born of wisdom and charity two thousand years ago in the Mediterranean basin, continue to lead mankind toward a better future, based on the inherent dignity of man and his good will? Or will the selfish and power-hungry forces of totalitarianism cast new foreboding shadows on the evolutionary, and—at times—tortuous progress of mankind toward a better future?

In his tormented era of technological revolution, intellectual dissent, uneasy search for new definition for old and accepted values, the cause of freedom of man stands in bold relief, perhaps in even bolder relief than during the times of Washington and Pulaski.

The history of mankind, according to the British historian Arnold Toynbee, is a series of challenges and responses. What humanity went through in past ages, what it attained, what it failed to accomplish, and the state of world affairs today, are the result of the nature and valor of the responses the past generations made toward evolutionary challenges.

Currently, the existing balance of terror in nuclear weaponry will, in all probability, save us from an atomic holocaust. Physical war is no longer a profitable venture for an aggressor. It cannot be confined to one area for any length of time. With major powers involved, it would become a global cataclysm. It would leave in its wake neither the vanquished nor the victors.

In this new frame of reference, forced upon mankind by the scientific release of atomic energy, the struggle for the supremacy of one of the two diametrically—opposed forces entered the arena of intellectualism, technological breakthroughs, and—above all—education.

Only the more enlightened, more progressive, bolder, and better-educated force will prevail. Socio-political philosophy, humanistic values, and the very way of life, are subordinate factors in this struggle. Their future and development is inexorably involved in the outcome of the current contest.

Thus, in order to contribute to the final victory of our ideals, our principles of freedom, our way of life, it is incumbent upon us to provide the best possible education for our young people.

They will be the intellectual sentinels guarding our expanding horizons of knowledge and freedom. Schooled in the eternal verties of our western civilization and culture, they will overcome the atavistic forces of totalitarianism and open new and happier vistas for our nation, for our ancestral home, Poland, and for humanity.

Mysterious and—at times—subterranean forces of history are always acting for the utlimate benefit of mankind. Ralph Waldo Emerson defined this truism concisely when he wrote that "the world exists for the education of man."

We learn from history in order to better understand the new, developing trends facing each generation.

And we know that the challenge we must be responsive to at the present time is the contest for the mind, soul, and heart of the modern man. The militancy of today, unless conceived constructively, has no place in our advanced, civilized, and educated society.

We realize that the road to victory leads through excellence in education. What an educated mind can conceive, man can accomplish.

We must be committed to the education of our children as firmly as Pulaski was committed to freedom. After all, true freedom can flourish and expand only in an enlightened society.

Our Polonia has a noble tradition in this respect. Our fathers and grandfathers were committed to the best possible education of their children, and we are the beneficiaries of their wise determination. Shining examples of this concern with education are the Orchard Lake Schools in your vicinity and Alliance College in Cambridge Springs, Pennsylvania.

As the chairman of the Board of Trustees of Alliance College, I am deeply grateful to Polonia in Detroit and in Michigan, generally, for the generosity you have proved in many occasions in effective support of Alliance College.

This nationally-known institution of higher learning will someday soon create a unique and vitally important center of Polish and Slavic studies in America, and you will share the credit for this accomplishment through your attachment and generosity to the college.

Both institutions close to your heart—the Orchard Lake Schools and Alliance College—are the gateways to Polonia's future, bright with promise.

As once was said by an eminent Polish-American scholar, "unity of purpose, one single goal for all of us, is what we need first. With it, we need unity of effort.

"Next, we ought to ask ourselves: 'What, in the history of mankind, always survives?'

"Knowledge. The accumulation of experiences, the achievements of classical literature, the written record of man's accomplishments—painting, music, scripture, the theater. Folk tradition—the language and the customs. These survive forever, unless they fall into disuse.

"These are the finest things which any national group can offer another, and enrich society by contributing to the whole."

We, Americans of Polish descent, should translate these thoughts into reality through our institutions such as Alliance College and the Orchard Lake Schools.

Casimir Pulaski died for a great vision—of a free renascent Poland and of a new, vibrant, and noble nation, conceived in freedom and nurtured by the wisdom of men of truly universal appeal, who gave us the Declaration of Independence and the Constitution of the United States.

