vietnam War.

During part of the second and final day of the Conference, the delegates and observers attended workshop sessions which were devoted to the following topics in connection with proposed demonstration tactics: "November Washington Action," "September Chicago Action," "September Washington Action," "August 17 Summer White House Action," "October 15th Vietnam Mo-

ratorium," "GI's and Vets," and "Third World."

The plenary session reconvened during the afternoon of July 5, 1969 at which time the Steering Committee introduced a "majority-minority" resolution for approval. The Communist-oriented Guardian of July 12, 1969 stated that the resolution was "vague" and gave "support" to "all factions and covered up all political differences. The resolution said next to nothing about the Chicago demonstration except that negotiations would be held. The unity resolution was accepted with little discussion." The Conference resolution agreed to endorse or assist in organizing a series of anti-Vietnam war action projects commencing during the month of August and terminating with the November 15, 1969 demonstration in Washington, D.C.

The Conference resolution specifically adopted the following actions:

(1) Support a mass march on President Nixon's Summer White House at San Clemente, California on August 17, 1969.

(2) Endorse an enlarged "reading of the war dead" demonstration in Washington, D.C. in early September 1969.

(3) Support plans of the Vietnam Moratorium Committee for a "moratorium on campuses" on October 15, 1969.

(4) Support the September 27, 1969 demonstration in Chicago sponsored by SDS in opposition to the Vietnam War and to protest the trial of "The Conspiracy" scheduled to commence on that day.

(5) Support a "broad mass legal" demonstration around the White House in Washington, D.C. on November 15, 1969 which will include a march and rally in other areas of the city. An associated demonstration will be planned for the same date on the West Coast.

The Conference agreed to form a bicameral organization to effectively launch the Chicago and Washington actions. Two Co-Chairmen and two project directors were designated to be responsible for the Chicago demonstration slated for September 27, 1969. They were: Sidney Lens and Douglas Dowd, Co-Chairmen; and Renard (Rennie) C. Davis and Sylvia Kushner, Project Directors. With respect to the Washington action scheduled for November 15, 1969, the Conference selected Sidney Peck and Stewart Meacham to administer that project; Fay Knopp and Abe Bloom were to be Project Directors. In an effort to develop both the Chicago and Washington actions in a related manner, David Dellinger was selected by the Cleveland Conference to be a liaison coordinator between both proposed demonstrations.

The Conference claimed that it selected a "new, broadly-based" National Steering Committee of approximately 30 individuals to "implement the program of action." Prior to adjourning, the Steering Committee adopted a new name for the organization which was to be responsible for planning and directing the Fall demonstrations. It was designated the New Mobilization Committee to End the War in Vietnam. However, in actuality, the MOBE-oriented Steering Committee composed of key MOBE officials, simply decided to drop the name National Mobilization Committee and substitute a new but similar title. Therefore, the New MOBE succeeded the "old" National MOBE with the leadership of the latter remaining virtually intact. The New MOBE has characterized itself as a "new anti-war coalition" which will "carry forward the work of the old National Mobilization Committee" to "affect the inclusion of a wider social base among GI's, high school students, labor, clergy and third world communities." It simply added overt support from the Communist Party and Socialist Workers Party to create a "united front" approach.

Since the staging of the National Anti-War Conference in Cleveland in July 1969, New

MOBE has increased the size of its Steering Committee. It has also instituted a number of organizational changes in planning for the Fall demonstrations. One such change brought about the withdrawal of New MOBE support for the SDS-sponsored Chicago action which was re-scheduled from September 27 to October 11, 1969. New MOBE re-scheduled its Chicago action to October 25, 1969. The reason for this change was the fact that New MOBE leadership felt apprehension over the SDS project which they deemed foolhardy and destined for a collision course with the Chicago Police Department. In effect, New MOBE viewed that its participation in such an "adventurous" project of outright confrontation would be detrimental to both New MOBE and the entire anti-war movement at this time.

An evaluation of the Conference by the Socialist Workers Party provided a revealing insight into the effectiveness of the Conference from a Communist viewpoint. The SWP declared: "The attendance at the conference, the serious political debate, the program mapped out and the spirited note on which the sessions ended offer every promise that the anti-war movement is on the road to one of the biggest things this country has ever seen."

The distinguished Senators and Congressmen, TV commentators, newsmen, columnists, professors and others who have described the Vietnam Moratorium as "responsible dissent" have, in fact, lent Moratorium whatever "responsibility" it has. In most cases, they have acted from the laudable desire for peace but without first checking the facts. They have failed to ask the key question, "What kind of peace?"

North Vietnam's Prime Minister, Pham Van Dong, has no illusions. He knew precisely what he was saying when he addressed his letter in support of the Moratorium to his "Dear American Friends."

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

Mr. DUNCAN. I am glad to yield to the gentleman.

Mr. WOLFF. Mr. Speaker, I want to thank the gentleman for his statement here tonight. At least it gives us some balance in our discussions, and that basically is the reason why I originally started the program of continuing debate on Vietnam for an hour each evening.

There are one or two points I would like to make, and I wonder if the gentleman would engage with me in a colloquy.

Mr. DUNCAN. I will be very glad to try to.

Mr. WOLFF. The gentleman said something about the fact that this war could have been over 2 or 3 years ago if there had not been demonstrations. In other words, to let the North Vietnamese feel that as long as they held out they would be able to achieve their ultimate goal or aim of taking over Vietnam.

How do you account for the Tet offensive? The Tet offensive took place last year. The North Vietnamese, and the VC were able to mount a very substantial offensive at that time showing great strength. However, even in view of whatever military action is mounted, our President has indicated that we do not seek any longer a military victory in Vietnam.

I did not march on the streets in the mobilization. But I do feel it is incumbent upon us as Members of the Congress to see to it that people who do want to speak do get the opportunity of speak-

ing, and that people who feel differently than some of us may feel do have the opportunity of stating their different points of view.

I would say that I certainly do not want to write off the boys who have died in this war, not one single young American. I do not want to write off the \$100 billion that we have spent. But would the gentleman in the well tell us how many more lives we have to spend and how many more dollars we have to spend? We have been there for 4 years since our major involvement began. If the Vietnamese have not been able to take over this war up to now, when will they do it?

Mr. DUNCAN. The gentleman has asked several questions. As the gentleman knows, the Tet offensive of last year was not a successful offensive. As long as 18 months ago, or perhaps a little longer than that, I think you know that the railroads were down, their mines were operating at 50 percent, their airports and everything else, until we pulled off the bombing.

The gentleman has asked how many more men can we spare? I do not say that we can spare a single man. But I do say that as long as we have one man in Vietnam who has been sent there by his Government, largely against his own wishes, then I say that we owe him every measure of protection that this country can give him, and that includes not aiding the enemy by causing disension in this country.

Mr. WOLFF. I agree with the gentleman that we ought to give these men protection. I do want to protect every one of those kids who are over there.

By the same token, with the policy that we have now embarked upon of withdrawing all our combat forces leaving some 200,000 support troops, how do you feel about the idea of keeping those 200,000 support troops in Vietnam, with their only protection that which the ARVN would provide?

Mr. DUNCAN. I do not know how many men we shall leave in there and whether there will be support troops, none at all, 200,000 or 100,000. I would anticipate that the great number of those would be largely volunteer soldiers.

I believe that President Nixon's plan is the only one that will work. That is exactly what the gentleman has recommended and my other colleagues—the de-Americanization of the war. Some of you have asked for a timetable, a definite date. I think it would be very foolish to provide such a timetable.

Mr. WOLFF. One element all of us are looking for is some delineation of a plan. Unfortunately, we are asked to support in blind faith. This is one of the great problems. I believe the American people would support a plan if it were offered. But, unfortunately, no plan has been offered except vague generalities.

Mr. DUNCAN. I do not think it takes a great deal of intelligence to know that President Nixon's plan is certainly different from that of President Johnson's.

Mr. WOLFF. How is it different?

Mr. DUNCAN. The men have started coming back home.

Mr. WOLFF. They had started coming

back home when President Johnson was in office.

Mr. DUNCAN. They have a crash program on for the training of South Vietnamese now that we did not have under President Johnson.

Mr. WOLFF. We have unsuccessfully tried to train the South Vietnam for 4 years. I have been there six times in that period.

Mr. DUNCAN. It was not the same type of training. I have been there, also.

Mr. WOLFF. Do you believe that we can depend on the South Vietnamese in the present circumstances?

Mr. DUNCAN. We did not train them because Secretary McNamara kept thinking we would be out of the war soon. If you can train an American lad in 6 months to go over to defend the homeland of another, I say that we can train them, and we are doing so now.

Mr. WOLFF. On the basis of reports I have had from Vietnam and from what I have seen in the field, those who were supposed to provide security for our forces were found to be some place else other than in the position in which they were supposed to be.

As for the training of the South Vietnamese, I do think that basically what we are looking for, what all of us are looking for, is peace and not perpetuation of the war. We do not need a Vietnamization of the war; we need an Americanization of the peace.

Mr. DUNCAN. I thank the gentleman for his participation.

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

Mr. DUNCAN. I yield to the gentleman from Montana.

Mr. OLSEN. I wish to compliment the gentleman from Tennessee on his statement. There is great agreement between himself and myself. We certainly must protect the people that we have committed to Vietnam or any other place. I join wholeheartedly and I wish to assure him that, for my part, I feel that we should support the people's President because he is the people's President in his policies. The other thing that I have in mind is that he is entitled to my advice when I do not agree with him.

He is entitled to my advice when I want to spur him on.

Mr. DUNCAN. Absolutely.

Mr. OLSEN. That is my position. I do not think he should have to reveal his particular plan for how he will and when he will bring the troops of America home. I only want to urge him to do it as soon as it is practicable and safe for those men. I think that he has to do it rather unilaterally with respect to the South Vietnamese. He has to tell them they are going to take this thing over. We have done more for them than any nation has ever done for any other nation in the history of the world. So we are not very far apart.

Mr. DUNCAN. No, sir.

Mr. OLSEN. And I appreciate the gentleman taking the time today. I hope we will be able to keep this dialog going, as the gentleman from New York (Mr. WOLFF) says. This is a very healthy thing for America. Within the bounds of supporting our great Republic, I think we should take time on this floor to dis-

cuss the policies and give sound advice as well as support to the people's President.

Mr. Speaker, I thank the gentleman for yielding.

Mr. DUNCAN. Mr. Speaker, I thank the gentleman from Montana for his participation.

#### U.S. SANCTIONS AGAINST RHODESIA

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

Mr. FULTON of Pennsylvania. Mr. Speaker, U.S. sanctions against Rhodesia were imposed by Executive order without action or approval by the Congress, with penalties of fines up to \$10,000 and prison terms up to 10 years, blocking even U.S. importation of chrome mined and refined by U.S. citizens and U.S. corporations in Rhodesia.

Mr. Speaker, during the amendment stage of the U.S. foreign aid bill, I give notice of an amendment to H.R. 11792 to be offered by the gentleman from Pennsylvania (Mr. FULTON) as follows:

Page 60, line 21, insert "(a)" after "SEC. 5."  
Page 60, after line 25, insert the following:  
"(b) Section 647 of such chapter 3 is amended to read as follows:

"SEC. 647. DEPENDABLE FUEL AND RAW MATERIAL SUPPLY.—It is of paramount importance that long-range economic plans that cognizance of the need for a dependable supply of fuels and raw materials which is necessary to orderly and stable development and growth, and that dependence not be placed upon sources which are inherently hostile to free countries and the ultimate well-being of economically underdeveloped countries and which might exploit such dependence for ultimate political domination. The agencies of government in the United States are directed to work with other countries in developing plans for basing development programs on the use of the large and stable supply of relatively low cost fuels and raw materials available in the free world. In furthering this policy, after the date of enactment of this Act, no prohibition may be imposed or continued against any nation in the supplying of fuels and raw materials, without the express approval of Congress."

Mr. Speaker, I read now into the RECORD the excellent statement of Dean Acheson against U.S. economic sanctions being imposed on free world countries, which was delivered before the Subcommittee on Africa, Committee on Foreign Affairs, House of Representatives, November 19, 1969:

#### STATEMENT OF DEAN ACHESON

The question whether Britain should, and on what terms might, grant independence to Rhodesia misses the essential operational reality. Britain had no power, and has no power, to grant or withhold Rhodesian independence. Rhodesia's independence of Britain is an established fact.

The dispute between Rhodesia and Britain focused on procedure for amending certain items in the Rhodesian constitution. The British official mind became befuddled by the concept of Parliament's supremacy. That idea has operational reality for the United Kingdom itself, where the instruments of administration are subject to Parliament's control. In view of Parliament's lack of leverage concerning the civil service, the courts, the police, the armed forces, the budget, revenue, commerce, or what not

in Rhodesia, the idea of parliamentary supremacy projected to that land was an empty abstraction.

Rhodesia moved in 1965 to bring technicalities into line with operational realities by assuming full custody of its own constitution. It employed a power manifestly at its disposal, irrespective of the London government's acquiescence or objection. The action did not create the fact. It only registered the fact.

The British government invoked a parliamentary enactment which purportedly conveyed to it plenary powers to deal with the situation. It issued an Order-in-Council. That document purportedly abolished the governing structure in Rhodesia, assigned absolute control to the government in London, reduced Rhodesia to the status of a Crown Colony (which it has never been), and made the British-appointed figurehead governor in Salisbury a surrogate overlord of the land.

The provisions were fictitious. A more bizarre instance of fantasy decked out in trappings of law can scarcely be imagined.

To determine the pattern of rulership in another country requires conquering it. The British had neither appetite nor capabilities for doing anything of the sort. Nothing was farther from Prime Minister Harold Wilson's resourceful imagination than the intention to invade, to subjugate, to pacify, and to run Rhodesia.

International sanctions were what the British counted on to bail their policy out of bankruptcy. Wholesale commercial restrictions were to be a substitute for the war which the British lacked heart and means to fight.

We live in curious times. The British found the United Nations Security Council in a mood to be gulled. Chorusing anti-colonial cliches, assorted governments vowed to help Britain reduce a self-governing territory to Crown Colony status. British misrepresentations of the background and British misinformation about the prospects were accepted without question. When it came to a matter of declaring Rhodesia to constitute a threat to the peace, so as to rationalize application of mandatory sanctions under Article 41 of the Charter, the step was taken without the adducing of a scintilla of corroboratory evidence.

The actions which have been taken are, of course, in derogation of the Charter itself. The powers authorized by Chapter VII have been invoked not for the proper purpose of preserving peace but for doing something expressly forbidden by paragraph 7 of Article 2 of the Charter, which states that the United Nations is to keep hands off matters essentially within the domestic jurisdiction of states.

The idea of using commercial restrictions as a substitute for war in getting control over somebody else's country is a persistent and mischievous superstition in the conduct of international affairs. As in other instances, it has proved delusory in the Rhodesian case.

The results, all contraproductive, have been to encourage the British in impeding a settlement with Rhodesia by insisting on untenable conditions, to solidify the Rhodesian electorate's support of the regime, to push Rhodesia sharply rightward in political outlook, to slow up economic progress for the Rhodesian blacks, and to make the United States imprudently dependent on the Soviet Union for chromite.

In view of the manifest failure of economic sanctions, the question for this government now concerns next steps.

One theoretic possibility is a resort to direct hostilities under Article 42 of the Charter, as urged by some black African governments.

That course seems to me to be absolutely out of the question. Britain has no will or means for such a venture. I cannot imagine this government's letting itself get involved

in hostilities certain to encompass all of Southern Africa—a multifarious remote, difficult area equal to a dozen Californians in size. To blunder into war in Southern Africa would have a divisive effect on our society measurelessly greater than Viet Nam has had.

An alternate idea is to extend sanctions to all Southern Africa. That is a scheme for redeeming folly by compounding it. Even if our government were to take leave of its senses and go along in such an undertaking, the British, I am sure, could be counted on to veto it. They are not about to cut off their lucrative trade with South Africa. In this respect at least, they have not lost perspective about means and ends.

What else? A few souls, reflecting little familiarity and no competence regarding what they are talking about, have urged invocation of Section 5(b) of the Trading-with-the-Enemy Act, as amended, or some other and hypothetical Act of Congress, with undefined provisions, as a measure for what they paradoxically call disengagement from Southern Africa. The only sure calculable result would be to provide a golden opportunity for capital from other countries, including especially South Africa, to take over extensive American corporate properties, operations, and markets at distress prices.

I do not see any way, just as I do not see any reason, for pressing further into the bog to which British folly, abetted by our own providence, has brought us.

I have seen three sorts of arguments on behalf of continuing sanctions. None of them strikes me as having even a shadow of validity.

The first such argument rests on a concept germane to public relations rather than to foreign policy soundly considered. Its gist is that persistence will garner moral credits for us among black African governments.

I reject any argument for persisting in folly in hope of applause. In this instance I think the argument is downright patronizing. It rests on a premise that other governments can be fobbed off with tokenism. Some of the black African governments have discerned the sterility of sanctions all along and insisted that war would be necessary if the purpose of redesigning the government in Rhodesia were to be realized. If we are not willing to go down that avenue—and I am devoutly hopeful and substantially sure that we are not—then the dignified course is to tell the black African governments concerned that they saw the matter correctly at the outset; that for manifest good reasons we are not of a will to take the steps necessary to the purpose; that the folly of economic hostilities under a guise of preserving peace has proved folly enough; that we are not in a mood to go as far as the ultimate foolishness of making war in the name of avoiding it; that, in reason, we must abandon a purpose that is beyond our jurisdiction anyway.

The second sort of argument for persisting in sanctions is a hope that somehow, in some unascertainable future through developments not now foreseeable, sanctions may produce deterioration of conditions to a point where Rhodesia's blacks will be incited to rise up against the regime and thus ignite war in Southern Africa. In hope of inducing the tragedy of war, this argument would have us cling to a policy originated ostensibly for the purpose of avoiding war. A more corrupted logic is hard to imagine.

The third argument for going on and on with sanctions is one uttered by a British government spokesman at a meeting of the United Nations Trusteeship Committee two weeks ago. While sanctions have proved ineffective for the purpose of forcing the Rhodesian government to submit to being redesigned by others, they have had, according to his version, very important side effects in other directions in that they have denied

Rhodesia the degree of economic development and outside capital investment necessary to the territory's economy if it is not to stagnate. So long as sanctions are maintained, Rhodesia's economy will never attain buoyancy. Thus he argued.

The prediction is at variance with observable trends. As its worst aspect, however, the argument is based not on principle but on malice. Sanctions, ostensibly designed for preserving peace, become a method of waging a mean war on prosperity. Impoverishment becomes a goal for international collaboration. The ethic of vengeance takes charge. One feels a touch of pity for the abjectness to which an old ally's policy has come. If we cannot dissuade the British from so shabby a goal, at least we should not feel impelled to accompany them further.

The question is how to get out of sanctions. We can and should do so by unilateral action if necessary, as well it may be.

One trouble is that the Charter does not take into account the eventuality of sanctions' coming a cropper. Neither does the United Nations Participation Act. Back at the time of their origin, almost a quarter century ago, it simply was not foreseen that Chapter VII would ever be invoked with such disregard for principles and practicality as we see in the Rhodesian instance.

It would be unwise and unnecessary to hold that the United States can extricate itself from sanctions only by the procedure by which it entered—to wit, by a vote of the Security Council susceptible of veto by any one of the Permanent Members. (I can scarcely imagine that the Soviet Union would fall to veto an action designed to free us from the predicament which we are in with respect to the availability and pricing of chromite ore.) My own belief is that the residual power remains with the United States, and rests specifically with the President, to determine whether and when an action under Chapter VII has failed and thereupon to declare an end to our obligation to continue the action.

I understand that the continued presence of the U.S. consular establishment in Salisbury is a matter of concern to the Subcommittee in view of the prospective proclamation of a Rhodesian republic. The allegation is that failure to close the consulate might be construed as a weakening of resolve to maintain sanctions and even as a prefigurement of eventual diplomatic recognition.

I do not see either of these results as a necessary corollary of keeping open the consulate. If the conclusion were otherwise, however, I would ask: So what?

It is high time to get the folly of sanctions over and done with.

As for the question of eventual recognition, I am content to leave the matter where the Constitution puts it—in the President's discretion, subject to coordination with the Senate serving as a sort of council of state.

On September 25, 1969, the Senate acted on Senate Resolution 205, introduced by Senators Cranston and Alken. Its gist is: "That it is the sense of the Senate that when the United States recognizes a foreign government and exchanges diplomatic representatives with it, this does not imply that the United States necessarily approves of the form, ideology, or policy of that government." The yeas were 77. The nays were 3. I call that an impressive majority.

At the Senate Foreign Relations Committee's hearing on June 17, 1969, on Senate Resolution 205, Mr. George H. Aldrich, Acting Legal Adviser of the Department of State, appearing in support of the resolution, said, "The proposed resolution reflects the established position of the United States that recognition of a foreign government does not imply approval of that government's domestic policies or the means by which it came to power."

Good! The Executive also goes along in what I regard as a sound approach.

The proper source of advice is the Senate, and it has spoken. The Executive branch appears to concur. Without venturing a specific prediction, I think I see signs of the end of an error.

#### BLOUNT'S FOLLY

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

Mr. OLSEN. Mr. Speaker, I was shocked to read the folly of the statement of our Postmaster General in a recent speech he made before the Universal Postal Union, in the audience of which were representatives of most of the nations of the world.

An account of this statement appeared in the Washington Post on Sunday, November 16, and many other leading papers throughout the country. The first two paragraphs read as follows:

Japanese letter sorters can work almost as fast as U.S. machines because unlike Americans, "the Japanese haven't forgotten how to work." Postmaster General Winton M. Blount recently told a news conference here.

The head of the U.S. postal system said he had not been through the Japanese post office yet but had learned that a manual sorter here can handle 3,000 letters an hour. "The machines we have are designed to do only 3,600 letters an hour," he said.

It is apparent to me, and I am sure it will be to many of my colleagues, that a man who has such a low opinion of American labor is hardly qualified to be the Postmaster General of this great Nation. After all the derogatory statements of the efficiency of postal workers on the part of postal officials, I am surprised there is any loyalty to the postal service on the part of the 360,000 postal clerks of our system.

Mr. Speaker, I would first like to point out that this is a qualitative thing. The Postmaster General neglected to mention the fact that in manual sorting the reach of most workers—and I do not imagine the arms of the Japanese workers are longer than those of the American postal clerks—prevents sortation beyond a case containing 49 bins. In some sortations, the number of bins in a case reach to 77.

But the machines of which the Postmaster General speaks attain an in-depth sortation of 277 holes. This means, Mr. Speaker, that once a sortation is made by a machine it eliminates the necessity for secondary, tertiary—and in many cases even the need for a fourth sortation.

I would further like to point out that it has been empirically proven in postal work that it is nigh impossible for the letter sorter's mind to remember more than a 190-bin capacity. Again I point up the importance of the machine's capacity of 277 holes.

Mr. Speaker, it is all the more apparent to me that such pronouncements by the Postmaster General can only weaken his proposition for a postal corporation. Obviously, he intends to remove the civil service status protection of the postal workers.

If the Postmaster General has his corporation, if "politics" are removed from the Department, and if the dedicated

postal workers lose civil service status, what would postal reform amount to?

Would it be a return to the sweatshop era? Would it be a return to an era where management held all the trump cards and the workers had to meet an almost impossible piece rate schedule in order to earn a meager living?

Mr. Speaker, I for one do not think the American labor force has forgotten how to work. I do believe American workmen have learned that there is a certain dignity of humankind and that these workers never again intend that our economy return to the day of slavery or the indentured servant—to a day when men dropped from exhaustion at their work.

Unfortunately, it has always been in the history of the Post Office that the administration has discouraged better wages, comparability, if you will, with the rest of the American work force. It has always been in the history of the Post Office that the letter carriers and clerks were denied wage increases comparable to those gained by private industry for similar work. And since the inception of the cost-of-living index the letter carriers and clerks have always lagged behind 18 months or 2 years in attaining wage increases that would make their wages comparable to those on similar jobs in private industry.

I submit that if these carriers and clerks had not been able to appeal to their elected representatives in Congress, they would have fallen even farther behind the cost-of-living index.

Mr. Speaker, the Postmaster General's statement in Tokyo leads me to once again plead with my colleagues to give their attention to the current pay raise bill, H.R. 13000, which has been passed by this body and sent to our colleagues in the Senate.

I am most especially concerned about that portion of the bill which would give the postal workers a 5.4-percent increase. This would increase their wages to the point where they would catch up to the cost-of-living index as of May 31 of this almost past year. And, nearly 6 months have already elapsed since that date. Soon the postal workers will be 2 years behind the BLS's figures on the cost-of-living index.

Actually, I get the feeling the present management of the Post Office is, through deliberate mismanagement, attempting to prove its case for the need of the Postal Corporation.

Unfortunately, the justification for the corporation concept seems to be based on derogatory attacks and smears on the ability and record of our dedicated postal workers. I frankly would shudder, Mr. Speaker, if our 750,000 postal workers suddenly did "forget how to work." I fear our cities would soon be so stacked with mountains of letters and parcels that all the bulldozers, cats, power shovels, and earth movers of the Blount Construction Co. would be required just to clear the streets for daily traffic.

Mr. Speaker, I submit that Mr. Blount better say a prayer tonight that 750,000 postal workers do not "forget how to work."

In conclusion, Mr. Speaker, in talking with my good friend, Patrick Nilan, the

legislative director of the United Federation of Postal Clerks, he had this to say regarding Mr. Blount's speech at the Universal Postal Union:

The Postmaster is apparently in his last ditch effort to resurrect his ill-advised and ill-conceived corporation plan, which Congress to date has refused to buy. Now in desperation he has seen fit to attack and degrade the American postal clerk without personally verifying on-the-spot distribution of mail by a Japanese postal clerk.

If the Postmaster General will testify under oath that he personally watched a Japanese postal clerk achieve this work record of 3,000 an hour over an eight-hour day, we will accept his word for it. Otherwise, we will have to conclude that someone pulled the "honorable wool" over his eyes.

#### THE 476TH ANNIVERSARY OF DISCOVERY OF PUERTO RICO

The SPEAKER pro tempore. Under a previous order of the House, the Chair recognizes the gentleman from New York (Mr. FARBSTEIN) for 60 minutes.

Mr. FARBSTEIN. Mr. Speaker, recognizing that today, November 19, the date of the discovery of the island of Puerto Rico, and desiring that the students of Puerto Rican descent presently attending the public schools in the 19th Congressional District of New York, which I have the honor to represent, celebrate that fact with proper ceremonies, I have sent the following greeting to the principals of each of the schools in my district. I have suggested that assemblies be held to commemorate this date.

The greeting follows:

Four hundred and sixty six years ago today (November 19, 1493), a year after his first great voyage to the New World, Christopher Columbus discovered the island of Puerto Rico. Just fifteen years later, the first Spanish settlement was established on the island, under the leadership of the discoverer of Florida, Ponce de Leon. So from the very beginning, the story of Puerto Rico has been closely associated with both Europe and mainland America, prophetic of her special relationship in later history to both the United States and the Hispanic culture of Latin America.

It is my privilege and pleasure, sharing in the celebration of this occasion, to extend warmest greetings and good wishes to my fellow citizens of Puerto Rican birth or descent. America is a nation of many national, ethnic, and religious communities, each rightly proud of its own distinctive contribution to the life of our country. A major element in this rich tapestry of peoples is our great Spanish-speaking community, and especially those who come to our shores from Puerto Rico in increasing numbers, strengthening our common National heritage of unity in diversity. The people of Puerto Rico have brought to this land distinctive gifts of song, of dance, of grace, and of beauty, part of that larger culture shared by our Latin American friends and neighbors.

It has been well said that our schools are the hope of democracy for it is there that the values and ideals of our society are transmitted, deepened, and refined by experience and knowledge alike. The challenging tasks of the future rest with you, the students and teachers of America—the building of a just and lasting peace, the overcoming of every form of prejudice and discrimination, the securing of equality of right and of opportunity for all. As we remember the dramatic story of Columbus and his momentous discovery, so may we dedicate ourselves anew to the fulfillment of the American faith in the

freedom and dignity of every man. So may the people of Puerto Rico, proud of their great heritage and hopeful for the future, play their rightful part in the ongoing story of America.

#### WHY THE POTATO BILL GOT MASHED

The SPEAKER pro tempore. Under a previous order of the House, the Chair recognizes the gentleman from Illinois (Mr. FINDLEY) for 5 minutes.

Mr. FINDLEY. Mr. Speaker, my topic is mashed potatoes—more specifically, "The potato bill that got mashed, and why."

Last Wednesday the House of Representatives took up H.R. 2777, entitled the Potato Research and Promotion Act. It was designed to authorize the Secretary of Agriculture, under certain conditions, to establish a National Potato Promotion Board, and to authorize a checkoff of a penny per hundredweight against commercial producers to pay promotion and research costs.

Under the bill as it came to the floor, the U.S. Treasury would pay the annual administrative costs of the program, estimated at \$80,000, plus the referendum cost, estimated at \$325,000. In Washington that kind of money is really just peanuts, not even small potatoes.

It came to the floor under suspicious circumstances. It had the support of the Secretary of Agriculture and the Department he heads. It was reported favorably, 15 to 6, by the House Committee on Agriculture. Potato growers generally seemed well pleased with it.

The only organized opposition came from the Farm Bureau. I received critical letters from the American Farm Bureau Federation and the Illinois Agricultural Association, and I am sure similar letters went to my colleagues.

Attendance on the House floor was lighter than usual. At one point during debate I demanded a quorum call in an effort to get a few extra bodies on the floor to hear what was going on, and hopefully to pick up some support for a couple of amendments I had in mind.

The debate revolved partly around an amendment I offered which would require that the checkoff amounts would be large enough to cover administrative expenses and the cost of a successful referendum, as well as the direct promotion costs of potato advertising. This was in the nature of a substitute for an amendment offered by the gentleman from Pennsylvania (Mr. GOODLING) which dealt only with administrative expense.

My point was that producers should pay all costs arising from the establishment and operation of what was mainly product advertising. I objected to Federal subsidy of this advertising, feeling that those served should foot the whole bill. It was a self-help, self-financing amendment, pure and simple.

My amendment carried, first on a voice vote, then on a 55 to 35 standing vote, and finally on a 58 to 48 teller vote.

While my amendment did not exactly make the bill perfect, by putting the promotion on a self-financing basis, the bill was so significantly improved that I was convinced that with the support that

brought the original proposal to the floor, the amended version would breeze through on the final passage vote.

Then something funny—or perhaps better stated, unfunny—happened on the way to the rollcall.

The potato bill got mashed. Despite the fact that my amendment gained several extra votes for the bill it came out well-whipped potatoes, losing 171 to 198. Why?

At first glance the defeat would seem a major victory for the Farm Bureau. Could it be said that single-handedly the Farm Bureau took on the combined forces of the Department of Agriculture and the House Committee on Agriculture and clobbered a farm bill?

Undoubtedly Farm Bureau opposition had its effect. Farm Bureau has a reputation on Capitol Hill, and is especially influential in conservative circles.

Secretary Hardin and his staff would be well advised to pay more attention to Farm Bureau policy views. I strongly urge just that.

But the message in the mashed potato bill was much broader than a tribute to Farm Bureau political muscle.

I see it as a clear warning that the temper of Congress regarding farm legislation has changed substantially over just a few years ago. It was a warning which everyone sincerely interested in the welfare of American agriculture should recognize. Those who should take notice include the officials of the Department of Agriculture, Members of the House Committee on Agriculture, farm organizations and individual farmers.

Here is the warning I see in the mashed potato bill: The U.S. Congress has a reflex reaction to farm bills which is negative. If in doubt, vote no.

The day is gone when bills will sweep through Congress just because they are labeled, "This helps the farmers."

City people—city Congressmen—are not favorably impressed with farm programs. They have been given so many grandiose promises followed by dismal results over so many years that a lot of them have stopped listening.

Every time a farm bill is presented, its proponents say it will cut Government costs, raise farm income, and protect the consumer. Nevertheless, the budget of the Department of Agriculture keeps climbing. Direct payments to farmers have jumped from a half-billion dollars in 1960 to \$3 billion this year, and \$4 billion estimated for next year.

Cotton farmers now get half their crop income from the Government, wheat farmers one-third, and feed grains farmers one-fourth. With farm population going down and payments to farmers going up, city Congressmen can be forgiven for being disenchanted with farm legislation.

Perhaps more than any other single factor, big payments to individual farmers have given farm bills a bad name. City people read about Senator EASTLAND getting over \$100,000 a year, the Boswell farm over \$4 million, and thousands of farmers getting individual payments totaling over \$5,000 a year. The book listing these payments weighs more than a 5-pound sack of potatoes, is 3 inches thick, and is filled with small print.

If I read their reaction correctly, most Congressmen seem convinced that farm bills generally favor well-to-do farmers and provide little real help for the average family-type operation. They are upset at bills in Congress which pay vast sums for not growing food at a time when there is evidence that poor people right here at home do not get adequate nutrition.

At this late date with the 1970 fiscal year nearly half gone, the Agriculture Department's annual appropriation just today cleared Congress. What held it up until November 19? A House provision setting a \$20,000 limit on Government payments to individual farmers. While it was not finally accepted today, it is clear that next year's farm bill will have to contain such a provision if it is to pass the House.

To sum up, the potato bill got mashed mainly because many individual Members of Congress coming to the House floor to vote instinctively felt that it was just another foolish subsidy bill for farmers, and voted "No."

And from this we should all learn this lesson: American agriculture has a serious public relations problem on its hands. On Capitol Hill, it is on the defensive. Farm bills of the future must be carefully and clearly designed to serve the broad interests of the American people, and shorn of any features which might be interpreted as serving the narrow interests of a handful of well-to-do farmers. Then they must be thoroughly merchandised in advance of floor action.

#### INTIMIDATION OF PRESIDENTIAL APPOINTEES

The SPEAKER pro tempore. Under a previous order of the House, the Chair recognizes the gentleman from Pennsylvania (Mr. WILLIAMS), for 5 minutes.

Mr. WILLIAMS. Mr. Speaker, the House is fortunate, I have discovered, to have a mindreader in its midst.

I refer, of course, to the honorable gentleman from New York, Congressman OTTINGER.

I see by the Washington Post this morning that the Congressman has decided that because FCC Chairman Dean Burch called three networks and asked for transcripts—a most legitimate request, by the way—that he is guilty of "a clear effort at intimidation."

Mr. Speaker, I charge that the attacks by the honorable gentleman from New York and his colleague from California, the honorable LIONEL VAN DEERLIN, are guilty of a clear effort at intimidation.

However, they seek to intimidate the Chairman of the FCC in the performance of his duty.

Mr. Speaker, is it to be that every appointee of the President is going to be harassed by members of the other party in the performance of his duty?

Is it to be that my politically motivated colleagues are going to charge politics of intimidation every time a presidential appointee says or does something?

I would hope not. I would hope that my colleagues from New York and California would begin to put first things first and wait at least until next year to worry about reelection.

GEN. ROBERT E. WOOD: A PROMINENT BUILDER OF THE PANAMA CANAL AND ARCHITECT OF THE WORLD'S GREATEST MERCHANDISING ENTERPRISE

The SPEAKER pro tempore. Under a previous order of the House, the Chair recognizes the gentleman from Pennsylvania (Mr. FLOOD) for 10 minutes.

Mr. FLOOD. Mr. Speaker, the construction of the Panama Canal was one of the greatest works of man. Distinguished graduates of that school of experience, after leaving canal service, rose to high positions of leadership in their fields.

Among such leaders was Gen. Robert E. Wood, who started his notable career as chief quartermaster of the Panama Canal, later entered the mail-order field, and became the foremost merchandiser of the world as the head of Sears, Roebuck & Co. He later said that after his experience at Panama everything else was easy.

His notable achievements include rescue of the Encyclopaedia Britannica and starting it on the road to its position today as a great publishing house.

A staunch patriot, able executive, and shrewd business strategist, General Wood left his mark on every work with which he was associated and proved himself a statesman with the best interests of his country ever in mind.

In order that the story of General Wood's life as told in two obituaries may be recorded in the permanent annals of the Congress, I quote both as parts of my remarks as follows:

[From the Baltimore Sun, Nov. 7, 1969]

ARCHITECT OF SEARS GROWTH, GEN. R. E. WOOD, DIES AT 90

LAKE FOREST, ILL., November 6.—Gen. Robert E. Wood, architect of the modern-day multibillion-dollar Sears, Roebuck & Co. merchandising empire, died today at the age of 90.

The retired board chairman of Sears, who is credited with building the firm from a strictly mail-order business into the world's largest retail distributor of consumer products, died at his home in Lake Forest.

A graduate of West Point, General Wood enjoyed successful careers in the military as well as in the business field. He retired from the Army as a brigadier general.

He served as chief quartermaster with the Army in Panama during the building of the Panama Canal and was acting quartermaster general for the entire United States Army during World War I.

He joined Sears, Roebuck in 1924 as a vice president and later rose to president and chairman of the board. He gave up the chairmanship in 1954, when he retired, but continued as a director until May, 1968.

General Wood foresaw in 1924 a decline in mail-order sales as the balance of population moved from the country to urban centers and he steered Sears—until then, a \$200-million-a-year mail-order operation—into the retail-store business.

The first store, opened in 1925, was a success. Under General Wood, the retail operation was expanded throughout the United States and Latin America. Today, Sears has more than 800 retail outlets with annual sales in excess of \$7 billion.

General Wood attributed the success of Sears's retail operation and the transformation of the nation's shopping patterns to the automobile.

"It created a revolution, and we were the first to take advantage of it," he reminisced in an interview a year ago.

General Wood took advantage of space as well as time. He located Sears stores generally outside central shopping districts, where land was cheaper and parking lots could be built.

#### SUCCESS FORMULA

He gave this formula for successful mass selling: "A great merchandise force plus a great management force plus rank-and-file with spirit."

General Wood also founded All-State Insurance Company, a Sears subsidiary, now the world's largest stock company automobile insurer and a leader in other insurance fields.

A native of Kansas City, General Wood came from a military family. Both his maternal grandfather and his father were captains in the Union Army during the Civil War.

He is survived by his wife, the former Mary Butler Hardwick of Augusta, Ga., a son, and four daughters.

Funeral services will be held Saturday.

[From the Washington Evening Star,  
Nov. 6, 1969]

#### GENERAL WOOD DIES AT 90, RETIRED HEAD OF SEARS

CHICAGO.—Gen. Robert E. Wood, retired chairman of the board of Sears, Roebuck & Co., died today. He was 90 years old.

Gen. Wood, who was generally credited as the bulwark of the modern-day Sears, the world's largest merchandising firm, died in his Lake Forest home.

Gen. Wood, a retired Army officer, joined Sears in 1924 as a vice president and went on to become president and board chairman.

He also founded Allstate Insurance Co., a Sears subsidiary.

Gen. Wood was regarded throughout the world as a great leader in the merchandising field.

In 1924, the year he joined the firm, he proposed that Sears enter into the retail store field. He led the company from a strictly mail order house to a combined retail store and catalogue distribution system of international scope.

#### KANSAS CITY NATIVE

The first Sears retail store opened in 1925 when the firm's mail order sales totaled about \$200 million a year. Now it has more than 800 retail outlets, and the company's over-all sales total more than \$7 billion a year.

Gen. Wood became president of Sears in 1928 and chairman in 1939. He retired from active management in 1954 but continued as a director until May, 1968, when he was named the first honorary chairman of the board.

His long career was distinguished by outstanding success in both military and business fields.

Born in Kansas City, Mo., June 13, 1879, Gen. Wood was graduated from the U.S. Military Academy at West Point in 1900 and later served 10 years in Panama during the building of the Panama Canal. There he rose to chief quartermaster in charge of all purchasing and distribution of supplies.

During World War I he was in charge of the Army Transport Service in France and England. At 39, he was recalled to Washington, promoted to brigadier general and named acting quartermaster general and director of purchases and storage for the entire United States Army.

Gen. Wood returned to civilian life in 1919 and spent five years as a vice president of Montgomery Ward & Co., where he started his career as a mass merchandiser, before joining Sears.

#### FOUNDED ALLSTATE IN 1931

In 1931, after he became president of Sears, Gen. Wood founded Allstate Insurance Co. as a Sears subsidiary. Allstate now is the

world's largest stock company automobile insurer and a leader in other insurance fields.

Gen. Wood guided Sears through the difficult depression and World War II years, continuing an aggressive expansion program. Under his direction, stores were opened in Cuba and Latin America.

Gen. Wood was the eldest of five children of Robert W. and Lillie Collins Wood. Both his maternal grandfather and his father served as captains in the Union Army during the Civil War.

Survivors include his wife, the former Mary Butler Hardwick of Augusta, Ga., and five children, Robert W., of Palestine, Tex.; Mrs. Hugo V. Neuhaus of Houston, Tex.; and Mrs. William H. Mitchell, Mrs. Calvin Fentress and Mrs. A. Watson Armour III, all of Lake Forest.

#### THE NEW YORK TIMES AND GOLDA MEIR'S PRAISE OF NIXON'S VIETNAM POLICY: CHAPTER 3—GOLDA OUTRANKS POPE PAUL

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, the antipathy to President Nixon is mighty strong in certain quarters. For the past 2 days, I have found evidence worthy of commenting on, in the RECORD—page 34365, November 17, and page 34701, November 18—that bears this out.

Now a third comment concerning the New York Times is in order.

One would think that when the Prime Minister of Israel and, subsequently, the Roman Catholic Supreme Pontiff each express support for President Nixon's policy in Southeast Asia, such developments would be front page news in New York City.

Apparently not to the Times, however, which put Mrs. Meir's statement on page 8 in Monday's editions and the Pope's on page 11 in Tuesday's paper.

As everyone knows, New York City is inhabited by millions of Americans who are either Jewish or Catholic. The news that their President has the support of the Prime Minister of Israel and the Pope is of intense interest to them particularly as well as to all Americans.

The failure of the Times to give that news the prominence it merited shows a lack of judgment inconsistent with the professional reputation—rightly or wrongly—enjoyed by that paper. The only conclusion I can reach is that a positive decision was made not to give "undue prominence" to the news that two of the world's most newsworthy leaders were in support of President Nixon.

At this point, I wish to insert the Times article describing the Pope's meeting with the Governors of five States to whom he gave his statement on Vietnam. It is highly significant coming from one of the greatest religious leaders in the world, I wish I could put it on page 1:

PONTIFF APPLAUDS NIXON ON VIETNAM—IMPLIES REPUDIATION OF CALLS FOR IMMEDIATE PULLOUT

(By Robert C. Doty)

ROME, November 17.—Pope Paul VI applauded today President Nixon's expressed resolve to end the Vietnam war by "a well mediated and responsible procedure" safe-

guarding the Vietnamese people's right to self-determination.

The Pontiff made what appeared to be an endorsement of the President's policy and an implied repudiation of the demands for immediate withdrawal by American demonstrators at an audience with five American governors.

The Pope said he had followed with great interest the "widespread manifestation" of desire in the United States for a speedy end to the Vietnam war, a "fervent wish" of his own. He noted with satisfaction that this was also the resolve "of your illustrious President."

#### "RIGHT MODE" IS STRESSED

He continued: "Nonetheless, we also understand that the right mode of ending the conflict demands, in the present circumstances, a well-mediated and responsible procedure, not only to avoid neglecting international obligations which honor and the necessity of not betraying the confidence of one's allies require should be fulfilled, but also in order that the cause and the ideal proposed to your fellow citizens, for which so many have made the sacrifice of their very lives, that is: helping a people which is weak and deserving of assistance to defend its right to self-determination and to the free promotion of its peaceful development—that this cause and this ideal should not be denied."

The five governors were James A. Rhodes of Ohio, Claude R. Kirk Jr. of Florida, Calvin I. Rampton of Utah, Frank L. Farrar of South Dakota and Frank Licht of Rhode Island. They were stopping here on their way back to the United States after a study mission in Israel.

The Pope also expressed to the governors his hope that the United States would "resist the temptation to furnish" developing countries with "armaments that menace life and security."

#### DEATH OF JOSEPH P. KENNEDY

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PERKINS. Mr. Speaker, I rise today to give honor to a great American, Joseph P. Kennedy, who has passed on to his eternal reward.

I never met Mr. Kennedy, but I feel I have known him through his family. When I came to the Congress in January 1949, I was junior to John F. Kennedy on the Education and Labor Committee and served with him for 4 years. That was a treasured association in which he became my trusted friend. I am grateful to say that the friendship continued after he became a U.S. Senator and the President of the United States.

I first met his son, Robert, when he was Attorney General of the United States. He served impressively in that position and in the U.S. Senate, where he came to be known for his great humanity and his concern for the poor and the hungry.

I was for several years associated through my legislative duties with R. Sargent Shriver, Joseph P. Kennedy's son-in-law, the husband of Eunice Kennedy Shriver. Mr. Shriver is a dedicated public servant in the great tradition of the Kennedy family, having served as first Director of the Peace Corps, then Director of the Office of Economic Opportunity. He is now our Ambassador to France.

Mr. Kennedy is the only man in history to have been the father of three U.S. Senators. His last and youngest son, EDWARD, continues the tradition of public service effectively and well as majority whip of the Senate. He is a great U.S. Senator and is certain to reach great heights of public service.

Joseph P. Kennedy's name will live in history in part because of his family, but also because he was himself a great man and a dedicated public servant.

The first Chairman of the Securities and Exchange Commission, he was later responsible for substantial reorganization of the U.S. Maritime Commission, and he served as this country's Ambassador to Great Britain during a difficult time in the early years of World War II.