This vision became the guiding light in the mysterious corridors of time, and inspired succeeding generations to a truly patriotic life.

This vision is the precious heritage Pulaski left to us as Americans of Polish ancestry.

And we would be remiss in our duties, both as Americans and as heirs to Pulaski's greatness, if we left this assemblage today without the firm resolve to meet with foresight and determination the primary challenge of our times—the challenge demanding higher and ever-more-excellent education for our children.

We shall pay a most fitting and enduring tribute to the Pulaski legacy by declaring here and now our commitment to the higher education of our young generation.

For the historic challenge of our times is educational imperative.

# HOUSE OF REPRESENTATIVES—*Wednesday, December 10, 1969*

The House met at 12 o'clock noon.

The Reverend Mr. Louis H. Zbinden, Jr., First Presbyterian Church, Lenoir, N.C., offered the following prayer:

*Let us not grow tired of doing good, for, unless we throw in our hand, the ultimate harvest is assured.*—Galatians 6: 9 (Phillips).

In this moment of quietness, we pause, Lord, not to escape the issues of our day, but to be fortified to meet them well without losing our tempers, without making hasty judgments. Recall in us our allegiance to Thee.

In this glad season of expectation, inspire us to live with infectious hope and contagious courage. May our impulses be true and generous. Give us the grit to do the things we talk about; the boldness to implement the things we write about.

Though our stance and methodology may differ, Lord, let our common desire to serve, our concern for the unproductive, our yearning for peace, unify us.

Deliver us from artificiality in life, arrogance in belief, and equip us for responsible performances.

Through Christ Jesus. Amen.

## THE JOURNAL

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

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Leonard, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On November 18, 1969:

H.R. 10595. An act to amend the Act of August 7, 1956 (70 Stat. 1115), as amended, providing for a Great Plains conservation program; and

H.R. 11271. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

On November 21, 1969:

H.R. 14030. An act to amend section 358a (a) of the Agricultural Adjustment Act of 1938, as amended, to extend the authority to transfer peanut acreage allotments.

On November 26, 1969:

H.R. 474. An act to establish a Commission on Government Procurement.

H.R. 11612. An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

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.

H.R. 12829. An act to provide an extension of the interest equalization tax, 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.

On December 1, 1969:

H.R. 4284. An act to authorize appropriations to carry out the Standard Reference Data Act; and

H.R. 14020. An act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on U.S. savings bonds.

On December 2, 1969:

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

On December 5, 1969:

H.R. 3666. An act to amend section 336(c) of the Immigration and Nationality Act;

H.R. 11363. An act to prevent the importation of endangered species of fish and wildlife into the United States; to prevent the interstate shipment of reptiles, amphibians, and other wildlife taken contrary to State law; and for other purposes;

H.R. 13018. An act to authorize certain construction at military installations, and for other purposes;

H.R. 13949. An act to provide certain equipment for use in the office of Members, officers, and committees of the House of Representatives, and for other purposes;

H.R. 14195. An act to revise the law governing contests of elections of Members of the House of Representatives, and for other purposes; and

H.J. Res. 1017. Joint resolution making further continuing appropriations for the fiscal year 1970, and for other purposes.

## MESSAGE FROM THE SENATE

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

H.R. 2238. An act to provide for the relief of certain civilian employees paid by the Air Force at Tachikawa Air Base, Japan;

H.R. 4744. An act for the relief of Mrs. Ezra L. Cross; and

H.R. 12785. An act to declare that the United States holds in trust for the Southern Ute Tribe approximately 214.37 acres of land.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 10. Joint resolution authorizing the President to proclaim the second week of March, 1970, as "Volunteers of America Week."

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

S. 1646. An act to create an additional judicial district in the State of Louisiana, and for other purposes;

S. 2624. An act to improve the judicial machinery in customs courts by amending the statutory provisions relating to judicial actions and administrative proceedings in customs matters, and for other purposes; and

S.J. Res. 154. Joint resolution to authorize and request the President to proclaim the month of January of each year as "National Blood Donor Month."

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. 12964) entitled "An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1970, and for other purposes," and that the Senate agrees to the amendment of the House of Representatives to Senate amendment No. 21 to the above-entitled bill.