Mr. Kennedy was a self-made man. His principles, his decency, and his humanity are now part of the history of this Nation. His memory is one which we will all honor. Our sympathy goes out to his family and to all who grieve at his passing.

#### NEW HAMPSHIRE MAN PRAISES NIXON STATEMENT ON VIETNAM

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, my constituent, Alden H. Pillsbury of Grantham, N.H., has favored me with a copy of the letter he wrote to the President on the day after the President's address to the Nation on Vietnam.

I believe Mr. Pillsbury expresses the views of the vast majority of thinking, patriotic Americans. He does so with considerable eloquence which I am glad to bring to the attention of the House:

GRANTHAM, N.H.,  
November 8, 1969.

DEAR MR. PRESIDENT: I listened to your speech last night and I am taking this opportunity to congratulate you on the finest speech I have ever heard you make.

The path you have chosen is not an easy one, but I sincerely believe it's the only right one you could take.

In the past year or so I have listened and read an awful lot of garbage about what an unjust war this is and what a lousy country we live in etc., etc.

To say that the people I know and work with and myself and my family are fed up with it, is putting it mildly. We are proud to call ourselves Americans and to fly our country's flag. I personally still get a tingling feeling when I hear our National Anthem and see Old Glory waving in the breeze. Believe me Mr. President when I say I am not alone for there are millions more just like me.

Common sense, blood and guts and pride made this country and that's what it's going to take to keep it on the right path. It's not an easy road but then the best things in life almost never are.

I have read a lot in the papers and some magazines about what a poor choice you made in picking a vice president. I don't believe you could have done better. He may not get straight "A's" in English Language but, I don't really believe that's one of the qualifications for the position he holds. He talks straight from the shoulder and doesn't beat round the bush, and what's nice about that is, you don't need any news analyst to

tell you what he is talking about, or how he stands.

It's inconceivable to me, that we could have intelligent people on Capitol Hill, such as Senator Fulbright, who is lacking so much in good judgment and common sense. This seems to be not uncommon with our so called intellectual society. Such a waste of brain power is a pity. To be an idealist is great but without tempering it with realism is stupid and useless.

I have lost a cousin in Vietnam. My kid brother was shot up badly and carries shrapnel today as well as a permanent plate in his head, but I am happy to say he has recovered and is back on full time duty. I have a nephew in Vietnam now as well as another nephew who just this month joined the Marines. I also have a son who will graduate from high school this year. He will undoubtedly be called upon to serve his country at some future date. I hope that he will never have to go into battle for his country, but I am just as sure that if he is asked or is needed for his country, he will give his "all". Just as his country's gallant men and women have done before him. My older brother retired from the Air Force last year, after 22 years of service. I also served 3 years and 9 months in the U.S.A.F.

This is one hell of a great country that we live in, Mr. President, and it didn't get that way by following a bunch of quitters or radical loud mouth minority groups. So I say in closing to stick to your guns for I believe this is the only way out of this mess at this time. I have the utmost confidence in your ability to lead this country down the right road, and if there was a Presidential election tomorrow, I'm sure you would win in a landslide victory.

Sincerely yours,

ALDEN H. PILLSBURY.

#### POSTAL PAY

(Mr. HALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HALL. Mr. Speaker, on October 29, the United Federation of Postal Clerks placed an advertisement in the Washington Post, appealing to the Congress to vote a discriminatory pay raise for postal workers, and insisting that we override an expected veto should it pass Congress. While I do and have always appreciated dedicated and patriotic service, the ad contained several misleading statements.

For example, it said that "thousands of urban postal clerks and their families are literally eligible for supplemental welfare."

If this is true, Mr. Speaker, then millions of production workers in industry are also eligible for "relief." The average weekly earnings for 49 million production workers in the private sector in September of 1969 was \$117.80, according to the Bureau of Labor statistics. This means they are being paid at the annual rate of \$6,125.60. And that is less than the lowest pay of step 1, PFS-5 clerk or letter carrier, which is \$6,176.

The private industry earnings figure includes overtime, and other differentials. The salary quoted for the PFS-5 clerk does not.

The current level of earnings of postal clerk under phase III of the existing pay law is estimated at \$7,688, including overtime and other differentials, but excluding fringe benefits.

This represents an average weekly earnings level of \$147.85—which is well above gross earnings of production workers in industry.

The advertisement also says, that "it is immoral" to "imprison us in a wage structure that has been so substandard for so long that some postal clerks are being forced into public welfare to make ends meet."

If this were true, I would agree.

However, with the exception of a New York Times story of October 17, which stated that two letter carriers had applied for welfare in New York City, there is no evidence that any postal clerks or letter carriers are on relief. The line-ups or "grieves" for employment are still long, and few resignations are noted.

The clerks take issue with President Nixon's content that the proposed pay bill gives disproportionate benefits to postal employees, but, I see no justification for giving such treatment to them. Mr. Speaker, I am not impressed by the "scare tactics" of the postal clerks. I trust my colleagues are equally unimpressed.

#### A BOUQUET FOR THE IRS

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, the Internal Revenue Service is often on the receiving end of a lot of brickbats, not only from taxpayers but from media like the Reader's Digest, which has carried a series of articles on alleged harassment by the IRS, and from those of us in official positions of one kind or another.

As chairman of the Legal and Monetary Affairs Subcommittee of the House Committee on Government Operations I have received complaints from individual taxpayers that I have had to take up with the IRS. The subcommittee is continually studying the possibilities of simplifying income tax forms and procedures, to make them easier on the taxpayer. Not too long ago I raised very sharp criticism of the new income tax forms that the IRS is preparing for use next year. These are being promulgated by the IRS as simplifications, but I told IRS the new forms are even more confusing than the old forms and will compel more small taxpayers to pay consultants to help them with their returns. Because the subcommittee has oversight jurisdiction over IRS operations, we have the responsibility of bringing matters such as these to their attention.

As do all taxpayers, I have the very genuine feeling that the IRS does everything possible to collect any taxes it feels are owed to the Government. Sometimes their actions seem extremely harsh. Certainly, whenever in the review of a tax return it appears that the taxpayer has not paid enough the IRS quickly bring that fact to the taxpayer's attention. Recently I asked IRS this question:

When IRS finds that a taxpayer has made a mistake and owes more taxes, it automatically requests him to make a payment, but when IRS finds that the taxpayer has overpaid, does it automatically advise him that he has a refund coming?

I received a very affirmative answer to that question from the Commissioner of IRS, Randolph Thrower.

The Commissioner told me that whenever IRS finds that a mistake has been made in overpayment of taxes the taxpayer is advised and promptly given a refund or proper tax credit. That is not only IRS policy but that policy is actively in force. For example, in the year ending last June 30 IRS returned over \$140 million that had been overpaid by taxpayers. A lot of that was returned automatically, without the taxpayer even being aware that he had made a mistake against himself.

It is obvious from Commissioner Thrower's letter to me that he is extremely pleased with that policy and that he would like more people to know about it. Just as I have never hesitated to bring complaints to the attention of the IRS I feel it equally my obligation to tell the Members of Congress and all taxpayers about this IRS policy, and to publicly commend Commissioner Thrower for his full explanation of it.

Commissioner Thrower's letter is as follows:

INTERNAL REVENUE SERVICE,  
Washington, D.C., October 31, 1969.

HON. DANTE B. FASCELL,  
Chairman, Legal and Monetary Affairs Subcommittee, Committee on Government Operations, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: It has taken a little time to reply to your letter of September 30 but I wanted to give you a thoughtfully prepared response since your question deals with what is one of the most significant areas of tax administration under our present system. In a few words, if our tax system is to work effectively we must strive to assess and collect what is legally owed, not less, and certainly not more.

I am pleased to be able to tell you that within the Service finds a taxpayer has made a mistake which results in an overpayment, the taxpayer is advised, and the correct refund is made or his tax account otherwise credited. Under certain conditions our corrective action could be considered automatic, but there are other occasions when it would occur after consultation or correspondence with the taxpayer.

For example, during the various stages of individual tax return processing, primarily mathematical verification, we find numerous instances where the taxpayer error is such that it would result in an overpayment if left uncorrected. In these cases we notify the taxpayer and, without any further effort on his part, credit his account or refund the correct amount.

The number of cases in this category surprises many people, and you may be interested in the following statistics:

*Fiscal years ending June 30*

Number of returns with tax decrease:	
1967	1,506,000
1968	2,026,000
1969	2,046,000
Dollar amounts:	
1967	\$94,281,000
1968	135,867,000
1969	140,236,000

In addition, we verify estimated tax payments claimed by taxpayers on Form 1040 against the amount of prepayments posted to their accounts on the master file. In F.Y. 1968 this program alone resulted in some \$47 million of additional allowance to taxpayers who had mistakenly understated their prepayment credits.

At this point I should mention that the major portion of our capability relative to the above programs, and related areas, stems from the recently installed Service's automatic data processing system with its heavy reliance on advanced computer technology.

Also, in all tax examinations, agents are responsible for determining the correct tax liability. This means that examiners look for indications that taxpayers have overstated their liability. In 1968, Service examinations disclosed overassessments of \$177.9 million.

I hope that this information acquaints you with the basic operating philosophy within the Service relative to the subject of your inquiry, and that the facts demonstrate the philosophy is implemented in the actual operating situation.

With kind regards,  
Sincerely,

RANDOLPH W. THROWER,  
Commissioner.

### J. EDGAR HOOVER STRESSES NEED FOR PUBLIC AWARENESS ABOUT ORGANIZED CRIME

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, the battle to defeat organized crime in this country is one that cannot be fought by Government alone. The public is an indispensable participant in that fight.

It has always been my belief that if the American people are fully informed of the impact and effects of organized crime, they will demand effective law enforcement action against syndicated crime and will cooperate in that effort. A prerequisite, however, is that the people be educated to the fact that organized crime is a real threat to their well-being.

FBI Director J. Edgar Hoover said it well in the FBI Law Enforcement Bulletin of November 1969:

Although Federal, State, and local law enforcement agencies throughout our country are engaged in an unending struggle against the underworld, little headway will be made without the full cooperation of a dedicated and alert populace. And that populace will never be dedicated or alert as long as it thinks of organized crime in terms of a "harmless, streetcorner bookmaker" and the 25-cent numbers bet.

Because it represents a perceptive analysis of the terribly harmful effects of organized crime, I insert Mr. Hoover's message and commend it to my colleagues:

MESSAGE FROM DIRECTOR J. EDGAR HOOVER

It has been aptly stated that we should beware of judging men by their outward appearance. This warning takes on added significance when applied to the criminal hierarchy of our country.

Prosperous hoodlums are neither the "pillars of society" that they pretend to be nor the "friendly neighborhood bookmakers" of traditional fiction. Despite their zeal for a cloak of respectability and their preference for expensive clothing, wealthy neighborhoods, and famous friends, there is nothing respectable or glamorous about them. Most of them are brutal, ruthless killers, possessing little human compassion and no social conscience.

One national Cosa Nostra leader, noted for his contacts in the entertainment field, was the leading suspect in three murders before

he was old enough to vote. Another major hoodlum—arrested by the FBI and convicted of interfering with interstate commerce—is alleged by his underworld associates to have participated in more than 20 gangland slayings over the years.

La Cosa Nostra means, literally, "our thing" or "our business," and the mob's business is violence. Violence is used in subduing rebellious union members, fighting competition in legitimate industry, eliminating witnesses and informants, collecting on gambling and loan-sharking debts, seizing control of certain forms of business, removing rival mobsters, and enforcing discipline within its own ranks.

If anyone thinks of gamblers and racketeers in the Hollywood fashion of gruff, but warmhearted, bumblers who wear loud ties and possess funny nicknames, let him dismiss that idea right now.

What is warmhearted about a loan-shark victim handcuffed to a basement pipe and beaten savagely because of a delinquent debt; or a suspected informant impaled on a meat-hook and tortured to death; or two rival mobsters chopped to death with a hatchet and a third thrown alive into a flaming furnace; or a young husband strangled and mutilated because he would not surrender his wife to a racketeer's boss smitten with her?

Or what is funny about an 11-year-old boy blown to death, and his 12-year-old brother seriously injured, by a bomb intended for their father, who incidentally was killed in the same explosion?

A former beauty contestant impressed by the free-spending, glamorous company of one hoodlum was brutally murdered along with him by La Cosa Nostra gunmen who riddled their car with gunfire. The father of four children was shot down in cold blood because of an unfortunate set of circumstances that made him an accidental witness to one of some 60 gangland slayings which have occurred in one east coast metropolitan area during the past 5 years.

Fortunately, organized crime and the greedy crime lords who prey on the American public are receiving more and more exposure. This is good. It helps to dispel some of the myth that has grown up about mob life in the past. But we still have a long way to go.

Peaceful, respectable citizens see the tentacles of vice and corruption crushing the very life out of their community and then ask, "So how does all this affect me?" Possibly, if they stopped to consider the answer, they would not be so complacent.

Let us examine some trends. Continuous, flagrant flouting of our laws can only lead to chaos and moral decay that may well prove to be irreparable. Labor racketeering undermines our whole financial structure by bleeding our working forces, raising consumer prices, and increasing the costs of production, distribution, and insurance. Bribery of civic officials deprives citizens of the legislative, judicial, and police protection that civilization itself demands. And narcotics can destroy the vital fiber of the future—our current generation of high school and college students.

Although Federal, State, and local law enforcement agencies throughout our country are engaged in an unending struggle against the underworld, little headway will be made without the full cooperation of a dedicated and alert populace. And that populace will never be dedicated or alert as long as it thinks of organized crime in terms of a "harmless, streetcorner bookmaker" and the 25-cent numbers bet.

The outward appearance of organized crime is a facade of deceit. In the future, whenever we think of hoodlums and racketeers, let us picture in our minds the furnace, the hatchet, the bomb, the methook, the dead woman, the mutilated husband, and the bleeding youngster. Then, and only then,

will we have organized crime in a proper perspective and the campaign against it can proceed apace, with everyone united in a determination to clean up this evil as rapidly and as effectively as possible.

#### WHY U.S. OVERSEAS INFORMATION PROGRAMS ARE IMPORTANT TO THE UNITED STATES

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, on October 22, a very significant conference was held at the Overseas Press Club in New York City.

Specialists in communication, writers, newsmen, broadcasters, and other experts gathered there to discuss the U.S. Government's overseas information programs, their impact on foreign audiences, their accomplishments and their shortcomings.

The conference was sponsored jointly by the Emergency Committee for Reappraisal of U.S. Overseas Information Programs, headed by Dr. Edward Bernays, a gentleman of considerable renown in the field of communications and public relations, and by the Overseas Press Club Foundation whose president is Mr. Burnet Hershey.

One of the most thought-provoking addresses presented on that occasion was delivered by Dr. Robert F. Delaney, director of the Edward R. Murrow Center of Public Diplomacy at the Fletcher School of Law and Diplomacy, Tufts University.

Because Dr. Delaney's remarks are timely and deal with an issue which ought to be of deep concern to each and every one of us, I am placing them in the CONGRESSIONAL RECORD and wish to commend them to the attention of my colleagues:

#### WHY U.S. OVERSEAS INFORMATION PROGRAMS ARE IMPORTANT TO THE UNITED STATES

Ladies and Gentlemen, I am delighted to be with fellow professionals to discuss a topic which should be self-evident in its importance and acceptance, but which, unfortunately, at least in my experience, is not at all the case.

We live in an age where the world is tuning in. Nowhere is this more apparent than in the most cursory review of the increase in world availability of radio and television sets and in the continued mass demand abroad for motion pictures.

With radio sets, energized by the transistor explosion reaching now into the billions, and with portable television becoming a world phenomenon in the hundreds of millions, something basic has happened to our world, and our individual national societies.

One might almost facetiously title this communications revolution "a funny thing happened to me on my way to see Marshall McLuhan."

We face the impact of all-encompassing marvels of a technology which permits a telephone call to the moon (collect we are told! Yet, we hasten to add, not without its price on earth in our apparent inability to phone downtown with any assurance of electronic success).

Industry knows this. The technocrats recognize this. The media operates by its ground rules. New agencies and new corporations, such as NASA, Corporation for Public Broad-

casting and the Communications Satellite Corporation, attest both to the technologies and to the new realities.

Yet with the presence of instant news and a world information grid, the framework within which millions of people now live, fight, die or survive, the United States Government suffers from an impoverished, under-dered international information program.

It is tragically strange that in an era of continuing high national security costs, and of continuing and sizeable international commitments and programs, the psychological dimension of our international affairs remains largely fallow due to lack of properly applied funds, lack of insight and lack of support.

This is, I suppose, the reason we are here today—to bridge the communications gap which we communicators are so fond of deploing, and say to the Congress, to the national administration and to the Information Agency itself "we are with you, we want what you want and we want to help."

International political communications in today's world are far too important for the nation's security and interests to be allowed to become the personal property of a bureaucracy which, in its present incarnation, is unequipped to do the job called for in the 1970's and after.

We are practicing "horse and buggy" public information.

Let me try to explain. In the days following the Apollo moon landing, the Information Agency did a superb job of conveying the facts to a waiting world. It was an example of traditional, organized and successful exploitation of a world shaking event. It was media operations at their best.

During the same period, and indeed for five years preceding the event, the Information Agency, faithfully and diligently, almost automatically, spoke to an increasingly skeptical world about the facts of conflict in Asia. And what were those facts?—killed in action and wounded in action figures, conflicting statements by national leaders and pronouncements of impending victory and military triumph.

To retain the parallel, the Information Agency did a parochial job of disseminating publicity to an unwelcoming world. It was an example of traditional, organized and questionable communication of a world shaking event. It was media operations at their unthinking worst.

What makes the difference? Why is one acceptable and one condemned?

This is the heart of the problem for tomorrow's political communicators. It is, I would hope, the reason we beseech the executive for reappraisal.

In my view, what has happened is a basic realignment of how the world interacts. This has been brought about by the "radicalizing" of communications. Millions of Americans today have access to slices of history, politics and world affairs. As recently as 1950 this was not so.

Today, Americans are conducting "electronic plebiscites" on national and international affairs: Vietnam, military bases, overseas commitments, tax reform. You name it and someone in Iowa or Idaho has made up his mind because multi-media communications affecting values, attitudes and opinions have become a way of life.

You need go no further than the case of Lyndon Johnson to test the potency of this new channel of political communication and participation.

Now, internationalize all this. Add in satellites, electronic video recorders, cable television, portable, transistorized TV sets. Mix liberally with functional development of public opinion, the televised press conference, the raw emotion of "you are there" psychology, and what do you have?

You have nothing less than the new di-

plomacy. You have nothing less than a weapon system. You have nothing less than an internationalist's daydream or nightmare, depending on who is adroitly managing the system.

To put it in prosaic terms, the Information Agency is today but one unfortunately declining public information voice in a welter of competition and conflict which has led to a condition of receptivity known to researchers as the "obstinate audience."

Increasingly, one hears the phrase "communications relevance." It is entirely appropriate.

We heard in the fifties of the lead time necessary to warn North America of impending bomb attack across the "Dew Line." We heard in the sixties of the 30 or so minutes warning from intercontinental missile attack. And today we are told our lead time averages 3 minutes.

Ladies and Gentlemen, our lead time today in world communications is about a minute. In other words, we've run out of time. And with a world watching, judging, and deciding, this is a political reality which deserves something more than the attention it has been afforded to date.

This is the reason why our information posture and policies are so important.

This is why one views with alarm the situation that while the private media increases in impact and influence, the foreign affairs communicators languish in the backwash of old fashioned public information.

The Information Agency has serious bureaucratic and organizational problems. It lacks a constituency (although one would hope that we here today could form this nucleus); it lacks acceptance and that intimacy of chemistry that makes the role of national psychological advisor a truly effective one. It lacks muscle and standing.

The State Department in the same vein has not assessed the value of public affairs and has still to nominate an assistant secretary for that responsibility. Defense which overshadows State and USIA in the totality of its world information effort still continues to view communications as either defensive public relations or troop I & E.

Yet, as I hope I have demonstrated, this is precisely the time when new psychological initiatives must be advanced, if we are to retain any hold on world public opinion in the areas that are meaningful, and here I am not speaking of Americans pouring out what we think the world wants to hear, or what Congress wants to hear or, indeed, in scale, what any national administration wants to hear about itself.

The problem of talking to today's world is basically a psychological, cultural and politically oriented art. One uses the media, carefully tuned for relevance and sensitivity. We do not use the media as the end result.

And yet today USIA still pursues its media, rather than people oriented, approach. The Agency still relies more on intuition than on research, more on introspection than social science.

It is for all of these reasons, and because the time is short and the issue vital that we join, hopefully, to help, but certainly to urge that an objective, non-partisan and hard-hitting appraisal be undertaken before we forego again to lament what might have been.

#### REDWOOD NATIONAL PARK

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, a little more than a year ago the House Interior and Insular Affairs Committee reported a bill to create the Redwood National

Park. The Congress adopted the legislation and President Johnson made it Public Law 90-545. In order to preserve the redwood forest immediately and to avoid any escalation of prices, the legislation provided that title to over 22,000 acres of timberlands held by four operating timber companies should pass to the United States immediately upon the President's signature on the bill.

During the past year, the former owners of the land and the Interior Department have been working together to establish values, provide for land exchanges, and make certain boundary adjustments. In order to prevent interest from running on the full amount of money due the companies, partial payments have been offered or made to those former owners. Due to the magnitude of the undertaking and its complications of exchanging properties, establishing and adjusting boundaries, making detailed surveys, timber cruises and appraisals, and even reaching agreement upon the vast amounts of values involved, it will probably take another year or more before there is a final settlement.

During the floor discussion of the Redwood National Park Act, I acknowledged we were creating a unique and difficult tax problem particularly for the companies from whom major portions of the land were to be taken. At that time, I announced my intention to introduce legislation to mitigate that problem.

Although my cosponsor, Mr. ULLMAN, a member of the Ways and Means Committee, will explain the bill in technical detail, I will discuss the general equity of our proposal.

Section 1033 of the Internal Revenue Code provides that upon the involuntary conversion of property, the taxpayer need recognize no gain if he reinvests the proceeds in qualified replacement property. Though this section requires that the replacement property be related in type to the property which was lost, the taxpayer normally has little difficulty in finding sufficient qualified replacement property.

The present situation, however, is unique in several important respects, and without some limited enlargement of section 1033, the companies may, as a practical matter, be deprived of the benefits which the section was intended to provide. As we all know, the impact of the Redwood Park upon some of the individual companies was extraordinary. For example, one company lost more than half its timberlands and 60 percent of all its timber. The compensation which will eventually be paid to the companies will come to many millions of dollars; and even if suitable replacement property were available, the practical difficulties involved in the reinvestment of sums of such magnitude would obviously be considerable. The unfortunate fact, however, is that sufficient replacement property in the form of redwood timber and timberlands is not available. The very purpose of the Redwood National Park legislation was to preserve some of the last remaining stands of old-growth redwood, and there are no substantial tracts of old-growth redwood

timber available for the companies to buy. The Northern Redwood Purchase Unit is the only substantial property comparable, and it will not be adequate to meet the exchange requirements of the companies.

In order to afford these companies, the full benefit of the tax protection which section 1033 was intended to provide to owners from whom property is taken, this bill will principally do two things:

First. It will broaden to a limited extent the types of replacement property in which reinvestment may be made. To accomplish this, the bill provides that the companies may reinvest in property for use in businesses similar to those in which they were engaged at the time their lands were taken. In addition, a related provision would authorize the companies to reinvest in any business in the two counties in which the Redwood National Park is situated; thus helping to alleviate the severely adverse economic effect of the Redwood National Park on the local economies.

Second. It will extend the time period for reinvestment. Because of the magnitude and complexity of the present situation, this extension is essential. At the present time section 1033 allows 1 year from the close of the first taxable year in which any of the gain is realized for reinvestment. But in this case, negotiations looking toward a determination of the many problems mentioned earlier have already taken more than a year, and could take another. If total agreement cannot be reached in the negotiations, any remaining issues must be settled by litigation in the court of claims. In the meantime, the companies are in a difficult situation as to reinvestment, since they neither have in hand the full amount of their compensation, nor do they know how much it will come to when it is eventually paid.

I believe that fairness to the companies and to the local economies requires that there be a limited expansion of section 1033 so that its policy may be fulfilled in these most unusual circumstances. Such action is, in my view, an important piece of unfinished business left over from the legislation which established the Redwood National Park. I therefore urge my colleagues to give favorable consideration to the bill which I cosponsor today.

#### REDWOOD NATIONAL PARK

(Mr. ULLMAN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ULLMAN. Mr. Speaker, my good friend, the gentleman from Colorado (Mr. ASPINALL) has described generally the background of this bill, its relationship to action taken by the Congress in 1968, and the reasons of fairness to the persons whose property was taken for the Redwood National Park which call for its passage.

The effect of this bill is to enlarge somewhat the generally applicable tax benefits of section 1033 of the Internal Revenue Code as to any property owner whose property was taken for the Red-

wood National Park and who elects the treatment prescribed by section 1033. That section in general permits a taxpayer to defer the capital gains tax otherwise resulting from a condemnation award if the proceeds are reinvested in similar property within a specified time, under provisions set forth in detail in the statute. The bill in substance enlarges the type of property which can qualify under the provisions of section 1033 and extends the time within which a reinvestment can qualify under section 1033. This treatment is justified by the unusually large amounts of money or property which will be received by the taxpayers whose property was taken for the Redwood National Park, by the severe impact upon some property owners who lost a major part of their timber properties to the park, and by the inherent difficulty in reinvesting in comparable property in view of the fact that sufficient old growth redwood timber is simply not available.

The gentleman from Colorado (Mr. ASPINALL) has described these reasons in more detail, and I should like to summarize the provisions of the bill we are introducing today.

Two preliminary points concerning the applicability of the bill should be noted.

First, the bill applies only to property which has been involuntarily converted into other property or money by reason of the Redwood National Park. While its provisions therefore affect all owners of such property, the tax relief provided is limited to the unusual tax problems created by the taking for this particular park pursuant to Public Law 90-545.

Second, the bill operates within the general framework of section 1033, and establishes certain treatment to be used in applying section 1033, which itself provides for tax relief at the election of the taxpayer. The bill enlarges the scope of those provisions for those property owners affected by the Redwood Park. The tax treatment provided for by the bill is not a substitute for, nor does it restrict, the treatment provided for by section 1033. Accordingly, each property owner within the limited group retains his right under present law to elect whether the treatment prescribed by section 1033 will apply to the involuntary conversion of his property; and if he so elects, the conversion will be governed automatically by the bill as well as by the provisions of section 1033.

Section 1 of the bill expands the types of property which constitute "property similar or related in service or use" to the property taken for the Redwood National Park. Each of the four listed additional types is included in the bill for a separate reason. The taxpayer may avail himself of any one or more of the four alternatives in addition to those existing under present law.

Subsection 1(A) is a technical provision which is consistent with the desire of Congress, in establishing the Redwood National Park, to encourage the payment of just compensation through a transfer of other real property owned by the Government to persons whose property was taken for the park, upon mutual agreement of the parties involved—

see statement of the managers on the part of the House, House Report No. 1890, page 7. Under existing law it seems quite likely, first, that such a transaction would constitute either a purchase of other property for the purpose of replacing the converted property under section 1033(a)(3)(A) or an exchange resulting in similar tax treatment under section 1031 of the Internal Revenue Code of 1954; and, second, that the property received by the taxpayer would constitute property similar or related in service or use to the property converted. However, in the absence of specific authority as to these two points, it has seemed desirable to include the clarifying provision of subsection 1(A) of this bill. The effect of this provision will be to encourage the exchange of property which the Congress contemplated in the act establishing the park, and to assure the tax relief benefits of section 1033 generally to those landowners who cooperate with the Department of the Interior in working out suitable and equitable exchanges.

Subsection 1(B) is a limited adaption of the basic purposes of the existing law to the particular situation of the owners of land and timber taken for the Redwood National Park. In the application of section 1033, under existing law a distinction has been drawn between real and personal property.

In some cases it may be uncertain under applicable local law whether specific portions of the property taken for the Redwood National Park, or of the property described in subsection 1(B) as standing timber and contract rights to cut timber, constitute real or personal property. In addition, the payments of just compensation reflect a value attributable to raw land. In order to resolve any possible uncertainty as to whether certain property used in the timber business constitutes real or personal property, and in order to avoid any necessity of allocating payment of just compensation and amounts reinvested between land and other property, subsection 1(B) provides that replacement property shall in any event include any interest in land, standing timber, or contract rights to cut timber. This will avoid any requirement that proceeds and reinvestment be allocated and traced, which would be burdensome and complicated in view of the large amounts of property and the values involved in the Redwood National Park taking, while at the same time it will limit the reinvestment to either land or timber holdings.

Subsection 1(C) is included in the bill primarily to provide equity for those taxpayers in the redwood processing business who will be unable to replace their holdings due to the unavailability of old growth redwood timberlands. Accordingly, subsection 1(C) of the bill permits a taxpayer to reinvest in property used in a different type of business, but only if the taxpayer, or a corporation controlled by the taxpayer, was engaged in that type of business on the date of enactment of the Redwood National Park Act. It is to be noted that subsection 1(C)

does not apply to new types of businesses entered into after such date.

Subsection 1(D) represents a departure from the basic treatment provided by section 1033 in that it permits reinvestment in property held for use in any trade or business conducted in the two California counties in which the Redwood National Park is located. This departure is justified by the serious economic dislocation which will ultimately result from the decrease in the timber business activities upon which these two counties have relied heavily for many years, including the loss of jobs, the removal of property from local tax rolls, and similar consequences. Hopefully, this provision will encourage the taxpayers to reinvest in new businesses which will offset the impact of the Redwood National Park and will add to the economic development of the region by providing new and diversified business activities, including those unrelated to the timber business.

Section 2 of the bill expands the manner in which a taxpayer will be treated as having acquired property similar or related in service or use to the property taken for the park. Under section 1033(a)(3)(A) of existing law, a taxpayer may not only acquire such other property directly, but may also purchase stock in the acquisition of control of a corporation owning such other property. In the latter case, amounts spent to acquire the stock are treated in the same manner as amounts spent to acquire such other property. This provision in existing law reflects the fact that as a business matter the taxpayer may be unable to purchase such other property directly but may be able to do so indirectly through an acquisition of stock.

Section 3 of the bill is a technical provision which extends the time within which the property must be replaced. Under existing law, this period expires 1 year after the close of the first taxable year in which any part of the gain was realized.

Accordingly, with respect to a taxpayer reporting taxes on a calendar year basis, for example, who received a partial payment in 1969 for property taken for the park, the statutory period would expire on the last day of 1970 as to the entire amount of the condemnation payment, even though further payment of a substantial balance might be received long after 1970. Under present law, the Secretary of the Treasury or his delegate is authorized to extend this period, and undoubtedly would do so under the circumstances described. However, I am informed that this authority has been delegated to the various local District Directors of Internal Revenue and is discretionary with each of them, so that it has seemed desirable to include a specific provision in this bill extending the statutory time. It is understood that the extension in the bill is in general not longer than extensions that might be granted by the District Directors, and the bill is not intended to foreclose the granting of additional extensions by the District Directors in their discretion.

Mr. Speaker, I believe the provisions

of this bill are consistent in every respect with the intention of the Congress when we enacted the Redwoods National Park bill. It is intended to provide tax equity for those landowners who are affected by the unusual circumstances of Government acquisition of properties that cannot be replaced in kind.

#### APOLLO 12: ANOTHER MAGNIFICENT NASA ACCOMPLISHMENT

(Mr. BOLAND asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BOLAND. Mr. Speaker, this country's second mission to the moon has reached its goal. Early this morning Apollo 12's lunar excursion module lurched and fluttered its way down to the surface of the moon, landing safely in the cratered fields of the Ocean of Storms.

Several hours later Astronaut Charles "Pete" Conrad, Apollo 12's command pilot, began the second most celebrated exploration in the history of the world.

The first, of course, was Astronaut Neil Armstrong's moon walk this summer. Apollo 12 is not generating the kind of banner headlines and awestruck TV coverage that attended her sister ship's mission earlier this year. But the feat accomplished during the night is no less significant—indeed, more significant in scientific terms.

Apollo 12 signals the opening of a detailed and searching geographical exploration of the moon.

The experiments Apollo 12's crew are carrying out—installing an exquisitely sensitive seismometer, for example, and installing a device to examine the charged particles clustered high above the moon's surface—will yield scientific data that researchers have been yearning for since selenology became a respectable discipline.

Astronaut Conrad and his crewmates, Alan L. Bean and Richard F. Gordon, Jr., are proceeding in their mission with the kind of coolheaded enthusiasm for which our spacemen are known throughout the world.

The courage and discipline of these men cannot be overstated. When the *Yankee Clipper's* primary electrical system abruptly quit functioning seconds after lift-off from Cape Kennedy, the astronauts' instrument panel went ablaze with warning lights. Yet Conrad, showing astonishing "cool," reported:

We're all chuckling up here over the lights.

The Apollo 12 mission, like that of Apollo 11 a few months ago, is a triumph for all mankind.

Literally hundreds of thousands of people—people ranging from the 18th-century visionary Tsiolovsky to the humblest technician at Houston's Space Center—made this staggering feat possible. As a ranking member of the Appropriations Subcommittee that funds NASA, I am proud of my own small role in making the space program a success.

I am sure my colleagues join me today in congratulating Astronauts Conrad,

Bean, and Gordon and in wishing them a safe return to the earth.

#### ANOTHER IMPORTANT DEFENSE PROGRAM

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MONAGAN. Mr. Speaker, I am reintroducing legislation to authorize the Federal Government to recover by civil actions the cost of removing certain obstructions from navigable waters of the United States.

I introduced similar legislation in the 88th, 89th, and 90th Congresses. While no action was taken by the House in the years that have elapsed since I first introduced the measure, the navigational hazards and environmental tragedies toward which the bills were directed have occurred with alarming frequency.

A recent Supreme Court decision points the continuing need for this legislation. In *Wyandotte Transportation Company v. United States*, 389 U.S. 191 (1967), the Court left open the question of whether the Federal Government could recover all of its costs incurred in the cleaning up operations after chlorine barges sank in the Mississippi River. A reading of the case indicates that there would be extensive litigation to determine the liability of the boat owner for the Government costs.

My bill would do away with the uncertainty surrounding cases of this sort by authorizing the Government to recover the costs of removing obstructions from navigable waters and to hold negligent boat owners liable for resultant pollution as well as for endangering navigation. The bill amends the Refuse Act of 1899 and would provide penalties against boat owners in instances of negligence substantially endangering desirable marine, aquatic, or other plant or animal life of the navigable waters of the United States.

I have long been concerned with the hazards of water pollution, and since my entry into Congress in 1959 I have supported every major pollution control bill which has come before the House for consideration.

This bill is a very practical and needed measure. It sets forth in clear and precise terms the liability for causing a navigational or environmental disaster through negligence. Its enactment will greatly facilitate the fixing of responsibility on the culpable party or parties, and will put all persons on notice that the maintenance of safe navigation and a healthy environment are matters clearly in the national interest.

#### ADMINISTRATION PLANS FOR FUTURE OWNERSHIP AND OPERATION OF THE GOVERNMENT'S URANIUM ENRICHING PLANTS

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the RECORD, and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, the Joint Committee on Atomic Energy has held extensive hearings on the subject of

future ownership and operation of the AEC's uranium enrichment facilities commonly referred to as the gaseous diffusion plant complex. On July 8 and 9, the committee heard detailed testimony by the AEC and GAO on their respective reports on this subject. During August—namely on the 5th, 7th, and 8th—the committee heard the views of representatives of the nuclear industry and the utility industry, both publicly owned and investor owned.

Recently, on November 10, the White House issued a press release setting forth the administration's request to the AEC to establish a separate directorate within the AEC to operate these plants. The conduct of such operations and the books and records thereof are to approach those of a commercial enterprise as nearly as possible. On the same day, the AEC issued a press release setting forth its proposal for implementation of the request from the White House.

Also on the same day, Representative CHET HOLIFIELD, chairman of the Joint Committee on Atomic Energy, issued a press release commenting on the action taken by the administration. The gentleman from California (Mr. HOLIFIELD) was subsequently interviewed by a staff writer from the Washington Post who published his article on Sunday, November 16.

It will be noted from Chairman HOLIFIELD's comments that a number of questions as to the President's proposal remain unresolved. He specifically brought up the lack of plans in the administration's announcement for upgrading these plants to meet our future enriched uranium requirements and the lack of information in the announcement concerning the magnitude of any pricing change for enriched uranium. It should also be noted that the gentleman from California (Mr. HOLIFIELD) stressed that the administration's action appears to be prelude to a proposal to sell these plants to private industry and that any proposal to do so will be given the most careful scrutiny by the Joint Committee on Atomic Energy.

Mr. Speaker, I include in the CONGRESSIONAL RECORD the three press releases and the Washington Post article mentioned above:

[Press release No. 618 from the Office of the Joint Committee on Atomic Energy, Nov. 10, 1969]

#### REPRESENTATIVE CHET HOLIFIELD COMMENTS ON ADMINISTRATION PLAN FOR FUTURE OWNERSHIP AND OPERATION OF URANIUM ENRICHMENT FACILITIES

Representative Chet Holifield, Chairman of the Joint Committee on Atomic Energy, commented today:

"I have carefully reviewed the White House and AEC announcements relative to the future operation of the AEC's uranium enrichment plants. While I am generally pleased with the President's plan to retain the plants under Government ownership until the day arrives, assuming the day does arrive, that they can be sold to industry under circumstances that fully protect the public interest, I must confess that, in some respects at least, the announcements pose more questions than are answered."

The announcements issued by the White House and the Atomic Energy Commission stated that the enrichment plants would con-

tinue to be operated under AEC auspices, but by a separate Directorate within AEC. The Federal Government's responsibility for uranium enrichment should eventually be ended, according to the White House, but AEC operation of the enrichment facilities would continue until such time as various national interests would best be served by sale of the facilities to the private sector. In the interim, the AEC is to "carry on the AEC's businesslike management of plant operations and establish separate accounts fully reflecting commercial criteria for financial accounting."

White House assurance was given that an adequate supply of enriched uranium would continue to be available for commercial and governmental users and to meet foreign commitments "so long as the Government is the sole source of enrichment services in this country," but no announcement was made of specific plans to fund needed improvements to the enrichment plants. In this regard, Representative Holifield said:

"President Nixon has not yet faced up to the urgent need for starting construction for plant improvements needed to provide the additional enrichment capacity to fuel the nuclear plants which will come on line in the late 1970's.

"Reliance on present enrichment service sales without a definite commitment on the part of the Administration to support an appropriation of at least \$130 million in the fiscal 1971 budget introduces an element of uncertainty which I fear will affect new acquisition of nuclear plants by electric utilities. If the Administration decides it cannot make such a budgetary commitment in the near future, I think it should advocate a self-funding Government corporation, so that assurance of funding can be arranged without further delay."

Representative Holifield added:

"If the Administration does not follow up on its assurance that sufficient enrichment capacity will be available when needed, I plan to introduce the legislation which will establish within the Government an enrichment corporation capable of financing its own activities and providing the enrichment services so vitally needed."

While noting the fact that a number of informal meetings have been held between Committee members and representatives of the Administration to discuss Administration planning for uranium enrichment, Chairman Holifield stressed the point that the Committee has not reached any position on future ownership and operation of the enrichment plants.

The Chairman particularly emphasized that any plan to sell these unique production facilities, which cost the Government approximately \$2.3 billion, would constitute a major policy decision requiring specific congressional approval and authorization. The possible implications of such a plan with regard to matters such as competition in the energy fuels business and the price of energy to the public, national security and the Nation's international commitments were mentioned by the Chairman as matters which would have to be considered.

Chairman Holifield said he was anxious to learn the views of the Department of Justice on the question of whether there was any likelihood within the relatively near future—that is, within five or six years—a sufficiently competitive uranium enrichment market could develop to permit transfer of these plants to private ownership. In this regard, Mr. Holifield observed that, "In my mind there is a very substantial question whether there is any likelihood for effective price competition in what is now, and in all probability for some years to come will be, a highly concentrated industry." He went on to say:

"Before the Congress would even consider

taking such a major step, there isn't the slightest doubt in my mind that it would want to put any such proposal under a microscope in order to assure the protection of the public interest.

"I want to assure interested members of the public that any significant proposed changes in ownership of the plants will be the subject of full, complete, and comprehensive Joint Committee public hearings to consider all of the factors involved before the legislative branch approves, disapproves, or modifies any such proposals."

With regard to establishment of an AEC enrichment Directorate, Representative Hollifield cited the following potential drawbacks to the President's plan:

"The question of when and under what circumstances the gaseous diffusion plants should be transferred to private ownership would remain unresolved. The lack of self-financing authority would keep the enrichment activities dependent upon the budgetary process for funds to cover operating expenditures and to provide plant improvements and expansions. Also, AEC would be charged with the responsibility of operating the diffusion plants on a basis approaching that of a commercial enterprise but would not have the complete authority, statutory or otherwise, necessary to do so. For example, improvements to the diffusion plants and resumption of higher operating levels through restoration of electric power to the plants would be subject to approval of authorities higher than AEC, such as the Bureau of the Budget. Decisions by BOB, in turn, are affected by other Government policies and programs, rather than determined on a strictly businesslike basis."

Given these uncertainties, Chairman Hollifield stressed that while reserving any final judgment as to whether ownership of the plants should be transferred to private purchasers, a government corporation, or some other form of ownership, the Congress should continue to scrutinize enrichment developments to see that adequate funds are requested and approved, beyond those available through receipts from commercial sales, to assure that these plants will have sufficient capacity to meet the demands on them in future years.

The Chairman concluded:

"One of the most serious deficiencies in both the Administration's announcement and the AEC's is the lack of specific information concerning the magnitude of any price change for the enrichment services. I believe the failure to mention present limitations on changes in prices could have an unsettling effect on this important industry. Present pricing criteria, established pursuant to law, contain a guaranteed ceiling charge subject to upward escalation for the cost of electric power and labor. That ceiling charge was established at \$30 per kilogram unit of separative work. Any change in these pricing criteria very definitely would have to be submitted to and lie before the Joint Committee for a 45-day review period while Congress is in session before they could possibly become effective. Moreover, it is my understanding that the present price of \$26.00 per kilogram of separative work contains a contingency factor which would appear to cover any escalation which has occurred since the \$26 price was established. In any event, the AEC will be requested to furnish the Committee the results of its reexamination of enrichment service charges when the review is completed."

[Press release from the Office of the White House press secretary, Nov. 10, 1969]

The President announced today that he has asked the Atomic Energy Commission to operate its uranium enrichment facilities as a separate organizational entity within the AEC, in a manner which approaches more

closely a commercial enterprise. The facilities are located at Oak Ridge, Tennessee; Paducah, Kentucky; and Portsmouth, Ohio.

Although these facilities were originally developed for national defense purposes, national needs for enriched uranium are now largely commercial. Future Government requirements are expected to be relatively small. These facilities are currently operating at about 40% capacity. Commercial demand, however, is expected to rise and eventually require additional capacity.

The President's decision is based on his belief that the Federal Government's responsibility for uranium enrichment as the owner-operator of the nation's only enrichment facilities eventually should be ended. He believes that these facilities should be transferred to the private sector, by sale, at such time as various national interests will best be served, including a reasonable return to the Treasury.

Since the optimum time for this transfer will be sometime in the future, the President will not seek legislation at this time to authorize sale of the facilities to private industry. The establishment of a new entity, which will be an AEC Directorate will carry on the businesslike management of plant operations and will establish separate accounts fully reflecting commercial criteria for financial accounting.

So long as the Government is the sole source of enrichment services in this country, the President emphasized that it is essential that we continually assure an adequate supply of enriched uranium for commercial and governmental users and to meet our foreign commitments.

Operations are to be funded by receipts from commercial sales and, as necessary, by annual appropriations. The Atomic Energy Commission has been directed to develop a detailed plan for implementing this decision.

Depending on the timing, sale of these plants could free Federal resources for more pressing national uses. Revenues from sale at an appropriate time would be considerable. In addition, \$2 billion or more is expected to be needed over the next 10-15 years to expand plant capacity to meet increasing commercial demand.

[Press release of the U.S. Atomic Energy Commission, Nov. 10, 1969]

#### AEC PROCEEDS TO IMPLEMENT PRESIDENTIAL DECISION ON URANIUM ENRICHMENT

The Atomic Energy Commission is proceeding to implement the decision of the President that uranium enrichment activities are to be conducted by a separate organizational entity within the AEC in a matter more closely approaching a commercial enterprise.

The decision, announced by the White House today, contemplates that responsibility for uranium enrichment ultimately will be transferred to the private sector at a time and in a manner which will best serve the national interest.

During the interim period, the AEC will continue to supply enriched uranium and uranium enrichment services to domestic and overseas users, including the fulfillment of all existing commitments.

The costs of providing enrichment services have changed since the current price was set. The AEC will in the near future re-examine its charge for enrichment services to determine the extent to which all costs are being covered and whether an adjustment to the charges is indicated. The current charge for enrichment services is set at \$26 per kilogram unit of separative work. A kilogram unit of separative work is the unit used to measure the physical work required to separate the isotopes U-235 and U-238.

The new entity, which will be an AEC directorate, will maintain separate accounting records and will publish periodic financial reports similar to those of commercial enter-

prises. Such reports will reflect the financial results of operating the uranium enriching enterprise, and also will provide information needed for financial analysis and investment decisions when the sale of these facilities to the private sector is considered.