## TRIBUTE TO REV. LOUIS H. ZBINDEN, JR.

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

Mr. BROYHILL of North Carolina. Mr. Speaker, our guest chaplain today is the Reverend Louis H. Zbinden, Jr., pastor of the First Presbyterian Church in my hometown of Lenoir, N.C.

Mr. Speaker, Mr. Zbinden is a native of Chattanooga, Tenn., a graduate of Southwest University in Memphis, Tenn., a graduate of Union Theological Seminary in Richmond, and he did additional graduate work at Princeton Seminary in New Jersey. He has served a pastorate in Fort Defiance, Va., which is in the congressional district of our colleague, JACK MARSH, and is now serving as pastor of the First Presbyterian Church in Lenoir, N.C.

Reverend Zbinden is making an outstanding contribution to the religious and civic life of my hometown. I know my colleagues will join me in welcoming him as guest Chaplain today.

## VOTE OF CONFIDENCE IN REPUBLIC OF CHINA AND SOUTH KOREA

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

Mr. PASSMAN. Mr. Speaker, I am extremely disappointed that one of the larger newspapers in Washington would misrepresent facts, and apparently intentionally. When a newspaper intentionally and knowingly completely misrepresents facts, it renders a great disservice.

Yesterday, the House of Representatives, by a vote of 250 to 142, approved an additional $54½ million for the Republic of China and $50 million for Korea. This was a vote of confidence for those who recognize the dire need to strengthen the military forces of these two allies.

Rather than bringing about the near defeat of the foreign aid bill, the amendment for military equipment for China passed the bill. Many Members who never before have voted for foreign aid voted for the bill on yesterday simply because in their wisdom they knew that we must delay no longer updating the military forces of the Republic of China and Korea.

I repeat, I am shocked and disappointed that an influential newspaper—not influential with me but with some—would try to influence people by misrepresenting facts, and by the wording of the article, intentionally and if we should lose our way of life, it will, to some extent, be because of people in high positions out of Government who endeavor to confuse responsible people through cold, calculated misrepresentation. Such an outfit cannot survive permanently, but I am afraid it will survive long enough to do some harm.

Some of us are determined to watch publications like the Washington Post and as far as possible set the record straight and establish the truth, and have no fear in so doing. I cannot restrain myself from saying that I am anxiously awaiting a copy of the Washington Daily Worker to see if they have the same interpretation of what happened yesterday.

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

Mr. PASSMAN. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Speaker, I commend the distinguished gentleman for straightening out the facts and bringing the truth to the attention of the House.

Just in case the publication in question made an honest mistake—sometimes this happens—and in case the editors failed to see the outcome of the vote for a small beginning to modernize the forces of Nationalist China and South Korea, I take pleasure in reminding them the outcome was 250 to 142. That is not close. It probably provided the impetus which passed the bill.

Mr. PASSMAN. Mr. Speaker, I thank the distinguished gentleman from Florida. If the publication made an honest error, then I will be very happy to apologize, but I am afraid I cannot share the gentleman's enthusiasm.

Mr. SIKES. I suggest it would be better for the publication to apologize. As usual they were in the wrong.

Mr. PASSMAN. Yes. I am sure it would be more appropriate for the Washington Post's news twisters to apologize, but their record for straightening out intentional misrepresentations is zero and, in all probability, will be the same this time. So, I shall not delay my departure for Louisiana after we finish our business here waiting for an apology.

## ANNOUNCEMENT OF RECEPTION FOR MEMBERS OF THE UNIVERSITY OF TEXAS FOOTBALL TEAM

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

Mr. PICKLE. Mr. Speaker, I take this time to announce to the House that this afternoon at 1:30 there will be a reception in the Speaker's private dining room for three members of the University of Texas football team. Those members are James Street, Ted Koy, and Glenn Halsell, all tricaptains of the University of Texas football team.

All Members of the House, especially including friends of Arkansas and Penn State and Notre Dame, are welcome to come and shake hands with those members of the Nation's No. 1 football team. We are proud of these young men and I know you will want to express your thanks and appreciation for their outstanding athletic performance.

## PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO FILE REPORT ON H.R. 15165, COMMISSION ON POPULATION GROWTH

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations may have until midnight tonight to file a report on the bill (H.R. 15165) to establish a Commission on Population Growth.

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

There was no objection.

## CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 311]

| | | |
|---|---|---|
| Alexander | Fraser | Lukens |
| Anderson, Tenn. | Fulton, Tenn. | Mailliard |
| Ashley | Fuqua | Morton |
| Baring | Gallagher | O'Neill, Mass. |
| Blanton | Gray | Ottinger |
| Cahill | Green, Oreg. | Powell |
| Chisholm | Gubser | Reid, N.Y. |
| Clark | Hagan | Reifel |
| Clay | Hanley | Riegle |
| Collier | Hays | Rooney, N.Y. |
| Conyers | Hosmer | Ruppe |
| Cowger | Hull | Scheuer |
| Davis, Ga. | Karth | Smith, N.Y. |
| Dawson | Kirwan | Thompson, N.J. |
| Diggs | Kyl | Tunney |
| Dulski | Landrum | Utt |
| Eilberg | Lipscomb | Vander Jagt |
| Fascell | Long, La. | Whalley |
| | Lowenstein | Wiggins |

The SPEAKER. On this rollcall 377 Members have answered to their names, a quorum.

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

## MAKING IN ORDER THE CONSIDERATION OF SUPPLEMENTAL APPROPRIATION BILL FOR FISCAL YEAR 1970 ON ANY DAY AFTER TODAY

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order on any day after today to bring up the supplemental appropriations bill for fiscal year 1970.

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

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object—and I do not intend to object—does the gentleman from Texas, the chairman of the Committee on Appropriations, have any idea whether it will be programed this week or next?

Mr. MAHON. Mr. Speaker, if the gentleman will yield, it is hoped that it will be programed this week. It will be reported out tomorrow as a minimum bill, the administration having pared the request down to a figure of something in excess of $200 million. I think it could be passed without any general debate. There will be a few items on which there will be differences of opinion. However, the report is available to Members and the bill is available at this time in the Committee on Appropriations. I would hope we could pass it and send it over to the other body, thus clearing all of the appropriations on the House side.

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

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

Mr. GROSS. Would it be possible to have some notification from the leadership, say, an hour or two or three before the bill is called up so we might have the information available?

Mr. MAHON. Mr. Speaker, if the gentleman from Michigan will yield further, I shall be glad to request the leadership to give ample notice and I am sure that the leadership can arrange to see that there is notice as to when the bill will be brought up. I would hope and believe that we can dispose of it within less than an hour because of the nature of the bill.

Mr. GERALD R. FORD. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

## NEWSPAPER ACCOUNTS OF VIOLENCE DURING PRESIDENT NIXON'S ATTENDANCE AT FOOTBALL HALL OF FAME DINNER IN NEW YORK

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

Mr. ROONEY of Pennsylvania. Mr. Speaker, last evening I was privileged to fly with President Nixon aboard Air Force 1 to attend the Football Hall of Fame dinner in New York.

This morning I read newspaper accounts of the violence which occurred outside the Waldorf-Astoria Hotel where the President was honored by the National Football Foundation as recipient of its Distinguished American Award.

I traveled with the Presidential party in the motorcade to the hotel and I merely want to state that from my vantage point the President received a warm welcome from New Yorkers. The minority of protesters who resorted to violence while proclaiming a personal devotion to peace struck me as being hypocrites.

Their actions are a disservice to the vast majority of peace-loving Americans who champion peace through nonviolent expressions.

Aside from the violence, which we did not encounter, the trip to New York and attendance at the Hall of Fame dinner was an impressive experience. I was particularly proud to be on hand for the induction of one of my constituents and former junior high school classmate, "Chuck" Bednarik, of Bethlehem, Pa., into the Football Hall of Fame.

"Chuck"' was an outstanding athlete and has long been an outstanding example of the finest quality of good sportsmanship. He has a keen interest in American youth and has worked tirelessly to inspire young Americans to exemplify good sportsmanship.

"Chuck" has my warmest congratulations. His attainment of a place in Football's Hall of Fame is richly deserved. "Chuck" is the second football great from Bethlehem to achieve this distinction, sharing the honor with V. J. "Pat" Pazzeti, former all-American from Lehigh University.

## REQUEST FOR PERMISSION FOR THE SELECT SUBCOMMITTEE ON EDUCATION OF THE COMMITTEE ON EDUCATION AND LABOR TO SIT DURING GENERAL DEBATE TODAY

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that the Select Subcommittee on Education of the Committee on Education and Labor be permitted to sit today for hearings on the bill H.R. 13916, the Mobile Teachers' Retirement Assistance Act.

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

Mr. HALL. Mr. Speaker, reserving the right to object, may I inquire if this has been cleared with the minority members?

Mr. BRADEMAS. Mr. Speaker, I would say to the gentleman from Missouri that I think that it has. I know that the ranking member of the full committee, the gentleman from Ohio (Mr. AYRES), has been advised of this several days ago, and that he has entered no objection.

Mr. HALL. Mr. Speaker, I suggest that the gentleman withhold his request for the time being until it is cleared; otherwise I shall be constrained to object.

The SPEAKER. Will the gentleman from Indiana withdraw his request?

Mr. BRADEMAS. If the gentleman from Missouri wishes to object, I shall have no other alternative.

Mr. HALL. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

## TAX REFORM ACT

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

Mr. VANIK. Mr. Speaker, at such time as a request is made for a conference on the Tax Reform Act of 1969, I expect to offer a preferential motion to instruct the House conferees to insist upon the House provisions relating to the oil, gas, and mineral depletion allowance and to provide tax relief by way of increased dependency exemptions.

The House provisions relating to depletion allowance provides for a reduction of the depletion allowance to 20 percent and elimination of the foreign depletion allowance. The language relating to increased dependency exemptions instructs the conferees to accept the Gore amendment or a modification of that proposal.

I hope that the membership of the House will support this motion which will probably occur tomorrow or the next day. If a motion should be made to table my preferential motion, I hope that the membership of the House will vote against the motion to table, so that the House can express its will on these two important issues for which record votes were not allowed in the House.

## ROGERS OPPOSES CASSIUS CLAY-JOE FRAZIER FIGHT TO BE HELD IN TAMPA, FLA.

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

Mr. ROGERS of Florida. Mr. Speaker, I was shocked to learn that the Governor of the State of Florida has given his official endorsement and the sanction of the State of Florida to a proposed heavyweight title fight between Cassius Clay, otherwise known as Muhammad Ali, and

Joe Frazier to be held in Tampa, Fla. early next year.

I do not feel that the boxing ability of Clay is the proper issue, but rather the issue is whether the official sanction of the State of Florida should be given to a sporting event involving a man who has been convicted in a U.S. district court in Houston, Tex. for refusing induction into the armed services of the United States.

Clay was convicted on June 20, 1967, for refusing induction, and was sentenced to 5 years in prison and given a fine of $10,000. That conviction was affirmed by the fifth circuit court of appeals in May, 1968. Clay petitioned the U.S. Supreme Court for a writ of certiorari. The Supreme Court granted the petition, vacated the judgment and remanded the case to the U.S. district court in Houston in order for that court to determine whether the unauthorized use of electronic eavesdropping equipment affected the original conviction.

The U.S. district court, on July 14, 1969, determined that the original conviction was proper and Clay has now appealed his conviction to the fifth circuit court of appeals.

Moreover, the cities of Dallas, Chicago, and Miami, Fla., have previously denied Clay permission to box.

I do not believe the citizens of the State of Florida want this man convicted of a crime in the U.S. courts to have the privilege of going about his business with the official blessings of the State of Florida and I earnestly hope that the city of Tampa will not permit this fight to be held.

## PERSONAL EXEMPTION

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

Mr. HANLEY. Mr. Speaker, on Monday of this week I was unavoidably detained from the Chamber, being on official business for the Committee on Banking and Currency.

Mr. Speaker, on the one vote which was taken, on the Defense appropriation bill, had I been present, I woud have voted "yea".

## INSULT TO HARD-WORKING FEDERAL EMPLOYEES IN BOSTON POST OFFICE

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

Mr. DADDARIO. Mr. Speaker, I am sending to the Committee on Post Office and Civil Service today, to call to their attention, correspondence which I have received from the employees of the Hartford Post Office, forwarding a copy of a bulletin issued by the regional director of the Boston Post Office. The bulletin contains what appears to be a gratuitous and unnecessary insult to the hard-working Federal employees, with the implication that it is a common attribute and should be corrected.