The uranium enriching enterprise will be funded with revenues from its sales, supplemented, as necessary, by appropriations through the normal budgetary process. Further information on the new arrangements within the AEC will be made available at the conclusion of studies which are now under way to identify the structure of the entity, its responsibilities, and its relationship to other AEC functions.

Uranium enriching is the only operation in the preparation of fuel for nuclear power reactors that is exclusively a government function. The operation involves the partial separation of the isotope U-235, which will sustain a nuclear chain reaction, from U-238. The work is carried out in large plants at Oak Ridge, Tennessee; Paducah, Kentucky; and Portsmouth, Ohio.

These three gaseous diffusion plants will continue to be operated by private industrial firms under contract to the AEC. The Oak Ridge and Paducah plants are operated by Union Carbide Corporation (Nuclear Division), and the Portsmouth facility is operated by Goodyear Atomic Corporation. The plants were built at an original cost to the government of \$2.3 billion. A program for improving and upgrading them would involve a further capital investment of at least \$600 million to meet the growing demands for nuclear power plant fuel.

[From the Washington Post, Nov. 16, 1969]

#### NUCLEAR PLANT CONTROVERSY—NIXON'S PLAN TO SELL ENRICHED URANIUM FACILITIES AROUSES FEAR OF PRIVATE ENERGY COMBINE (By Warren Unna)

Last Monday the President announced that he had asked the Atomic Energy Commission to begin operating the nation's three uranium enrichment plants as a separate commercial entity in preparation for their eventual sale and operation by private industry.

Behind this announcement was a chain of preparatory steps undertaken by private industry over the past few years, tentatively examined at the end of the Johnson administration and accelerated by the White House after the Nixon administration moved in.

The storm warnings are only beginning to fly but some see it as leading to the Nixon administration's counterpart of the Dixon-Yates contract.

Dixon-Yates was the Eisenhower administration's attempt to get the Tennessee Valley Authority's public-power business into private hands. Before the contract was voided by the courts the matter managed to engulf not only TVA, but the AEC, the Bureau of the Budget, the Federal Power Commission, the Securities and Exchange Commission and, of course, the watchdog committees in Congress.

President Nixon's proposal regarding the uranium enrichment plants is seen to have these potentialities:

Facilitating possible control of the nation's electric power by an oil industry which has the cash to purchase the hugely expensive uranium plants and which already has been moving into oil's two competing energy sources, coal and uranium.

Facilitating establishment of a new international cartel since the United States, as the prime source of free world enriched uranium, is bound to get more and more involved in other nations' power grids as they shift toward nuclear power.

Increasing the possibility of radioactive contamination as uranium control leaves government hands, and of proliferation of nuclear material with weapon potential.

For example, a small sheikdom might deny a U.S. oil company its product until the oil company provided it with weapons-potential, uranium.

Facilitating sale of the nation's \$2.3 billion enriched-uranium plants and of \$1 billion in "yellow cake" ore stockpile at depreciated prices that the industry already is beginning to specify.

All of these possibilities are anticipated by Rep. Chet Holifield (D-Calif.), chairman of the congressional joint committee on Atomic Energy and a leader in the Dixon-Yates fight of the 1950's.

When the President made his announcement last Monday, Holifield promised to put the matter "under a microscope in order to assure the public interest." In a subsequent interview he predicted that not one member of his 18-man committee would go along with the President's plans to sell the plants.

How did the idea of selling the plants first take hold?

Business and government officials in the know all come up with one name: Kenneth D. Nichols, a retired Major General in the Army Corps of Engineers who was AEC general manager at the time the commission became involved in the Dixon-Yates contract and in more recent years has maintained a Washington consultant's office for Gulf Oil, the Mellon family, Detroit Edison and the Atomic Industrial Forum, the focal point of the nation's nuclear industrialists, and others.

According to a June, 1968, forum study, which Nichols headed, the forum "initiated" discussion with the AEC in late 1965 on "the feasibility of private ownership and operation of enrichment facilities."

#### ACCESS POSTPONED

The AEC had used the forum previously in studies to assure both the public and private industry that its nuclear fuel charges were computed on a businesslike basis and not subsidized. But the AEC put off for a while giving Nichols and the forum access to classified material they wanted to make a study of selling the plants. Permission eventually was granted.

Nichols' study committee, in June, 1968, then recommended that the plants be sold with enabling legislation obtained from Congress this year and firm commitments to sell obtained from the administration before 1972.

The AEC itself began taking its own look into the feasibility of selling the plants last year, during the end of the Johnson administration—but without any White House guidance. Holifield's Joint Committee then asked the AEC to evaluate the Nichols-forum recommendations. An AEC staff study subsequently came up with various conclusions but ducked all recommendations.

The Johnson administration then gave way to the Nixon administration. Soon after that, according to a high official who has seen it, a White House memo was drawn up detailing a scenario on the matter. The official said the scenario concluded with these words: "Prepare data for justifying the President in advocating the immediate sale of these plants."

The Bureau of the Budget and Paul W. McCracken, chairman of the President's Council of Economic Advisers, reportedly began consideration of the matter and a hurry-up study was ordered from a well-known East Coast private management consultant. McCracken also headed a task force study which was completed in July but has never been made public.

#### AIDE TO PRESIDENT

Then the matter was put under a coordinating committee headed by Peter M. Flanigan, a longtime Republican financial contributor and deputy campaign manager of Mr. Nixon's 1968 campaign. Flanigan, who

had been a vice president of New York's Dillon, Reed investment banking house, came into the White House on a full-time basis in mid-April as the President's assistant for the regulatory agencies.

Flanigan's committee reportedly includes McCracken, Lee A. DuBridge, the President's science adviser, and Thomas G. Moore, senior staff economist for the Council of Economic Advisers.

Presumably it was Flanigan's committee that prepared the President's Monday announcement calling for eventual sale of the three enriched uranium plants on the grounds that the material now is needed more for nuclear power plants than for weapons and that plant capacity soon will have to be increased to meet bigger foreign and domestic nuclear power plant needs.

"The thing that I fear is that there will be an energy combine developing," Holifield said in interview. "The oil companies have recently bought into coal companies very heavily and they have also bought into uranium. I'm not maintaining that there is an evil conspiracy, just an inevitable result of the forces that are interested, a coalescing of private interests that want to exploit it."

#### OTHERS FOLLOW SUIT

He noted that Continental Oil had bought Consolidated Coal several years ago and that since the Justice Department's antitrust division didn't object, Gulf Oil also went into coal, along with other oil companies.

Holifield also reported that Kerr-McGee, Standard Oil of New Jersey, Ashland and Gulf now were in uranium; that Gulf had bought General Atomics and now was in the reactor business; that Atlantic-Richfield had bought Nuclear Materials & Equipment Corp., a leading processor; that Getty Oil recently had bought Nuclear Fuel Service.

Holifield said he was convinced that U.S. utilities today lack the capital to start making bids for the big enriched uranium plants which produce the actual nuclear fuel, that only the oil companies, through their tax advantages have that sort of money.

"If they are going to control basic energy in the United States they will be controlling power across the board," he said.

Holifield also noted that since the United States, under the "Atoms for Peace" program, is committed to assuring foreign nuclear power users of at least a 30-year supply of this country's enriched uranium fuel, whoever owns this country's plants will have a tremendous say as the free world moves more and more into dependence on nuclear power.

#### PRICING OF PLANTS

As for the actual pricing of the nation's three big enriched uranium plants at Oak Ridge, Tenn., Paducah, Ky. and Portsmouth, Ohio, Holifield said:

"The big steal can come in selling them at book value or something less." He noted that even though the taxpayer's \$2.3 billion investment in these plants now has been marked down through depreciated use to \$1.2 billion, "the plants are not obsolete, or worn out, or poorly maintained. They are the only plants of their kind in the world and still worth \$2.3 billion from a production standpoint."

Holifield and others have noted that the Nichols-forum study mentions a \$30 per kilogram unit of separative work as the processing charge for enriched uranium customers.

The AEC currently sells this material at \$26, but \$30 is the limit permitted under the present Atomic Energy Act. There is a suspicion that the Nichols-forum group would like to have the price increased while the government is still the owner and thus avoid price-jacking accusations once private industry steps in.

Actually, the board of directors of the Atomic Industrial Forum refused to give the

Nichols-forum study its official endorsement when it became apparent that the board lacked unanimity.

#### OBJECTION EXPRESSED

One member of Nichols' seven-man study committee, William M. Capron of the Brookings Institution, found it necessary to add a footnote objection to the study:

"The report suggests a confidence which I do not fully share that, if these plants are sold, the private market thereby created would operate in a sufficiently competitive manner so as to adequately protect the public interest," Capron wrote.

He went on to predict a "three-firm oligopoly" of any future three owners of the government plants and suggested a tighter enforcement of the nation's antitrust laws.

#### THINKING THINGS OVER—TV AND ALL OF THAT

(Mr. BROYHILL of North Carolina asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BROYHILL of North Carolina. Mr. Speaker, there has been a shrill outcry against the recent remarks of the Vice President in which he raised what I regard as thoughtful observations about the handling of news by the Nation's television networks. Vice President AGNEW's comments have drawn unfortunate responses of personal vilification. In fact, the furious and indignant reactions from the television networks and a large segment of the press offer no reassurance that the speech will result in many thoughtful reflections.

Certainly, Mr. AGNEW's analysis is a kind of dissent which deserves respect. The first step in any process of problem-solving is the identification of the problem itself. The Vice President, I believe, has now made an important and useful contribution to this process. Efforts to shout down this discussion are not in the public interest and will only aggravate the problems arising from the Vice President's questions which are still unanswered.

The problems discussed by the Vice President are indeed difficult to solve. I can also understand the sensitivity of broadcasters to criticism since I am aware of and sympathetic to the special problems that have often unduly complicated the lives of the men and women operating the country's broadcasting facilities. However we must attempt to deal with the issues which circumstances create.

Today in the Wall Street Journal, an article written by Vermont Royster attempts to put this controversy into its proper context. Mr. Royster is a respected newspaperman and commentator upon the issues of our time who, we are proud to say, is a native of North Carolina. The perspective he gives in his remarks to this current issue is worth study and reflection.

The article referred to, follows:

#### THINKING THINGS OVER—TV AND ALL OF THAT

(By Vermont Royster)

Well, Spiro Agnew seems to have done it again. And from all the hullabaloo you'd think he'd attacked Motherhood.

What he did, of course, was to criticize the communications media, especially the

electronic components thereof. What he said was interesting, provocative, traditional and as American as the Fourth of July. It was even partly true.

But a one-man survey of the communications media, including both print and electronic, fails to disclose that his reward was to find himself linked with Thomas Jefferson, whom we all revere and who's the patron saint of the press, or with Woodrow Wilson, whom we all respect and who's the patron saint of all intellectuals engaged in political action.

It was Jefferson, you'll remember, who once called it "a melancholy truth . . . that nothing can be believed which is seen in a newspaper," and he went on to commiserate with his fellow citizens who, relying on the communications media of his day, "live and die in the belief that they have known something of what has been passing in the world of their time."

Wilson's prose was plainer but his thought equally plain. "Do not believe anything you read in the newspapers," he adjured his friends. "They are utterly untrustworthy." Similar sentiments, sometimes in blunter language, have been expressed by FDR, Truman, Eisenhower, Kennedy and LBJ.

But Mr. Agnew drew no praise for being in such distinguished company. The three presidents of the three major networks got so excited they took to their networks to denounce him for what he had said before he said it. And to be sure we got the word, repeated the exhortations after he had said it.

The print media (one must use the "in" phrases) were no kinder. The editorial writers, though normally acerbic about their electronic cousins, mostly shared the view that the Vice President was unconstitutional, and expressed regret that there was no way to repeal him.

All of which leads to the melancholy conclusion that the press (let us use the better name for it all) can dish it out but quivers when it's dished back. For there is some truth, melancholy though that thought be, in the words spake by Thomas Jefferson and Spiro Agnew.

The truth is that all news undergoes some distortion between its happening and its reporting to the public. A newspaper may send out a score of reporters to cover a riot, but each has only two eyes (some, like Floyd Gibbons, had only one but that's a technicality) and each can be in only one place at a time. None can report all he sees; he must select. His editor, moreover, must select among all the facts assembled; he can't print them all. Finally, the editor chooses among many stories for the prominence of place and length.

The result—why should we be self-righteous about it?—is distortion; i.e., an incomplete or a blurred picture. It is pointless, anyway, to deny what is self-evident. The point is to recognize that the distortion is inherent.

Television, and this too ought to be self-evident, has some special distortion problems inherent in its medium. The television camera transmits faithfully what it sees; to that extent, it has less distortion than a reporter with a pencil. But the television camera is even more limited in what it sees.

Perforce, the camera can only look at one part of the story at a time. If it sees a policeman using a club on a student but doesn't see the student using a tire-chain on the policeman, then the "facts" it reports to the viewer are true but the story it reports is not necessarily true.

Any real football fan, for example, knows you can't really see the game better on TV; that's why the stands are packed. Some parts you see better, but you miss a lot more. You only see what the camera is pointed at,

which is partly luck and partly the instant judgment of the "editor" choosing between several cameras. Now and then, with bad luck and bad judgment, you miss a whole play entirely.

No, Tom Jefferson and Spiro Agnew weren't wholly misguided. Mr. Agnew was also correct that in TV news coverage a handful of men dominate what you see as far as national and world news are concerned. Why deny the self-evident?

What Mr. Jefferson forgot in his moment of exasperation—though in calmer moments he knew it well—and what Mr. Agnew forgot to mention was that since all these problems of distortion are inherent in the process itself, the real argument is not about their existence but how best to deal with them in an imperfect world.

There was a time, once, when most American journalists distorted the news deliberately to serve their party or their prejudices. Some still do, perhaps, but by and large in newspapers the tradition has taken hold that if we poor ink-stained wretches can't always be "objective" we can at least be fair. We can, and we do, try to give the public many sides of the story. We even assemble now and then and castigate ourselves for our failures.

And then there's the safeguard of diversity. You could read a dozen accounts of that folk festival at Woodstock, all accurate as to details but differing in the total picture; you could then make up your own mind. You can supplement your local paper with Time, Newsweek, The Village Voice, The National Observer, The New Republic and so on ad infinitum.

With TV, as Mr. Agnew took note, the diversity is not so great. But are three major networks (and several smaller ones) still not better than one? It would be best to have more, as technology permits more, although the present network presidents would probably object to that too. But it would certainly be worse to have only one, whether its prejudices were those of the government or anybody else.

There's another thing. TV is still groping at the task of minimizing its inherent distortions. Because it is visual, it must grope at the task of presenting a less distorted view when it has pictures of one part of a story but, unhappily, none of the other parts. Handling non-visual news is even more difficult.

Probably these problems will never be solved, more's the pity. About all you can say about the free press—which includes TV commentators free to raise their eyebrows if they want to—is that it's less worse than any other system. 'Tis a poor defense, but 'twill do, and it's more honest than having hysterics over Thomas Jefferson, Woodrow Wilson or Spiro Agnew.

#### "FICKLE-FINGER-OF-FATE" AWARD SHOULD GO TO LABOR DEPARTMENT

(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, in the vein of the famous Rowan and Martin "Fickle-Finger-Of-Fate" Award, one of my constituents has called to my attention an incredible grant made by the Labor Department for training purposes. The comments on the award by Mr. Walter Wenklar, Jr., of Johnstown, Pa., need no further introduction.

Mr. Wenklar's letter follows:

Congressman JOHN P. SAYLOR,  
House of Representatives,  
Washington, D.C.

DEAR CONGRESSMAN SAYLOR: Would you kindly read the enclosed article before I blow my stack?

[From the Pittsburgh Press, Oct. 23, 1969]

"U.S. AWARDS CONTRACT TO TRAIN 60 IDLE

"PHILADELPHIA.—A \$2.7 million contract has been given by the U.S. Dept. of Labor to the National Tool, Die and Precision Machining Assn. to train 60 unemployed workers in Pennsylvania.

"The workmen will be given on-the-job training in the critically short machine-tool occupations and learn such trades as machinist, tool and die maker and toolroom machine-operator."

Simple mathematics prove that this is forty-five thousand dollars (\$45,000.00) per worker.

Being a middle-class worker as defined by the bureaucrats, the press, and the communication mediums, it would take me seven years just to earn this money. It must also be stated that this is *not* take-home wages.

Should I have at my finger-tips a total of forty-five thousand dollars, I could not only learn tool, die, and precision machinery, I could become a brain surgeon, a United States Senator, or the next leader of a moratorium.

On my salary, it must be noted that I am helping support or finance the United States Government, the state of Pennsylvania, the county of Cambria, the city of Johnstown, about nine schools in the Johnstown area, not even mentioning the fact of my contribution to the Richland Township treasury with my taxes.

Now, with my take-home pay, I am buying a house, thus helping to keep the Dale National Bank in Dale, feeding, clothing, boarding, providing medical care, and life insurance for my wife and three children.

I am also feeding and boarding two dogs, two parrots, and one hundred and twenty-three guppies on less than five-thousand dollars take-home pay a year.

We also do not exist on hamburger, macaroni, or tuna fish in this rising high spiral cost of living, so in one last gasp and sheer desperation, how in the Hell can this two-point-seven-million-dollar contract be justified?

Now, if the United States Government was willing to give me two-point-seven million dollars, (\$2,700,000.00), I could put four-hundred and twenty-one-point eight (421.8) children through college, giving the United States two doctors, twenty-two teachers, three electrical engineers, two priests, six congressmen, one test pilot, three ambassadors, two automotive engineers, a General in the United States Army, four astronauts, one television commentator, two governors, five nurses, three lawyers, one senator, two X-ray technicians, three authors, two professional football players, one agriculturalist, three pianists, two ministers—Well, if the Senate and the House of Representatives don't have the idea by now, I must have been too late with this letter.

Yours truly,

WALTER WENKLAR, JR.

#### SECOND PAIR OF AMERICAN ASTRO-NAUTS LAND ON THE MOON

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. GERALD R. FORD. Mr. Speaker, the second pair of American astronauts to land on the moon have completed their

exploration and experiments there and have reentered their lunar module for the trip back to earth.

As did the other astronaut duo, Charles "Pete" Conrad and Alan Bean planted the American flag on the surface of the moon. As they did so, Pete Conrad spoke some simple words that I found very moving. "I hope," he said, "everybody down there is as proud of it as we are to put it up."

Mr. Speaker, what a contrast between the astronauts and the spirit of American courage exemplified by them and the radicals who pulled down the American flag at the Justice Department last Saturday and raised the Vietcong flag in its place.

I cannot help but wonder how the hundreds of thousands of protesters who took part in the peaceful mass march down Pennsylvania Avenue last Saturday view the two flagraisings—the one at the Justice Department and the one on the moon.

Although moratorium leaders complained of an SDS Weatherman faction's bid for blackmail money in exchange for nonviolence, I have yet to hear them publicly protest the raising of the Vietcong flag in place of our national emblem.

#### NO CHANGE IN FOREIGN AID

(Mr. ASHBROOK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ASHBROOK. Mr. Speaker, many of us had hoped that there would be some basic change in the structure of foreign aid. We had hoped this administration would place high priority on innovative thinking which would protect our interests while helping our friends in worthwhile, supportable projects. After close study of the bill which is before us today, it appears that it is once again business as usual.

Those nations which expropriate our property still get foreign aid. Nations which are loaning us back money still get foreign aid. Nations which supply our enemy in Vietnam can still get aid. Business as usual.

My able colleagues, H. R. GROSS, EDWARD J. DERWINSKI, and J. HERBERT BURKE have well set out the foolishness involved in this ridiculous program and their statement is very pertinent and quotable. I have consistently voted against this program because it is not properly administered and makes little distinction between friend and foe. I see no reason to subsidize those who are inimical to our interests or who take aggressive, arbitrary action against American nationals or American property.

The autumn foliage is gone, Christmas is almost upon us, and foreign aid is before the House. The taxpayers are wondering how to stretch their dollars so there will be something at the hearth on a cold, white Christmas Day. If this bill passes, the aid recipients will be assured a warm, green Christmas. Of course, we don't send Christmas checks. They lack the personal touch and sense of thoughtfulness that goes into giving. We care-

fully select projects and programs to suit the individual taste.

The gift list in this bill was not hastily drawn up. The committee spent 5 months on it. Those the executive overlooked or slighted the committee took care of.

Who can forget old "Doc" Duvalier and his happy hatchetmen in Haiti? We certainly can't. We are going to give him supporting assistance to keep his one-man "democracy" running. For Nigeria, "the showcase of Africa," where they are tackling the population problem in a down-to-earth way, there are also some goodies.

And how can we forget our close friends in this hemisphere who are joined with us in collective defense and working hard for the improvement of their people? Ecuador and Peru are busy seizing our fishing vessels, imposing fines on our citizens, and expropriating property owned by our citizens. Bolivia has something of a handicap. With no outlets on the sea it cannot seize our fishing vessels. It has to content itself with grabbing whatever of our property it can find at home. Naturally our gift to Bolivia will be larger than those we give to Ecuador or Peru. Our all-American favorite is Brazil where the dictatorship has closed the Congress and jailed most of the opposition. But this is no time of the year to be miserly or picayune. They need all the foreign aid they can get should they ever feel disposed to repay the loans we have made them.

On the other side of the globe we always remember India. India is not content to disagree; it takes pride in being disagreeable. That shows it is independent—and we admire that quality in our firm friends. With the more than \$8 billion we have given that country it can now afford to have a "green revolution." We used to be generous to Ghana until that Government got mad at us. When a new government came along, we turned the other cheek and jumped at the chance to increase our gifts. We are down to our last cheek there; if we lose that, we will lose face. So, obviously, we cannot strike Ghana from our list.

The Good Book says:

Come unto me, all ye that labor and are heavily laden, and I will give you rest.

The foreign aid version reads:

Stay right where you are and we'll send you the rest.

Only a careful reading of the executive puff sheets that accompanied this bill will reveal some of the incredible things being done in the name of foreign aid. As Members might suspect, they reveal only the less sordid details.

The appointment of a Presidential commission neither arouses our enthusiasm nor raises our hopes. This is a classic gimmick repeated every few years when no one can think of anything better to do about foreign aid. If it follows the pattern of its many illustrious predecessors, whose names we have been trying to recall, some furniture will be moved in the executive branch, old programs will be perpetuated under new names, and possibly new stationery printed.

Apparently the majority of the committee does not put too much stock in the commission's possible findings. It authorized sums of money for three programs for 2 years instead of 1.

The other night the President told the Nation that "we in the United States have pursued the illusion that we could remake continents." He must have read this bill.

In addition to the usual Alliance for Progress funds for grants and loans the committee has added some new illusions. Under one section of the bill we will issue guarantees to local banks in Latin America against losses they may incur in lending their own money to their own citizens. Fortunately this is a 2-year pilot project in not more than five Latin American countries. If limited to 2 years, we cannot lose more than \$15 million in this illusionary venture.

Another illusion fostered by the majority of the committee is the creation of another corporation called the Inter-American Social Development Institute. It will be headed by a \$38,000-a-year man and may employ as many as 100 individuals at any salary it wishes to pay. The Institute will be engaged in agriculture, education, health, and anything else that meets the social and economic needs of the oligarchies that run those countries. This year the Institute may tap other programs for not more than \$5 million. After that downpayment, there is an open-ended authorization.

We were led to believe all these years that the Alliance for Progress was supposed to be doing what the Institute plans to do. Maybe it is well to have bureaucrats compete with each other to see who can dole out the most money in the shortest time. This will develop bureaucratic creativity and initiative.

One of the touted innovations in the bill is the creation of still another Government corporation for overseas private investment, dubbed OPIC. This is not to be confused with a Homeric epic although its authority is broad enough to let it wander over the world. For years we have had an insurance program in the foreign aid law for investors who want to go into business abroad. One of the boasts about that program is that it has been self-supporting through the collection of insurance fees. But that is not enough for the empire builders. With this OPIC-al illusion it will get into the loan business as well as the insurance business—and do it through a high-powered, high-priced corporation that can set its own interest rates. To carry out this beefed-up program the request is made for a president at \$40,000 a year, a vice president at \$38,000 a year, and three executive vice presidents at \$36,000 a year each plus 15 more jobs at supergrade salaries. More than 100 jobs in AID will be shifted to OPIC where they will be sheltered in the corporate structure. This will help AID meet its personnel reductions—but will not slow the growth of bureaucracy. Over the years foreign aid has been used to help industry, the farmers, and labor as well as to subsidize professors who are otherwise ungainfully employed. So maybe we should not be too surprised that OPIC wants to cut in some bankers and

businessmen on this round for a piece of the foreign aid pie.

Before Members get carried away by the Christmas spirit, they ought to reflect on a few hard facts of foreign aid life.

First. The program funded by this bill is only one part of our total foreign aid operations. More than a score of other laws authorize programs to funnel U.S. resources abroad. They vary in size, shape, and objectives but are uniform in that they all draw on the taxpayers of this country. For the next fiscal year they will shell out more than \$10 billion for the hydraheaded monster called foreign assistance.

Second. Almost \$19 billion remains in the pipeline from previous years' appropriations for all these programs.

Third. Since 1946 we have sent abroad in one form or another \$122 billion. The net interest on what we have borrowed to give this sum away adds another \$60 billion.

Fourth. The public debt of the United States stands at more than \$360 billion. Interest alone on that debt is more than \$18 billion.

Fifth. Interest on Federal borrowing is now more than 7 percent. Compare this with the rate at which loans are now made under foreign assistance—2 percent for the first 10 years and 3 percent for the next 30 years.

Sixth. Federal taxes are at their highest level to say nothing of State and local taxes. We hear with increasing frequency of a taxpayers' revolt. If the taxpayers knew the full story of the extravagance and waste in this program, the threat would be even more real.

Seventh. With the increased unsettled conditions abroad, how much longer can defenders of this program argue that it is in our national interest; that it will promote security and development? Many of the recipients of our largesse are destroying their resources and themselves at a rate faster than we can try to save them.

Eighth. Three countries that have been receiving and will continue to receive, funds under this bill—Thailand, Korea, and Taiwan—are now lending money to the United States at 6-percent interest.

Ninth. Last year Congress appropriated \$1.7 billion for this program, a reduction from the executive asking price of \$2.9 billion. Can anyone point to any damage or disaster that resulted from this reduction? This year the asking price was \$2.6 billion. The committee has reported out \$2.1 billion. Clearly the House has an opportunity to do what the committee should have done—reduce the bill below last year's appropriation. Only then can it boast that it has made a reduction.

Let's tell these hard truths to our constituents and see what kind of a response we get on how to vote on this grab bag.

In view of the financial crisis that our country faces, commonsense and simple arithmetic demand that this program be cut drastically. To that end we seek the help of the Members of the House.

I am indebted to my good friend, the able gentleman from Louisiana (Mr. PASSMAN) for the following information

regarding the true picture of our fantastic commitments with all of the attendant problems which have come from overspending and overpromising. Any study of these facts would certainly indicate the necessity for limiting foreign aid to only friends and only then for absolutely imperative projects.

The attached recapitulation sheets raise many questions. One question would be: Can we survive indefinitely as a strong nation if we continue dissipating our resources and giving away our wealth to nations all over the world? This practice is destroying our world markets. Many of our commodities are no longer competitive in the world markets. Note the following figures carefully:

First. New budget requests made since January 1, 1969, for additional authority for foreign assistance covering loans, grants and credits—ten billion, five hundred and twenty-eight million dollars.

Second. Unexpended balances in pipeline from prior years—eighteen billion, seven hundred and eight million dollars.

If all new requests are approved by the Congress, the total funds available, new and from prior years, will amount to twenty-nine billion, two hundred and thirty-six million dollars.

Third. Net cost, I repeat, net cost of the foreign assistance program since its inception—1946-69—including interest on what we have borrowed to give away, amounts to one hundred eighty-two billion, five hundred and eighty-three million dollars. Our wealth has been distributed among the entire 3½ billion population of the world, with the exception of a mere 36 million people.

Fourth. During this worldwide spending spree, our gold holdings have been reduced from twenty-two billion, eight hundred and seventy-nine million dollars to ten billion, three hundred and sixty-seven million dollars.

Fifth. Since the inception of this worldwide spending spree, short-term dollar claims against the United States due now have increased from eight billion, six hundred and forty-five million dollars to thirty-five billion, six hundred and sixty-five million dollars. If we should be called upon to redeem these short-term IOU's, we could not meet the demand.

Sixth. Our balance-of-payments situation, since this worldwide spending spree started, has become serious. We have sent to foreign nations of the world thirty-six billion, eight hundred and ninety-six million dollars more than they have returned to us.

Seventh. The freewheeling spending program covering the face of the earth has helped push the U.S. public debt to a figure fifty-seven billion, eighty-one million dollars above the combined public debt of all other nations of the world.

Eighth. Many believe that we have substituted dollars for a sound foreign policy. Indeed, we have substituted aid for trade. We have become so addicted to this new formula that to be able to continue it we are now borrowing money from more than 30 foreign nations of the world.

We are borrowing money from the

American people to pay for commodities and services which are given free to foreign nations. At the same time we are borrowing money from foreign nations in order to improve temporarily our balance-of-payments situation. One example is as follows:

Thailand is the recipient of over \$1 billion of our aid, both commodities and services. The United States borrowed the money to pay for these commodities and services we have given to them. During the same period, Thailand, out of its own resources, created a surplus in its foreign exchange and gold reserves of over \$1 billion. Now the shocker—

After long diplomatic wrangling, strong argument, and arm twisting, Thailand reluctantly but finally agreed to make the United States a loan of \$100 million. Terms: 4½ years at 6 percent interest.

This is just one of many examples of the mess we are getting into with our freewheeling, worldwide spending program.

The attached recapitulation sheets and the summary included in this letter are from the record and are being furnished to the overburdened American taxpayers, hoping that they have the means and persuasion to help put an end to this frightful spending spree that we have embarked upon.

This is the administration's program in name only. Third- and fourth-echelon bureaucrats are the ones who are involving us in these foreign entanglements. During fiscal 1970, the aid program will be operating in 99 nations and five territories of the world, with 51,000 individuals on the payroll. This includes U.S. personnel, foreign personnel, and participants. There are 4,403 projects and sub-projects scattered all over the world. While many similar projects in America were closed down during fiscal 1969 for lack of funds, not a single foreign aid project suffered as much as a \$1 reduction on account of the limitation imposed by the Revenue and Expenditure Control Act of last year.

The following tables supplied by the Foreign Operations Subcommittee on Appropriations graphically portray the true picture of our foreign aid program:

*New budgetary requests for authorization and appropriation for foreign assistance for fiscal year 1970*

Foreign assistance (mutual security) .....	\$2,710,020,000
Receipts and recoveries from previous programs .....	274,785,000
Military assistance (in defense budget) .....	2,230,900,000
Economic assistance (in defense budget) .....	76,600,000
Foreign military credit sales fund .....	275,000,000
MAAG's, missions, and mil-groups .....	168,800,000
Export-Import Bank, long-term credits .....	1,872,200,000
Export-Import Bank, regular operations .....	570,423,000
Export-Import Bank, export expansion program .....	100,000,000
Public Law 480 (agricultural commodities) .....	986,600,000
Inter-American Development Bank (FSO) .....	300,000,000
International Development Association (1) .....	160,000,000

*New budgetary requests for authorization and appropriation for foreign assistance for fiscal year 1970—Continued*

International Development Association (2), supplemental	\$160,000,000
Asian Development Bank (regular contribution)	20,000,000
Asian Development Bank (special funds)	25,000,000
Peace Corps	101,100,000
Permanent military construction—Foreign nations	255,300,000
Contributions to international organizations	130,187,000
Educational (foreign and other students)	43,614,000
Ryukyu Islands	20,651,000
Migrants and refugees	5,511,000
Trust Territories of the Pacific Islands	41,612,000

Total new requests for foreign assistance for fiscal year 1970

10,528,303,000

*Unexpended balances in pipeline from prior years for foreign aid programs*

Foreign assistance (mutual security)	\$5,265,936,000
Foreign military credit sales fund	222,000,000
MAAG's, missions, and mill-groups	5,000,000
Military and economic assistance (in defense budget)	1,086,000,000
Export-Import Bank, long-term credits	3,296,800,000
Export-Import Bank, regular operations	193,400,000
Export-Import Bank, uncommitted borrowing authority	5,288,300,000
Public Law 480 (agricultural commodities)	507,748,000
Inter-American Development Bank	2,109,494,000
International Development Association	103,600,000
Asian Development Bank	130,000,000
Peace Corps	35,619,000
Permanent military construction—Foreign nations	390,000,000
Contributions to international organizations	2,838,000
Educational (foreign and other students)	29,263,000
Ryukyu Islands	7,705,000
Migrants and refugees	3,616,000
Trust Territories of the Pacific Islands	16,551,000
Inter-American highway	14,146,000
<b>Total</b>	<b>18,708,016,000</b>

*Total net foreign assistance to 121 nations and 7 territories of the world, fiscal years 1946 through 1969—Statistics finalized July 1, 1969 (the 5-F formula: frustrating, fanatical, frightening, foolish, but factual)*

Afghanistan	\$370,500,000
Albania	20,400,000
Algeria	193,500,000
Argentina	447,500,000
Australia	697,000,000
Austria	1,106,000,000
Barbados	200,000
Belgium-Luxembourg	1,747,500,000
Bolivia	532,000,000
Botswana	16,500,000
Brazil	2,772,500,000
Burundi	6,800,000
Burma	84,700,000
Cambodia	341,400,000
Cameroon	32,900,000
Canada	46,900,000
Central African Republic	4,600,000
Ceylon	158,900,000
Chad	8,800,000
Chile	1,410,000,000

*Total net foreign assistance to 121 nations and 7 territories of the world, fiscal years 1946 through 1969—Statistics finalized July 1, 1969 (the 5-F formula: frustrating, fanatical, frightening, foolish, but factual)—Continued*

Republic of China	\$5,006,900,000
Colombia	962,700,000
Congo (B)	2,000,000
Congo (K)	440,900,000
Costa Rica	172,600,000
Cuba	43,800,000
Cyprus	20,300,000
Czechoslovakia	189,500,000
Dahomey	12,000,000
Denmark	875,900,000
Dominican Republic	461,500,000
East Germany	800,000
Ecuador	268,900,000
El Salvador	123,200,000
Ethiopia	357,000,000
Finland	30,200,000
France	7,014,300,000
Gabon	7,500,000
Gambia	1,600,000
Ghana	268,700,000
Germany and Berlin	3,675,600,000
Greece	3,681,200,000
Guatemala	318,800,000
Guinea	107,700,000
Guayana	61,200,000
Haiti	108,800,000
Honduras	109,400,000
Hungary	13,500,000
Iceland	67,300,000
India	7,464,400,000
Indochina	1,535,200,000
Indonesia	940,100,000
Iran	2,047,100,000
Iraq	96,800,000
Ireland	122,900,000
Israel	860,200,000
Italy	5,393,700,000
Ivory Coast	69,000,000
Jamaica	76,400,000
Japan	3,606,900,000
Jordan	635,300,000
Kenya	62,700,000
Korea	7,817,200,000
Kuwait	49,400,000
Laos	643,300,000
Lebanon	86,200,000
Lesotho	4,800,000
Liberia	228,600,000
Libya	221,500,000
Malagasy	13,400,000
Malawi	25,900,000
Malaysia	76,300,000
Mali	21,300,000
Malta	6,700,000
Mauritania	3,300,000
Mauritius	1,400,000
Mexico	569,000,000
Morocco	685,300,000
Nepal	129,600,000
Netherlands	2,050,500,000
New Zealand	66,800,000
Nicaragua	158,000,000
Niger	16,700,000
Nigeria	275,000,000
Norway	1,130,200,000
Pakistan	3,527,300,000
Panama	221,200,000
Paraguay	116,900,000
Peru	476,300,000
Philippines	1,839,900,000
Poland	453,800,000
Portugal	477,100,000
Rwanda	7,400,000
Saudi Arabia	70,300,000
Senegal	36,200,000
Sierra Leone	40,900,000
Singapore	33,900,000
Somalia	76,200,000
Sou. Rhodesia	2,000,000
Spain	1,960,000,000
Sudan	97,200,000
Surinam	10,000,000
Swaziland	500,000
Sweden	156,000,000

*Total net foreign assistance to 121 nations and 7 territories of the world, fiscal years 1946 through 1969—Statistics finalized July 1, 1969 (the 5-F formula: frustrating, fanatical, frightening, foolish, but factual)—Continued*

Syrian Arab Rep.	\$60,400,000
Tanzania	65,400,000
Thailand	1,144,900,000
Togo	14,900,000
Trinidad-Tobago	55,400,000
Tunisia	606,600,000
Turkey	5,391,200,000
Uganda	35,800,000
United Arab Rep.	900,900,000
United Kingdom	7,690,700,000
USSR	7,690,700,000
Upper Volta	12,100,000
Uruguay	154,600,000
Venezuela	361,500,000
Vietnam	5,856,000,000
Western Samoa	1,500,000
Yemen	42,800,000
Yugoslavia	2,593,400,000
Zambia	9,800,000
Bahamas	34,700,000
Brit. Honduras	5,200,000
West Indies	8,000,000
Hong Kong	43,800,000
Ryukyu Islands	399,100,000
Trust Ter. Pac.	225,300,000
CENTO	54,700,000
W/W Regional	14,896,500,000

Total net disbursements to foreign nations, 1946 to 1969

122,048,200,000

Total net interest paid on what we have borrowed to give away, 1946 to 1969

60,535,175,000

Grand total—cost of foreign assistance—1946 through 1969

182,583,375,000

NOTE.—Of the 3 billion people of the world, all but 36 million have received aid from the United States.

All of these programs have a bearing on our own domestic deficits, our tax burden which we heap on the back of our own people, inflation, and are further debauching our currency through removal of our protective gold cover. Study these figures carefully:

Gold holdings [In millions]

Gold holdings, United States:  
Dec. 31, 1950 \$22,879  
Dec. 31, 1968 10,367

Gold loss by United States, 1950 through 1968

12,512

Gold holdings, other countries of the world, Dec. 31, 1968 28,028  
Gold holdings, other countries of the world, Dec. 31, 1950 10,935

Gold increase, other countries of the world, 1950 through 1968

17,093

Short-term dollar claims against United States

[In millions]

Short-term dollar claims against United States, Dec. 31, 1968 \$35,665  
Short-term dollar claims against United States, Dec. 31, 1950 8,645

Short-term dollar claims increase against United States, 1950 through 1968

27,020

*U.S. balance of payments*  
[In millions]

Net deficit:	
1950	----- \$-1,912
1951	----- -578
1952	----- -1,100
1953	----- -2,100
1954	----- -1,500
1955	----- -1,100
1956	----- -1,000
1957 (net surplus)	----- +500
1958	----- -3,400
1959	----- -3,700
1960	----- -3,800
1961	----- -2,400
1962	----- -2,200
1963	----- -2,660
1964	----- -3,006
1965	----- -1,306
1966	----- -2,077
1967	----- -3,650
1968 (net surplus)	----- +93

Net U.S. balance-of-payments deficit (19 years) 1950 through 1968----- \$-36,896

*Gross public debts*  
[In thousands]

Public debt, United States, Dec. 31, 1968	----- \$361,242,183
Public debt, all other nations of the world, Dec. 31, 1968	----- 304,160,241
U.S. public debt exceeds combined public debt of all other nations of the world by (estimate)	----- 57,081,942

Mr. Speaker, the above are verified statistics covering gold holdings, short-term dollar claims against the United States, U.S. balance-of-payments position—19 years—public debt of the United States, public debt of all other nations of the world, and amount by which our public debt exceeds combined public debt of all other nations of the world. It is not necessary for me to comment further. The statistics tell the full story.

Mr. Speaker, nothing more needs to be said. The record speaks for itself.

#### IN PURSUIT OF OBJECTIVITY

(Mr. ASHBROOK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ASHBROOK. Mr. Speaker, not too long ago newspaper headlines publicized attempts to protect the American public through the "fair packaging" and "truth in lending" issues. On November 13 when Vice President AGNEW attempted to further protect the public with his "fair TV news packaging" remarks in Des Moines, various sources agonized over the possibility of Federal control and censorship of the communications media. Actually, all that was suggested by the Vice President in the way of corrective action was a soul searching on the part of the TV news people and an exhortation to the public to register their concern in behalf of a TV news "fairness doctrine."

The target of Mr. AGNEW's remarks was "a small group of men, numbering perhaps no more than a dozen 'anchors,' commentators, and executive producers" with each network. This refer-

ence to a small group rings a bell with me for on March 27 of this year I inserted in the RECORD an article by David Broder of the Washington Post describing another small group—the national political reporters. Mr. Broder observed that at any given time there are several hundred persons who are potentially candidates for nomination as President or Vice President which include Senators, Representatives, Governors, administration officials, mayors, military men, businessmen, and other assorted celebrities. He further observes that this collection of possibilities are winnowed down to manageable size by "the press—and particularly that small segment of the press called the national political reporters." This segment, according to Mr. Broder, is small and includes "a couple of dozen members."

A member himself of this "screening committee," Mr. Broder listed representatives of the three radio television networks as members of the "in crowd":

These organizations include: the three news magazines, the two wire services, the three radio-television networks and the New York Times, the Washington Post, Washington Evening Star, the Los Angeles Times, the Christian Science Monitor, the Baltimore Sun, the Knight newspapers, the Field papers, and the Gannett, Newhouse, Scripps-Howard and Hearst chains. The political reporters for these organizations, plus a few syndicated columnists who cover politics along with other subjects, comprise the screening committee.

The Broder article describes the "screening committee" in action:

I often thought, for example, as I saw Romney during his Presidential campaign, surrounded by our circle—men a generation younger than he, many of us with cigarettes in our mouths, drinks in our hands, and cynicism in our hearts—that he must have felt as helpless with us as I would feel if my fate or future as a journalist were being decided by a committee of Romney's colleagues among the elders of the Mormon church.

And finally, the article emphasizes the power of the political reporter:

In his function as a talent scout, the political reporter not only puts some men forward, he rather ruthlessly bars the door to advancement for other men . . . Their reports, like those in Variety, are frequently make-or-break. "No talent," they will say of one man, and his name is forgotten. "Promising," they'll say of another, and he is booked into the Gridiron Dinner or "Meet the Press." It's a formidable power, and one that the screening committee of reporters is thoroughly conscious of possessing.

Considering the foregoing, it is not surprising that Mr. AGNEW has come upon another "screening committee," in this case in the TV news area. Ironically, perhaps the most valid criticism of the Des Moines speech is that the Vice President was too kind and too restrictive in his analysis. Consider the comments of some of TV's own people as they were reported in the TV Guide of September 27, 1969.

Referring to the Democratic convention disruptions in Chicago last year, Shad Northshield of NBC stated:

I was stunned by the public reaction to Chicago. We all were. I was stunned, astonished, hurt. It's the key thing that opened

my eyes to the cleavage between newsmen and the majority. We didn't know 56 percent would have thought we were unfair. It raises enormous questions about journalism.

Phil Lewis of CBS said:

We're beginning to realize we've ignored the majority. America doesn't end at the Hudson.

The newsmen's own liberal ideology is the cause of the present situation in the TV news field according to Fred Freed of NBC:

This generation of newsmen is a product of the New Deal. These beliefs that were sacred to the New Deal are the beliefs that news has grown on. This is true of the networks, of Newsweek, of the New York Times, of all media. Men of like mind are in the news. It's provincial. The blue-and-white-collar people who are in revolt now do have cause for complaint against us. We've ignored their point of view. It's bad to pretend they don't exist. We did this because we tend to be uppermiddle-class liberals. . . .

While Bill Leonard of CBS stated that they had nothing to apologize for, including the coverage of the Chicago Democratic Convention, he was most emphatic in his comments on "bad reporting":

Most reporting is lousy. It's lousy because people are lazy, because people don't think ahead, because they approach things in rote ways. We have these kinds of reporters here, unfortunately. The worst problem of all is the reporter who doesn't ask the next question—the cheap, lousy reporter who'll quote an attack but doesn't go to the other side, because the answer might kill his story. . . .

And then, as if to reaffirm the Des Moines criticism, Mr. Leonard addressed himself to the performances of some of the gentlemen sitting on Mr. AGNEW's "screening committee":

And these producers who develop and edit a broadcast from the point of view of the way they want it to turn out—with their own prejudices showing. That happens quite often . . . If we could get rid of those people we'd be a lot closer to our goal of objectivity.

Compared to Mr. Leonard's criticism, the Vice President was indeed too kind. Unlike Mr. Leonard, he did not mention getting rid of those producers in the various networks who peddle their biases in packages mislabeled "news." Mr. AGNEW merely asked for an improvement in the quality and objectivity of news presentation.

In exhorting the public to make their wishes known, the Vice President suggested writing to the networks and phone calls to local stations. This, along with the spirit of introspection so evident in the above comments of the various TV people could well effect developments in the TV news area mutually advantageous to all concerned.

I include the text of the Des Moines speech of Vice President AGNEW, delivered on November 13, in the RECORD at this point:

#### THE CHALLENGE OF TV

(Remarks of Vice President SPIRO T. AGNEW)

Tonight, I want to discuss the importance of the television news medium to the American people. No nation depends more on the intelligent judgment of its citizens. No medium has a more profound influence over public opinion. Nowhere in our system are

there fewer checks on vast power. So, nowhere should there be more conscientious responsibility exercised than by the news media. The question is—are we demanding enough of our television news presentations? And, are the men of this medium demanding of themselves?