Aside from the obvious consideration that the bulletin appears to be poorly done and must have been printed and distributed without careful editing by the director whose name headlines it, the exhortation is in poor taste to employees who are heading into the busiest season of the year. Many of them have expressed their indignation to me and I share their concern about this haphazard approach to an important aspect of the American system.

## "THE PURSUIT OF HAPPINESS"—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 91-202)

The SPEAKER laid before the House the following message from the President of the United States; which was read, and referred to the Committee on Education and Labor and ordered to be printed:

*To the Congress of the United States:*

Americans have long given their first concerns to the protection and enhancement of Life and Liberty; we have reached the point in our history when we should give equal concern to "the Pursuit of Happiness."

This phrase of Jefferson's, enshrined in our Declaration of Independence, is defined today as "the quality of life." It encompasses a fresh dedication to protect and improve our environment, to give added meaning to our leisure and to make it possible for each individual to express himself freely and fully.

The attention and support we give the arts and the humanities—especially as they affect our young people—represent a vital part of our commitment to enhancing the quality of life for all Americans. The full richness of this nation's cultural life need not be the province of relatively few citizens centered in a few cities; on the contrary, the trend toward a wider appreciation of the arts and a greater interest in the humanities should be strongly encouraged, and the diverse cultures of every region and community should be explored.

America's cultural life has been developed by private persons of genius and talent and supported by private funds from audiences, generous individuals, corporations and foundations. The Federal government cannot and should not seek to substitute public money for these essential sources of continuing support.

However, there is a growing need for Federal stimulus and assistance—growing because of the acute financial crisis in which many of our privately-supported cultural institutions now find themselves, and growing also because of the expanding opportunity that derives from higher educational levels, increased leisure and greater awareness of the cultural life. We are able now to use the nation's cultural resources in new ways—ways that can enrich the lives of more people in more communities than has ever before been possible.

Need and opportunity combine, therefore, to present the Federal government with an obligation to help broaden the base of our cultural legacy—not to make it fit some common denominator of official sanction, but rather to make its diversity and insight more readily accessible to millions of people everywhere.

Therefore, *I ask the Congress to extend the legislation creating the National Foundation on the Arts and Humanities beyond its termination date of June 30, 1970, for an additional three years.*

Further, *I propose that the Congress approve $40,000,000 in new funds for the National Foundation in fiscal 1971 to be available from public and private sources. This will virtually double the current year's level.*

Through the National Foundation's two agencies—the National Endowment for the Arts and the National Endowment for the Humanities—the increased appropriation would make possible a variety of activities:

—We would be able to bring more productions in music, theatre, literature readings and dance to millions of citizens eager to have the opportunity for such experiences.

—We would be able to bring many more young writers and poets into our school system, to help teachers motivate youngsters to master the mechanics of self-expression.

—We would be able to provide some measure of support to hard-pressed cultural institutions, such as museums and symphony orchestras, to meet the demands of new and expanding audiences.

—We would begin to redress the imbalance between the sciences and the humanities in colleges and universities, to provide more opportunity for students to become discerning as well as knowledgeable.

—We would be able to broaden and deepen humanistic research into the basic causes of the divisions between races and generations, learning ways to improve communication within American society and bringing the lessons of our history to bear on the problems of our future.

In the past five years, as museums increasingly have transformed themselves from warehouses of objects into exciting centers of educational experience, attendance has almost doubled; in these five years, the investment in professional performing arts has risen from 60 million dollars to 207 million dollars and attendance has tripled. State Arts agencies are now active in 55 States and territories; the total of State appropriations made to these agencies has grown from $3.6 million in 1967 to $7.6 million this year. These State agencies, which share in Federal-State partnership grants, represent one of the best means for the National Endowment to protect our cultural diversity and to encourage local participation in the arts.

In this way, Federal funds are used properly to generate other funds from State, local and private sources. In the past history of the Arts Endowment, every dollar of Federal money has generated three dollars from other sources.

THE FEDERAL ROLE

At a time of severe budget stringency, a doubling of the appropriation for the arts and humanities might seem extravagant. However, I believe that the need for a new impetus to the understanding and expression of the American idea has

a compelling claim on our resources. The dollar amounts involved are comparatively small. The Federal role would remain supportive, rather than primary. And two considerations mark this as a time for such action:

—Studies in the humanities will expand the range of our current knowledge about the social conditions underlying the most difficult and far-reaching of the nation's domestic problems. We need these tools of insight and understanding to target our larger resources more effectively on the solution of the larger problems.