Monday night, a week ago, President Nixon delivered the most important address of his Administration, one of the most important of our decade. His subject was Vietnam. His hope was to rally the American people to see the conflict through to a lasting and just peace in the Pacific. For thirty-two minutes, he reasoned with a nation that has suffered almost a third of a million casualties in the longest war in its history.

When the President completed his address—an address that he spent weeks in preparing—his words and policies were subjected to instant analysis and querulous criticism. The audience of seventy million Americans—gathered to hear the President of the United States—was inherited by a small band of network commentators and self-appointed analysts, the majority of whom expressed, in one way or another, their hostility to what he had said.

It was obvious that their minds were made up in advance. Those who recall the fumbling and groping that followed President Johnson's dramatic disclosure of his intention not to seek reelection have seen these men in a genuine state of non-preparedness. This was not it.

One commentator twice contradicted the President's statement about the exchange of correspondence with Ho Chi Minh. Another challenged the President's abilities as a politician. A third asserted that the President was now "following the Pentagon line." Others, by the expressions on their faces, the tone of their questions, and the sarcasm of their responses, made clear their sharp disapproval.

#### ENTER MR. HARRIMAN

To guarantee in advance that the President's plea for national unity would be challenged, one network trotted out Averell Harriman for the occasion. Throughout the President's address he waited in the wings. When the President concluded, Mr. Harriman recited perfectly. He attacked the Thieu Government as unrepresentative; he criticized the President's speech for various deficiencies; he twice issued a call to the Senate Foreign Relations Committee to debate Vietnam once again; he stated his belief that the Viet Cong or North Vietnamese did not really want a military take-over of South Vietnam; he told a little anecdote about a "very, very responsible" fellow he had met in the North Vietnamese delegation.

All in all, Mr. Harriman offered a broad range of gratuitous advice—challenging and contradicting the policies outlined by the President of the United States. Where the President had issued a call for unity, Mr. Harriman was encouraging the country not to listen to him.

A word about Mr. Harriman. For ten months, he was America's chief negotiator at the Paris Peace Talks—a period in which the United States swapped some of the greatest military concessions in the history of warfare for an enemy agreement on the shape of a bargaining table. Like Coleridge's Ancient Mariner, Mr. Harriman seems to be under some heavy compulsion to justify his failures to anyone who will listen. The networks have shown themselves willing to give him all the air time he desires.

#### THE RIGHT TO DISAGREE

Every American has a right to disagree with the President of the United States—and to express publicly that disagreement.

But the President of the United States has a right to communicate directly with the people who elected him, and the people of this country have the right to make up their own minds and form their own opinions about a

Presidential address without having the President's words and thoughts characterized through the prejudices of hostile critics before they can even be digested.

When Winston Churchill rallied public opinion to stay the course against Hitler's Germany, he did not have to contend with a gaggle of commentators raising doubts about whether he was reading public opinion right, or whether Britain had the stamina to see the war through. When President Kennedy rallied the Nation in the Cuban Missile Crisis, his address to the people was not chewed over by a round-table of critics who disparaged the course of action he had asked America to follow.

#### POWERFUL GROUP OF MEN

The purpose of my remarks tonight is to focus your attention on this little group of men who not only enjoy a right of instant rebuttal to every Presidential address, but more importantly, wield a free hand in selecting, presenting and interpreting the great issues of our Nation.

First, let us define that power. At least forty million Americans each night, it is estimated, watch the network news. Seven million of them view ABC; the remainder being divided between NBC and CBS. According to Harris polls and other studies, for millions of Americans the networks are the sole source of national and world news.

In Will Rogers' observation, what you knew was what you read in the newspaper. Today, for growing millions of Americans, it is what they see and hear on their television sets.

How is the network news determined? A small group of men, numbering perhaps no more than a dozen "anchormen," commentators and executive producers, settle upon the 20 minutes or so of film and commentary that is to reach the public. This selection is made from the 90 to 180 minutes that may be available. Their powers of choice are broad. They decide what forty to fifty million Americans will learn of the day's events in the Nation and the world.

We cannot measure this power and influence by traditional democratic standards for these men can create national issues overnight. They can make or break—by their coverage and commentary—a Moratorium on the war. They can elevate men from local obscurity to national prominence within a week. They can reward some politicians with national exposure and ignore others. For millions of Americans, the network reporter who covers a continuing issue, like ABM or Civil Rights, becomes in effect, the presiding judge in a national trial by jury.

#### TV MERITS AND DEMERITS

It must be recognized that the networks have made important contributions to the national knowledge. Through news, documentaries and specials, they have often used their power constructively and creatively to awaken the public conscience to critical problems.

The networks made "hunger" and "black lung" disease national issues overnight. The TV networks have done what no other medium could have done in terms of dramatizing the horrors of war. The networks have tackled our most difficult social problems with a directness and immediacy that is the gift of their medium. They have focused the nation's attention on its environmental abuses . . . on pollution in the Great Lakes and the threatened ecology of the Everglades.

But it was also the networks that elevated Stokely Carmichael and George Lincoln Rockwell from obscurity to national prominence—nor is their power confined to the substantive.

A raised eyebrow, an inflection of the voice, a caustic remark, dropped in the middle of a broadcast can raise doubts in a million minds about the veracity of a public official or the wisdom of a government policy.

One Federal Communications Commissioner considers the power of the networks to equal that of local, state and federal governments combined. Certainly, it represents a concentration of power over American public opinion unknown in history.

#### OBJECTIVITY

What do Americans know of the men who wield this power? Of the men who produce and direct the network news—the nation knows practically nothing. Of the commentators, most Americans know little, other than that they reflect an urbane and assured presence, seemingly well informed on every important matter.

We do know that, to a man, these commentators and producers live and work in the geographical and intellectual confines of Washington, D.C. or New York City—the latter of which James Reston terms the "most unrepresentative community in the entire United States." Both communities bask in their own provincialism, their own parochialism. We can deduce that these men thus read the same newspapers, and draw their political and social views from the same sources. Worse, they talk constantly to one another, thereby providing artificial reinforcement to their shared viewpoints.

Do they allow their biases to influence the selection and presentation of the news? David Brinkley states, "objectivity is impossible to normal human behavior." Rather, he says, we should strive for fairness.

Another anchorman on a network news show contends: "You can't expunge all your private convictions just because you sit in a seat like this and a camera starts to stare at you . . . I think your program has to reflect what your basic feelings are. I'll plead guilty to that."

Less than a week before the 1968 election, this same commentator charged that President Nixon's campaign commitments were no more durable than campaign balloons. He claimed that, were it not for fear of a hostile reaction, Richard Nixon would be giving into, and I quote the commentator, "His natural instinct to smash the enemy with a club or go after him with a meat axe."

Had this slander been made by one political candidate about another, it would have been dismissed by most commentators as a partisan assault. But this attack emanated from the privileged sanctuary of a network studio and therefore had the apparent dignity of an objective statement.

The American people would rightly not tolerate this kind of concentration of power in government. Is it not fair and relevant to question its concentration in the hands of a tiny and closed fraternity of privileged men, elected by no one, and enjoying a monopoly sanctioned and licensed by government?

The views of this fraternity do not represent the views of America. That is why such a great gulf existed between how the nation received the President's address—and how the networks reviewed it.

#### CENSORSHIP ELIMINATED

As with other American institutions, perhaps it is time that the networks were made more responsive to the people they serve.

I am not asking for government censorship or any other kind of censorship. I am asking whether a form of censorship already exists when the news that forty million Americans receive each night is determined by a handful of men responsible only to their corporate employers and filtered through a handful of commentators who admit to their own set of biases.

The questions I am raising here tonight should have been raised by others long ago. They should have been raised by those Americans who have traditionally considered the preservation of freedom of speech and freedom of the press their special provinces of responsibility and concern. They should have been raised by those Americans who share

the view of the late Justice Learned Hand that "right conclusions are more likely to be gathered out of a multitude of tongues than through any kind of authoritative selection."

#### THE PRINTED WORD

Advocates for the networks have claimed a first amendment right to the same unlimited freedoms held by the great newspapers of America.

The situations are not identical. Where the *New York Times* reaches 800,000 people, NBC reaches twenty times that number with its evening news. Nor can the tremendous impact of seeing film and hearing commentary be compared with reading the printed edge.

A decade ago, before the network news acquired such dominance over public opinion, Walter Lippman spoke to the issue: "There is an essential and radical difference," he stated, "between television and printing . . . the three or four competing television stations control virtually all that can be received over the air by ordinary television sets. But, besides the mass circulation dailies, there are the weeklies, the monthlies, the out-of-town newspapers and books. If a man does not like his newspaper, he can read another from out of town, or wait for a weekly news magazine. It is not ideal. But it is infinitely better than the situation in television. There, if a man does not like what the networks offer him, all he can do is turn them off, and listen to a phonograph."

"Networks," he stated, "which are few in number, have a virtual monopoly of a whole medium of communication." The newspapers of mass circulation have no monopoly of the medium of print.

"A virtual monopoly of a whole medium of communication" is not something a democratic people should blithely ignore.

And we are not going to cut off our television sets and listen to the phonograph because the air waves do not belong to the networks; they belong to the people.

As Justice Byron White wrote in his landmark opinion six months ago, "It is the right of the viewers and listeners, not the right of the broadcasters, which is paramount."

#### DEMOCRATIC CONVENTION—1968

It is argued that this power presents no danger in the hands of those who have used it responsibly.

But as to whether or not the networks have abused the power they enjoy, let us call as our first witnesses, former Vice President Humphrey and the City of Chicago.

According to Theodore H. White, television's intercutting of the film from the streets of Chicago with the "current proceedings on the floor of the convention created the most striking and false political picture of 1968—the nomination of a man for the American Presidency by the brutality and violence of merciless police."

If we are to believe a recent report of the House Commerce Committee, then television's presentation of the violence in the streets worked an injustice on the reputation of the Chicago police.

According to the Committee findings, one network in particular presented "a one sided picture which in large measure exonerates the demonstrators and protestors." Film of provocations of police that was available never saw the light of day, while the film of the police response which the protestors provoked was shown to millions.

Another network showed virtually the same scene of violence from three separate angles—without making it clear it was the same scene.

While the full report is reticent in drawing conclusions, it is not a document to inspire confidence in the fairness of the network news.

#### OTHER CONSIDERATIONS

Our knowledge of the impact of network news on the national mind is far from complete. But some early returns are available. Again, we have enough information to raise serious questions about its effect on a democratic society.

Several years ago, Fred Friendly, one of the pioneers of network news, wrote that its missing ingredients were "conviction, controversy and a point of view." The networks have compensated with a vengeance.

And in the networks' endless pursuit of controversy, we should ask what is the end value . . . to enlighten or to profit? What is the end result . . . to inform or to confuse? How does the on-going exploration for more action, more excitement, more drama, serve our national search for internal peace and stability?

Gresham's law seems to be operating in the network news.

Bad news drives out good news. The irrational is more controversial than the rational. Concurrence can no longer compete with dissent. One minute of Eldridge Cleaver is worth ten minutes of Roy Wilkins. The labor crisis settled at the negotiating table is nothing compared to the confrontation that results in a strike—or, better yet, violence along the picket line. Normality has become the nemesis of the evening news.

The upshot of all this controversy is that a narrow and distorted picture of America often emerges from the televised news. A single dramatic piece of the mosaic becomes, in the minds of millions, the whole picture. The American who relies upon television for his news might conclude that the majority of American students are embittered radicals, that the majority of black Americans feel no regard for their country; that violence and lawlessness are the rule, rather than the exception, on the American campus. None of these conclusions is true.

Television may have destroyed the old stereotypes—but has it not created new ones in their place?

What has this passionate pursuit of "controversy" done to the politics of progress through logical compromise, essential to the functioning of a democratic society?

The Members of Congress or the Senate who follow their principles and philosophy quietly in a spirit of compromise are unknown to many Americans—while the loudest and most extreme dissenters on every issue are known to every man in the street.

How many marches and demonstrations would we have if the marchers did not know that the ever-faithful TV cameras would be there to record their antics for the next news show.

We have heard demands that Senators and Congressmen and Judges make known their financial connections—so that the public will know who and what influences their decisions or votes. Strong arguments can be made for that view. But when a single commentator or producer, night after night, determines for millions of people how much of each side of a great issue they are going to see and hear; should he not first disclose his personal views on the issue as well?

In this search for excitement and controversy, has more than equal time gone to that minority of Americans who specialize in attacking the United States, its institutions and its citizens?

#### TV AND THE VIEWS

Tonight, I have raised questions. I have made no attempt to suggest answers. These answers must come from the media men. They are challenged to turn their critical powers on themselves. They are challenged to direct their energy, talent and conviction toward improving the quality and objectivity of news presentation. They are challenged to

structure their own civic ethics to relate their great freedom with their great responsibility.

And the people of America are challenged too . . . challenged to press for responsible news presentations. The people can let the networks know that they want their news straight and objective. The people can register their complaints on bias through mail to the networks and phone calls to local stations. This is one case where the people must defend themselves . . . where the citizen . . . not government . . . must be the reformer . . . where the consumer can be the most effective crusader.

By way of conclusion, let me say that every elected leader in the United States depends on these men of the media. Whether what I have said to you tonight will be heard and seen at all by the nation is not my decision; it is not your decision; it is their decision.

In tomorrow's edition of the *Des Moines Register* you will be able to read a news story detailing what I said tonight; editorial comments will be reserved for the editorial page, where it belongs. Should not the same wall of separation exist between news and comment on the nation's networks?

We would never trust such power over public opinion in the hands of an elected government—it is time we questioned it in the hands of a small and un-elected elite. The great networks have dominated America's airwaves for decades; the people are entitled to a full accounting of their stewardship.

#### WORLD MENTAL HEALTH ASSEMBLY

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on November 18, before the World Mental Health Assembly meeting in Washington, a distinguished friend and constituent of mine, Dr. Stanley R. Dean, delivered an outstanding address on the subject "Self-Conducted Group Psychotherapy: Mental Patients Rediscover Will Power." Dr. Dean is a fellow of the American Psychiatric Association and of the American College of Psychiatrists. He is the Stanley R. Dean Annual Award for Research in Psychiatry, which is jointly sponsored by the Fund for the Behavioral Sciences and the American College of Psychiatrists, is bestowed.

Eminent in his profession, a dedicated American and warm-hearted and broad-shouldered citizen, Dr. Dean has done much for his profession and for his country. I commend this eloquent address to my colleagues and to my fellow countrymen.

I include Dr. Dean's address at this point in the Record:

#### SELF-HELP GROUP PSYCHOTHERAPY: MENTAL PATIENTS REDISCOVER WILL POWER

It is consistent with the democratic ideal that help for the mentally afflicted should be available to every individual rather than the privileged few. To achieve that goal we professionals must envision a system of outreach that literally permeates every level of society. We must speed the day when preventive and therapeutic first aid will be immediately available, not only for full-blown syndromes but also for the every-day crises that may be their forerunners. Only then will psychiatry, itself, attain maturity.

The Expert Committee of the World Health Organization in 1958 stated that "the dignity and the right to security of every disabled person is no less than that of a normal in-

dividual and that everything possible must be done to rehabilitate the disabled in order to restore them to as normal a life as possible in the society in which they live" (13). This includes the mentally disabled as well as the physically disabled.

It is no exaggeration to say that current demand for psychiatric service is greater than ever and its prestige is at an all-time high. In a relatively few years psychiatry has undergone a transition from the status of an isolated specialty to that of a major branch of medicine. Reasons: more affluent middle and lower income groups; popularization of psychiatry by mass media and government; accelerated physio-chemical therapy, making it more akin to medicine as a whole; closer socio-psychiatric rapprochement due to escalating pressures at home and abroad; increasing eclecticism within the ranks.

All these and other factors peculiar to our complex times have combined to create a veritable psychiatric explosion. To cope with it, the new psychiatric task force will have to expand its horizons. It will have to recruit sergeants and corporals as well as commanding officers. It will have to concern itself not only with theory and etiology but also with the necessity of tiding a patient over his immediate hang-ups. It will have to combine forces with adjunctive disciplines of all kinds in a cross-fertilizing atmosphere of concerted effort. In short we envision a psychiatry that is versatile rather than static, pluralistic rather than insular, liberal rather than conservative, protean rather than stereotyped. Despite resistance from the parochial old guard, the innovative shift from institutional and office-based therapy to

domiciliary and community involvement continues to make stubborn headway.

Already various paraprofessional psychiatric aides have validated their roles in modern treatment, especially psychiatric social workers, clinical psychologists, occupational therapists and psychiatric nurses (16). But in addition, there are also many informal self-conducted "therapeutic clubs" within the community—e.g., Alcoholics Anonymous, Synanon, Weight Watchers, Recovery, Inc.—whose potential resources have been largely unexplored by professionals, although they have withstood the test of time and bid fair to become a permanent feature of the socio-psychiatric scene.

Self-directed therapeutic groups have characteristics that are particularly adaptive to patients afflicted with stigmatizing problems, since they aim to offset the isolation and estrangement imposed on such patients by family and friends at home or by the geographical dislocation of an institution remote from home. We might say that they provide an aura of community acceptance.

Self-directed groups do not provide "deep" psychotherapy, but their emphasis on faith, will power, self control and day-to-day victories do achieve constructive treatment goals. After all, who knows better how a mental patient, alcoholic or drug addict thinks or feels than other victims of the same malady? It is this unique feature that is so conducive to the effectiveness of self-directed groups.

The following list will serve to define self-help group therapy vis-a-vis orthodox psychotherapy. It is intended merely as an objective comparison and does not infer any superiority of one over the other.

#### APPROXIMATE COMPARISONS

##### Orthodox psychotherapy

1. Professional, authoritative therapist.
2. Fee.
3. Appointments & records.
4. Therapy-oriented milieu (psychiatrist's office, clinic, etc.).
5. No family confrontation.
6. Psychiatrist is presumed normal, does not identify with patient.
7. Therapist is not a role model, does not set personal examples.
8. Therapist is non-critical, non-judgmental, neutral, listens.
9. Patients unilaterally divulge to therapist, disclosures are secret.
10. Patients expect only to receive support.
11. Concerned about symptom substitution if underlying causes are not removed.
12. Accepts disruptive behavior and sick role, absolves patient, blames cause.
13. Therapist does not aim to reach patient at "gut level."
14. Emphasis on etiology, insight.
15. Patient's improvement is randomly achieved.
16. Therapist-patient relationship has little direct community impact.
17. Everyday problems subordinated to long-range cure.
18. Extra curricular contact and socialization with psychiatrist discouraged.
19. Lower cumulative dropout percentage.
20. Patient cannot achieve parity with psychiatrist.

##### Self-help group therapy

- Non-professional leaders, group parity.
- Free.
- None.
- Non-therapy oriented milieu (church rooms, community centers, etc.).
- Family encouraged.
- Peers are similarly afflicted, identify with each other.
- Peers are role models, must set examples for each other.
- Peers are active, judgmental, supportive, critical, talk.
- Peers divulge to each other, disclosures are shared.
- Patients must also give support.
- Urges appropriate behavior, not concerned about symptom substitution.
- Rejects disruptive behavior and sick role, holds member responsible.
- Peers aim to reach each other at "gut level."
- Emphasis on faith, will-power, self-control. Patient's behavior is planfully achieved.
- Peers' intersocial involvement has considerable community impact.
- Primary emphasis on day-to-day victories: another day without liquor or drugs, another day without panic, etc.
- Continuing support and socialization available.
- Higher drop-out percentage.
- Members may themselves become active therapist.

The group that this report is especially interested in is known as Recovery, Inc. It is a structured self-help program based on will power. It was founded in 1937 by a Chicago psychiatrist, the late Dr. Abraham A. Low, who was convinced that even the mentally ill could develop their will power. The present author was the first psychiatrist to promulgate it thereafter (15). Recovery, Inc. now has 725 groups in the United States and 35 in Canada, with more than 12,000 weekly

attendance. Recovery maintains an ongoing program of cooperation with formal psychiatry. Hundreds of actual panel demonstrations are given each year for the professional staffs of psychiatric hospitals and clinics (17, 18). A panel demonstration was presented at the annual meeting of the American Psychiatric Association last May (19).

Dr. Low's book, *Mental Health Through Will Training*, is the handbook of Recovery's members (14). It has been criticized by some

psychiatrists as being unorthodox and authoritarian. However, it was intended for patients who do not understand the jargon of psychiatry. Low devised a simple vocabulary of key phrases in order to provide a uniform basis among his groups for understanding, communication and procedure.

This vocabulary stresses such down-to-earth concepts as "will power," "muscle control," "endorsement," "spotting nervous symptoms," "sabotage," etc. To some psychiatrists that might seem rather naive and archaic, if not down-right heretical. However, such simple homilies have proved effective in a lay setting and I have never found them to interfere with our more recondite pontifications (6).

Members learn to spot and analyze the emotional nature of a disturbing symptom when it occurs. They also learn how to deal with it through will power and muscle control, forcing one's self to behave or react in an approved way. Having the member recount before others how he spotted a disturbing situation enables him to obtain cathartic relief in a setting in which he also gains enthusiastic group approval (endorsement) (2, 10).

Each session centers about a topic selected in advance from Dr. Low's book, *Mental Health Through Will Training*, or a pre-recorded comment by Dr. Low on the topic. Examples and discussions by four or five panel members follow for approximately one hour, then a freewill offering is collected. Next comes a brief mutual aid period which is usually accompanied by simple refreshments. During this half hour group members have an opportunity to become better acquainted and to discuss Recovery techniques informally.

Organized large-scale social activity is kept to a minimum with the possible exceptions of a Christmas Party and a mid-summer picnic. While the members are encouraged to associate during meetings on an informal and friendly basis, they are often known to each other only by first names and last initials.

Recovery, Inc. stresses that the organization does not diagnose, treat, or supplant the doctor. Each member is at all times expected to follow the authority of his own physician or other professional. To do otherwise would be sabotage.

#### DISCUSSION

It follows that Recovery, Inc. is not a substitute for psychiatry, but a self-directed program that may be used to supplement psychiatry or alone in certain cases where psychiatric treatment is not available or mandatory. The ideal referral to Recovery should come from a physician or psychiatrist, for they are qualified to know what best fills the needs of the patient; but it is also important that all behavioral professions should become acquainted with the unique and valuable services that Recovery has to offer.

In addition to its value as an adjunct to psychiatry, Recovery can serve an important "caretaker" function in those cases where psychiatric treatment is not available for one reason or another, such as lack of funds or resistance on the part of a patient or his family psychiatric treatment (4).

Although group psychotherapy does not go as "deep" as individual psychotherapy, it provides some unique advantages that only group therapy can offer. There is a certain contagiousness about group attitudes that is transmitted to the individual. The collective mind and the collective will are stronger than that of the individual. A person who cannot utilize his own will to get better finds that he can surrender more readily to the will of the group. This group contagiousness explains to a large extent the cohesiveness of thought in political parties,

religious denominations and other organizational activities.

The emotional climate of a group is an effective instrument for combatting the feelings of isolation and withdrawal of the patient. Mass suggestion and mass identification help to extort the patient's emotions and "draw him out of his shell." People who are themselves afflicted are more sympathetic and understanding to fellow sufferers. Most people feel better when they learn to share their troubles with kindred spirits. In Recovery each patient is encouraged to confront his problems, to air his symptoms and to examine the validity and appropriateness of his emotions. At home this might meet with arguments, objections, indifference or even pampering. In the group it meets with understanding and support.

It would appear that as patients confess their fears and eccentricities and observe no reactions of dismay on the faces of others, they feel accepted. They feel safe in the group because the shared secret evokes no condemnation. They are all in the same boat, so to speak. They reinforce each other by their mutual acceptance.

Still another advantage of Recovery is the competitive element that it provides. Patients consciously or unconsciously compete with one another to see who can improve most completely and quickly and thereby win the approval of the rest of the group. In turn, the actual demonstration of objective improvement from week to week is a source of great encouragement and inspiration to the others. Part of the program for each is the support and reclamation of other patients. This spirit of working together toward a common goal cannot be overemphasized. In union there is strength. Helping others is one of the surest ways to help one's self. These truths have been known through the ages. In Recovery they are brought into sharp focus where patients can actually observe them in practice.

A major advantage of Recovery, that is rare in the orthodox type of individual or group therapy, is the attendance of family members at meetings. The family is thereby able to obtain greater insight into the problems of the patients. The family realizes that nervous and mental problems are universal and not a unique and personal affliction. As a consequence, they learn not to feel so sorry for themselves. At the same time they acquire a new dimension in sympathy, tolerance and understanding. More important, since disturbed individuals often come from disturbed families, the latter may learn through Recovery to spot and correct their own abnormal reactions. It is a psychological truism that "we treat situations rather than individuals." Recovery provides an excellent opportunity to bring the entire situation into focus.

Last, but not least, in patients just released from an institution, Recovery helps to smooth the transition from hospital to society. Without such a medium the patient may find it difficult to cope with the sudden immersion back into an environment that presumably contributed to his breakdown in the first place. The Recovery group is a sort of miniature society that can serve as an important buffer between the patient and his environment. If he is accepted by Recovery, it lessens his fear about being accepted by society (9).

Although Recovery, Inc. prefers professional referrals, if the need arises it will accept members who, for economic or other reasons, are not currently under psychiatric care. Does that pose a threat to private practice? Not at all. The present author can affirm that a physician who refers selected patients to Recovery will find that it is like bread cast upon the waters—in terms of cross-referrals, therapeutic progress, prestige and self-esteem (6, 8).

What results may be expected from the Recovery program? As yet the answer to that question can be given only on an empirical level. Practically all the articles that have appeared so far were written by psychologists, sociologists and feature writers (1, 3, 5, 20). The present paper is the first independent report ever made by a psychiatrist to a national medical association. A thorough search of the literature reveals only one statistical study, conducted by Donald T. Lee, Chief of the Social Service Department at the Camarillo State Hospital in California. It is an ongoing study, as yet incomplete, but Lee's clinical impression is that the Recovery program tends to create a "well role" model in the important area of interpersonal relationships for the participating patient (11, 12). A favorable clinical impression has also been briefly noted by Shoichet (21).

The present author agrees with those impressions. Over a period of twenty years I have referred some 200 patients to Recovery, Inc. Most of them continued simultaneously under my care. In my opinion this concurrent group, as a whole, showed better progress than nonparticipants. There was more rapid symptomatic improvement; less self-consciousness and embarrassment; a greater sense of pride, accomplishment and degree of commitment; better coping behavior; accelerated social rehabilitation; and less tendency to decompensate under stress.

Any fears I may have had about dependency and secondary gain were soon allayed by the observation that any element of dependency upon the group was more than compensated for by responsibility to the group and ultimately a social obligation to get well and become a productive member of society.

#### SUMMARY

Recovery, Inc. is effective because the group and the individual strengthen each other. The emotional climate of the group, its contagiousness, competitive atmosphere, actual demonstration of beneficial results in others, the opportunity to share with and even help others, the inclusion of the family group—all these are constructive and positive forces of genuine value. Recovery replaces stigma with inspiration. It deserves the support of everyone in any way concerned with the problem of mental rehabilitation. (7).

Further information may be obtained by consulting the local telephone directory or by contacting the National Headquarters of Recovery, Inc., 116 South Michigan Avenue, Chicago, Illinois 60603.

#### REFERENCES

(An asterisk identifies a direct reference to Recovery, Inc.)

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3. Berzon, B. and Solomon, L. N.: *The Self-Directed Therapeutic Group: Three Studies*, Journ. of Counseling Psychol., 13: 491-497, 1966. Also several mimeographed papers available at the Western Behavioral Science Institute, La Jolla, Calif.
4. Carner, C.: *Now: Clubs for Mutual Mental Help*, Today's Health, Publ. by Amer. Med. Assoc., (Mar.) 1968.
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\*13. Leigh, Denis: Quoted in *Psychiatric Hospital Care and Rehabilitation: Report on a Travelling Seminar*, publ. by World Health Organization, Copenhagen, 1968.

\*14. Low, A. A.: *Mental Health Through Will Training*, Boston, The Christopher Publ. House, 1950. (11th ed., 1967).

\*15. ——— Personal communication to the author, (June 1) 1947.

16. Mendel, W. M. *Maladjusted Psychiatry*, Medical Opinion & Review, (Mar.) 1969.

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\*19. ——— Moderator, Grosz, H. J., *Recovery, Inc. in Action*, Annual meeting Amer. Psychiat. Assoc. Miami, Fla. (May), 1969.

\*20. Recovery Reporter, Publ. by Recovery, Inc. National Headquarters, Chicago, Ill., 32 (Jan.-Feb.), 1969.

\*21. Shoichet, R.: *Recovery, Inc.*, Canadian Family Physician, Nov. 1968.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

MR. BELCHER (at the request of Mr. GERALD R. FORD), for November 17 through November 25, on account of official business.

MR. DENNEY (at the request of Mr. GERALD R. FORD), for November 18 and balance of week, on account of knee injury.

MR. KUYKENDALL (at the request of Mr. GERALD R. FORD), for November 20 through November 24, to attend conference of U.S. citizens residing abroad.

MR. SCHERLE (at the request of Mr. GERALD R. FORD), for November 20 and balance of week, on account of official business as a member of House Committee on Education and Labor.

MR. REIFEL (at the request of Mr. GERALD R. FORD), for November 19 through December 12, on account of official business.

MR. PEPPER, for November 20 and 21, on account of official business on Crime Committee hearings.

MR. FOUNTAIN (at the request of Mr. GRAY), until 2 p.m., on account of official business involving the Advisory Commission on Intergovernmental Relations.

MR. ELBERG, for November 21 through December 6, 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:

(The following Members (at the request of Mr. WHITEHURST to revise and extend their remarks and include extraneous material:)

Mr. FINDLEY, for 5 minutes, today.

Mr. WILLIAMS, for 5 minutes, today.

(The following Members (at the request of Mr. WOLFF) to revise and extend their remarks and include extraneous matter:)

Mr. FLOOD, for 10 minutes, today.

Mr. GONZALEZ, for 10 minutes, today.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. JONES of Alabama during his remarks on the conference report on S. 1072 and to include certain tables.

Mr. FALLON (at the request of Mr. JONES of Alabama) following the remarks of Mr. JONES of Alabama.

Mr. BLATNIK (at the request of Mr. JONES of Alabama) following the remarks of Mr. FALLON on the conference report on S. 1072.

Mr. MAHON (at the request of Mr. WOLFF), the remarks he made in the House today on the conference report accompanying the bill H.R. 11612, making appropriations for the Department of Agriculture and related agencies.

(The following Members (at the request of Mr. WHITEHURST) and to include extraneous matter:)

Mr. TALCOTT.

Mr. HALL.

Mr. ASHBROOK in three instances.

Mr. HORTON.

Mr. EDWARDS of Alabama.

Mr. WYMAN in two instances.

Mr. DELLENBACK in two instances.

Mr. STEIGER of Wisconsin in two instances.

Mr. ESCH.

Mr. ROTH.

Mr. SCHWENDEL in three instances.

Mr. HOGAN.

Mr. GOLDWATER.

Mr. MICHEL.

Mr. FISH.

Mr. UTT.

Mr. MCKNEALLY.

Mr. SKUBITZ in four instances.

(The following Members (at the request of Mr. WOLFF) and to include extraneous matter:)

Mr. MATSUNAGA in two instances.

Mr. OTTINGER in two instances.

Mr. MCCARTHY in three instances.

Mr. DANIEL of Virginia.

Mr. CHAPPELL.

Mr. PICKLE in three instances.

Mr. UDALL in eight instances.

Mr. RARICK in two instances.

Mr. RIVERS in two instances.

Mr. GONZALEZ.

Mr. DINGELL in two instances.

Mr. EDMONDSON in two instances.

Mr. WALDIE in two instances.

Mr. HUNGATE in two instances.

Mr. ANDERSON of California.

Mr. TIERNAN.

Mr. KLUCZYNSKI.

Mr. GIBBONS in two instances.

Mr. WILLIAM D. FORD.

Mr. SLACK in two instances.

Mr. O'HARA in two instances.

Mr. KYROS in two instances.

Mr. FOLEY in two instances.

Mr. BENNETT in three instances.

Mr. OLSEN.

#### ENROLLED BILLS SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 12307. An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1970, and for other purposes; and

H.R. 14001. An act to amend the Military Selective Service Act of 1967 to authorize modifications of the system of selecting persons for induction into the Armed Forces under this Act.

#### SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 92. An act for the relief of Mr. and Mrs. Wong Yui; and

S. 1072. An act to authorize funds to carry out the purposes of the Appalachian Regional Development Act of 1965, as amended, and titles I, III, IV, and V of the Public Works and Economic Development Act of 1965, as amended.

#### ADJOURNMENT

Mr. WOLFF, Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 10 minutes p.m.) the House adjourned until tomorrow, Thursday, November 20, 1969, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

1349. Under clause 2 of rule XXIV, a letter from the Comptroller General of the United States, transmitting a report on omission of significant costs from charges to the Federal Republic of Germany for pilot training, Department of Defense, was taken from the Speaker's table and referred to the Committee on Government Operations.

#### 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. MADDEN: Committee on Rules. House Resolution 714. Resolution for consideration of H.R. 4249, a bill to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices (Rept. No. 91-658). Referred to the House Calendar.

Mr. DAWSON: Committee on Government Operations. H.R. 14517. A bill to provide temporary authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for the

operation of those projects, and for other purposes; (Rept. No. 91-659). 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. DINGELL:

H.R. 14863. A bill to amend the Solid Waste Disposal Act to prohibit the use in interstate commerce of certain aluminum containers; to the Committee on Interstate and Foreign Commerce.

By Mr. ICHORD (for himself, Mr. QUILLEN, Mr. BENNETT, Mr. FISHER, Mr. FUQUA, Mr. WAGGONNER, Mr. COLMER, Mr. RIVERS, Mr. PREYER of North Carolina, Mr. EDWARDS of Louisiana, Mr. ASHBROOK, Mr. ROUBUSH, Mr. WATSON, and Mr. SCHERLE):

H.R. 14864. A bill to amend the Internal Security Act of 1950 to authorize the Federal Government to institute measures for the protection of defense production and of classified information released to industry against acts of subversion, and for other purposes; to the Committee on Internal Security.

By Mr. JONES of North Carolina:

H.R. 14865. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. KING (for himself and Mr. MCKNEALLY):

H.R. 14866. A bill to amend chapter 44 of title 18, United States Code, to strengthen the penalty provisions applicable to a Federal felony committed with a firearm; to the Committee on the Judiciary.

By Mr. MIKVA (for himself, Mr. ANDERSON of California, Mr. ANNUNZIO, Mr. BINGHAM, Mr. BROWN of California, Mr. BYRNE of Pennsylvania, Mr. CONYERS, Mr. FARSTEIN, Mr. HALPERN, Mr. KOCH, Mr. LOWENSTEIN, Mr. MACDONALD of Massachusetts, Mr. MATSUNAGA, Mrs. MINK, Mr. PIKE, Mr. PODELL, Mr. REES, Mr. SCHEUER, Mr. SYMINGTON, and Mr. WRIGHT):

H.R. 14867. A bill to amend the Clean Air Act to provide for the adoption of national standards governing emissions from stationary sources, to create a Federal duty not to pollute the atmosphere, to provide additional public and private remedies for the abatement of air pollution, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MONAGAN:

H.R. 14868. A bill to amend the act of March 3, 1899, to authorize the United States to recover by civil actions the cost of removing certain obstructions from the navigable waters of the United States, and for other purposes; to the Committee on Public Works.

By Mr. OTTINGER.

H.R. 14869. A bill to amend title 5, United States Code, to provide for retirement of employees under the civil service retirement program upon attainment of 50 years of age and completion of 25 years of service; to the Committee on Post Office and Civil Service.

By Mr. MILLS (for himself and Mr. BYRNES of Wisconsin):

H.R. 14870. A bill to continue the expansion of international trade and thereby promote the general welfare of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. UDALL:

H.R. 14871. A bill to amend title 38 of the United States Code to require pay differentials for nurses in Veterans' Administration hospitals who perform evening, night, weekend, holiday or overtime duty and to authorize payment for standby or on-call time, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. WYATT:

H.R. 14872. A bill to amend the Federal Water Pollution Control Act, as amended, to provide adequate financial assistance and to increase the allotment to certain States of construction grant funds; to the Committee on Public Works.

By Mr. ASPINALL (for himself, Mr. ULLMAN, Mr. JOHNSON of California, and Mr. DON H. CLAUSEN):

H.R. 14873. A bill relating to the income tax treatment of just compensation received from the United States with respect to property taken under the act of the Congress which established the Redwood National Park; to the Committee on Ways and Means.

By Mr. DENT:

H.R. 14874. A bill to provide for the protection of the health and safety of persons working in the coal mining industry of the United States, and for other purposes; to the Committee on Education and Labor.

By Mr. O'NEILL of Massachusetts (for himself, Mr. SIKES, Mr. CHAPPELL, Mr. KYROS, Mr. HATHAWAY, Mr. FRIEDEL, Mr. MORSE, Mr. HARRINGTON, Mr. BURKE of Massachusetts, Mr. ADDABBO, Mr. PODELL, Mr. ST GERMAIN, Mr. TIERNAN, Mr. WATSON, Mr. DORN, Mr. MANN, Mr. DOWNING, Mr. ABBITT, Mr. POFF, Mr. MARSH, Mr. SCOTT, Mr. WAMPLER, and Mr. BROYHILL of Virginia):

H.R. 14875. A bill to create a Marine Resources Conservation and Development Fund; to provide for the distribution of revenues from Outer Continental Shelf lands; and for other purposes; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts (for himself, Mr. PHILBIN, Mrs. HECKLER of Massachusetts, Mr. BOLAND, Mr. HELSTOSKI, Mr. KEITH, and Mr. GETTYS):

H.R. 14876. A bill to create a Marine Resources Conservation and Development Fund; to provide for the distribution of revenues from Outer Continental Shelf lands; and for other purposes; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts (for himself, Mr. SIKES, Mr. CHAPPELL, Mr. KYROS, Mr. HATHAWAY, Mr. FRIEDEL, Mr. MORSE, Mr. HARRINGTON, Mr. BURKE of Massachusetts, Mr. ADDABBO, Mr. PODELL, Mr. ST GERMAIN, Mr. TIERNAN, Mr. WATSON, Mr. DORN, Mr. MANN, Mr. DOWNING, Mr. ABBITT, Mr. POFF, Mr. MARSH, Mr. SCOTT, Mr. WAMPLER, and Mr. BROYHILL of Virginia):

H.R. 14877. A bill to grant to each coastal State mineral rights in the subsoil and seabed of the Outer Continental Shelf extending to a line which is 12 miles from the coast of such State, and for other purpose; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts (for himself, Mr. PHILBIN, Mrs. HECKLER of Massachusetts, Mr. BOLAND, Mr. HELSTOSKI, Mr. KEITH, and Mr. GETTYS):

H.R. 14878. A bill to grant to each coastal State mineral rights in the subsoil and seabed of the Outer Continental Shelf extending to a line which is 12 miles from the coast of such State, and for other purposes; to the Committee on the Judiciary.

By Mr. SLACK:

H.R. 14879. A bill to provide additional penalties for the use of firearms in the com-

mission of certain crimes of violence; to the Committee on the Judiciary.

By Mr. TEAGUE of Texas (by request):

H.R. 14880. A bill to equalize the rates of disability compensation payable to veterans of peacetime and wartime service; to the Committee on Veterans' Affairs.

H.R. 14881. A bill to increase the maximum amount of the grant payable for specially adapted housing for disabled veterans; to the Committee on Veterans' Affairs.

H.R. 14882. A bill to provide a cost of living increase in the additional allowance payable to veterans in need of regular aid and attendance; to the Committee on Veterans' Affairs.

H.R. 14883. A bill to amend section 624 of title 38, United States Code, to provide drugs and medicines for certain veterans sojourning or residing abroad; to the Committee on Veterans' Affairs.

H.R. 14884. A bill to amend section 3203, title 38, United States Code, to liberalize those provisions requiring reduction of pension allowance for certain veterans during hospitalization at Government expense; to the Committee on Veterans' Affairs.

H.R. 14885. A bill to amend section 3203, title 38, United States Code, to liberalize those provisions requiring the discontinuance of aid and attendance allowance for certain veterans during hospitalization at Government expense; to the Committee on Veterans' Affairs.

H.R. 14886. A bill to amend section 3203, title 38, United States Code, to liberalize those provisions requiring the discontinuance of pension payments to certain veterans during hospitalization, institutional or domiciliary care at Government expense; to the Committee on Veterans' Affairs.

H.R. 14887. A bill to amend title 38 of the United States Code to increase the pension payable to certain seriously disabled veterans; to the Committee on Veterans' Affairs.

H.R. 14888. A bill to amend title 38 of the United States Code to liberalize the income provisions relating to payment of pension, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 14889. A bill to amend title 38, United States Code, to increase the rates of additional compensation provided for certain disabled veterans with dependents; to the Committee on Veterans' Affairs.

By Mr. WHALLEY:

H.R. 14890. A bill to permit the reading of verses from the Holy Bible at certain times in the public schools throughout the United States; to the Committee on Education and Labor.

By Mr. FUQUA (for himself, Mr. STUCKEY, Mr. BENNETT, Mr. BLACKBURN, Mr. BRINKLEY, Mr. BURKE of Florida, Mr. CHAPPELL, Mr. CRAMER, Mr. DAVIS of Georgia, Mr. FASCELL, Mr. FLYNT, Mr. FREY, Mr. GIBBONS, Mr. HAGAN, Mr. HALEY, Mr. LANDRUM, Mr. O'NEAL of Georgia, Mr. PEPPER, Mr. ROGERS of Florida, Mr. SIKES, Mr. STEPHENS, and Mr. THOMPSON of Georgia):

H.J. Res. 992. A joint resolution granting the consent of the Congress to an agreement between the State of Florida and the State of Georgia establishing a boundary between such States; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT (for himself, Mr. MILLS, Mr. PRYOR of Arkansas, and Mr. ALEXANDER):

H.J. Res. 993. A joint resolution authorizing the President to proclaim annually the month of May as Clean Waters for America Month; to the Committee on the Judiciary.

By Mr. ZABLOCKI (for himself, Mr. ADAIR, Mr. BROOMFIELD, Mr. FASCELL, Mr. FINDLEY, Mr. FOUNTAIN, Mr. FRASER, Mr. FULTON of Pennsylvania, Mr. GALLAGHER, Mr. HAYS, Mr. NIX, Mr.

TAFT, Mr. THOMSON of Wisconsin, Mr. BLANTON, Mr. CASEY, Mr. DICKINSON, Mr. MATSUNAGA, and Mr. MCEWEN):

H. Con. Res. 454. A concurrent resolution calling for the humane treatment and release of American prisoners of war held by North Vietnam and the National Liberation Front; to the Committee on Foreign Affairs.

By Mr. FULTON of Pennsylvania:

H. Con. Res. 455. A concurrent resolution expressing the sense of Congress with respect to the revocation of the United Nations economic sanctions against Southern Rhodesia; to the Committee on Foreign Affairs.

By Mr. BROTZMAN (for himself, Mr. SAYLOR, Mr. PODELL, Mr. SCHEUER, Mr. BROYHILL of North Carolina, Mr. ZWACH, Mr. KLEPPE, Mr. ROONEY of Pennsylvania, Mr. WRIGHT, Mr. HANSEN of Idaho, Mr. WHITEHURST, Mr. HECHLER of West Virginia, Mr. FOREMAN, and Mr. STANTON):

H. Res. 715. A resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Environment; to the Committee on Rules.

By Mr. BROTZMAN (for himself, Mr. ANDERSON of Illinois, Mr. HUNT, Mr. MAYNE, Mr. WYATT, Mr. SCHNEEBEL, Mr. ADDABBO, Mr. WILLIAMS, Mr. RIEGLE, Mr. COWGER, Mr. DENT, Mr. SEBELIUS, Mr. BUCHANAN, Mr. CARTER, Mrs. HECKLER of Massachusetts, Mr. BURKE of Florida, Mr. QUIE, Mr. ROTH, and Mr. McCLORY):

H. Res. 716. Resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Environment; to the Committee on Rules.

By Mr. GALLAGHER (for himself, Mr. HORTON, Mr. KARTH, Mr. KOCH, Mr. MURPHY of New York, and Mr. YATES):

H. Res. 717. Resolution establishing the Select Committee on Technology, Human Values, and Democratic Institutions; to the Committee on Rules.

By Mrs. HANSEN of Washington:

H. Res. 718. Resolution toward peace with justice in Vietnam; to the Committee on Foreign Affairs.

By Mr. LONG of Maryland:

H. Res. 719. A resolution toward peace with justice in Vietnam; to the Committee on Foreign Affairs.

By Mr. SYMINGTON (for himself and Mr. MCCARTHY):

H. Res. 720. Resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Environment; to the Committee on Rules.

By Mr. BURTON of California:

H.R. 14891. A bill for the relief of Juanita Saveda Varela; to the Committee on the Judiciary.

By Mr. UDALL:

H.R. 14892. A bill to extend Letters Patent Numbered 2, 322, 210, and for other purposes; to the Committee on the Judiciary.

H. Res. 720. Resolution to amend the Rules of the House of Representatives to create a standing committee to be known as the Committee on the Environment; to the Committee on Rules.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

H.R. 14891. A bill for the relief of Juanita Saveda Varela; to the Committee on the Judiciary.

By Mr. UDALL:

H.R. 14892. A bill to extend Letters Patent Numbered 2, 322, 210, and for other purposes; to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of rule XXII, 335. The SPEAKER presented a petition of the King County Council, Washington, relative to support of the President's efforts to end the Vietnam war, which was referred to the Committee on Foreign Affairs.