—The arts have attained a prominence in our life as a nation and in our consciousness as individuals, that renders their health and growth vital to our national well-being. America has moved to the forefront as a place of creative expression. The excellence of the American product in the arts has won worldwide recognition. The arts have the rare capacity to help heal divisions among our own people and to vault some of the barriers that divide the world.

Our scholars in the humanities help us explore our society, revealing insights in our history and in other disciplines that will be of positive long-range benefit.

Our creative and performing artists give free and full expression to the American spirit as they illuminate, criticize and celebrate our civilization. Like our teachers, they are an invaluable national resource.

Too many Americans have been too long denied the inspiration and the uplift of our cultural heritage. Now is the time to enrich the life of the mind and to evoke the splendid qualities of the American spirit.

Therefore, I urge the Congress to extend the authorization and increase substantially the funds available to the National Foundation for the Arts and Humanities. Few investments we could make would give us so great a return in terms of human understanding, human satisfaction and the intangible but essential qualities of grace, beauty and spiritual fulfillment.

RICHARD NIXON.

THE WHITE HOUSE, *December 10, 1969.*

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## CONFERENCE REPORT ON H.R. 4293, EXPORT ADMINISTRATION ACT

Mr. PATMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 4293) to provide for continuation of authority for regulation of exports, 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 Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 24, 1969.)

Mr. PATMAN (during the reading). Mr. Speaker, in view of the fact that the statement has been available for at least 2 or 3 weeks, I ask unanimous consent to dispense with further reading of the statement.

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

There was no objection.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. PATMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we bring you the conference report on export control, the Export Administration Act of 1969.

The Senate-passed bill proposed to let the existing Export Control Act expire on its termination date and proposed to regulate and promote the expansion of exports thereafter under authority of a new act. The House, on the other hand, had passed a bill to extend for 2 years the existing Export Control Act of 1949 with one amendment to the findings, one to the grant of authority, and one to the section on enforcement.

The Senate had struck out all of the House bill after the enacting clause and had inserted a substitute amendment. The committee of conference agreed to a substitute for both the Senate amendment and the House bill. The managers on the part of the House agreed to the appropriateness of enacting a new law to take effect on the expiration of the existing act. However, a preponderance of the provisions of the existing law would be reenacted under the conference substitute. Under it, the President retains plenary power to control exports.

The managers on the part of the House insisted upon and prevailed in their position that the legislation in conference was for purposes of regulation and control, not for the purpose of trade expansion, and that the President continue to possess full authority to control exports for reasons of national security, foreign policy, and short supply.

The Senate-passed amendment called for the establishment of an Export Expansion Committee composed of 15 members to be appointed by the President to study ways to promote, with special emphasis, trade with Communist countries. The managers on the part of the House, while recognizing the need and benefits of a continuing and expanded foreign trade, objected and prevailed, pointing out that the purpose of the legislation is regulation and control. In five other instances, Senate language with respect to expansion or promotion was rejected by the House managers. In each instance in which the House had passed provisions to amend or extend existing law, the intent of the House language is preserved in the conference substitute, and in all but one instance the specific language of the House amendments is preserved.

The White House has not indicated to me that it is opposed to the conference report, and rightly so, since it is well designed to remove the handicap with which our trade programs have been burdened in international competition, and to prompt efforts by our Government to achieve a more effective, multilateral export control mechanism with our allies.

Mr. Speaker, this is a good conference report, and I urge its adoption.

At this time I yield 10 minutes to the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. I thank the gentleman from Texas for yielding.

Mr. Speaker, there may be some aspects of the conference report with which the Members of the House are not familiar because of the fact that the other body passed a bill with a substantial number of provisions found neither in the House-passed bill nor considered by the House.

The Senate-passed bill introduced, for the first time, a declaration of policy to restrict the export of goods and technology which would make a significant contribution to the military potential of a nation or nations which would be detrimental to the national security of the United States.

At the same time, the Senate-passed bill, in granting full authority to the President to prohibit and curtail exports, encouraged him to exercise that authority in a way which will increase exports. Because it found that the unwarranted restriction of exports and the uncertainty of policy toward many categories of exports were without efficacy and were diminishing our economic strength, the other body wrote provisions which would require the Secretary of Commerce to promptly review the control lists with a view to making changes consistent with a policy designed to remove the discrimination against American exports in international competition.

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

Mr. ASHLEY. I am happy to yield to the gentleman from Ohio.

Mr. WHALEN. As a member of the House Armed Services Committee I have several concerns with respect to this conference report. I wonder if the gentleman would yield for a series of questions I should like to pose.

The first has to do with the policy review of control lists.

The question of prompt review of the control lists is one of the objections which have been raised in connection with the conference report. As a member of the Armed Services Committee, I am as concerned as any of my colleagues to make certain that we continue to prohibit exports of significant military applicability to nations which threaten our national security.

Is there anything to the charge that the conference substitute places impossible demands upon the Secretary of Commerce by requiring him to canvass the Government defense, laboratories and private defense contractors and complete his review within 6 months?

Mr. ASHLEY. I am very pleased that the gentleman has asked that question.

There is no requirement for a canvass and there is no 6-month limit for review of the control lists.

Nothing in the language of the report puts such requirements on the Secretary. He is required to make "promptly such changes and revisions in such list as may be necessary or desirable in furtherance of the policy, purposes and provisions" of the act and to include an initial detailed statement with respect to actions taken with respect to review, changes, and re-

visions of the list in the second quarterly report following enactment. It is clear that the completion of a review within 6 months is neither anticipated nor required in view of the language calling for "a detailed statement with respect to actions taken in compliance in the second quarterly report—and in any subsequent report with respect to actions taken." There is to be a prompt initiation of review and revision, but there is no terminal date.

Mr. WHALEN. Mr. Speaker, will the gentleman yield for another question?

Mr. ASHLEY. I yield.

Mr. WHALEN. This has to do with another objection that has been made that products or technology available from any other source, including Russia and other Communist countries, cannot be subject to export control unless the President discloses the substance of intelligence reports, to the detriment of our national security. These are strong charges. Is there any foundation to them?

Mr. ASHLEY. These charges, which have received some publicity, are without substance.

Such charges could only be seen as rash and unwarranted.

Full Presidential authority to control exports in the interest of national security is maintained. Where reporting to the Congress is required, no stipulations whatsoever are made with respect to the release of classified information of any confidential business data.

Nothing prohibits export controls on items available from Russia or other Communist countries. The language of the report merely indicates that it should be made clear which categories of goods and information continue to be subject to express permission on national security grounds, for which nation or nations, and for what reasons other than unavailability from foreign countries. It may be that it has not yet been determined whether goods or information of comparable quality and technology are not readily available to such nation or nations from other sources. Or it may be that there are other reasons, which ought to be made clear to the Congress, for continued control of a category which is readily available to such nation or nations from other sources. In the past, hundreds of categories have been controlled for political purposes, foreign or domestic, and unreported on that basis, under a false cloak of national security. The character of the reasoning and the detail is left to the discretion of the President.

Mr. WHALEN. Mr. Speaker, will the gentleman yield further for one final question?

Mr. ASHLEY. I yield to the gentleman from Ohio.

Mr. WHALEN. Is there anything to the objection that the conference report fails to make provisions for the so-called "basket categories," which are essential for the control of new products and technology with strategic potential, but for which separate classifications do not exist?

Does the language of the report require advance individual identification of all products by the Commerce Department? I know this sounds like an extreme charge, but could it possibly authorize the uncontrolled export of new, strategic technology?

Mr. ASHLEY. The gentleman from Ohio is certainly correct if he surmises how extreme and unfounded such an objection is. A charge like this betrays a fundamental misunderstanding of the export control procedures and processes and it completely overlooks the provisions of section 13(b) of the conference amendment.

Under established procedures, two types of licenses, general and validated, are obtainable by the exporter. A general license permits certain categories of goods to be shipped to virtually any destination in the world.

If the exporter finds in reviewing the commodity control list of the Comprehensive Export Schedule, that his product does not fall into a commodity category for which only a general license is required, he must apply for a validated export license, which is a document issued only upon formal application. It is not up to the Commerce Department to identify new products in anticipation that someone may wish to export them in the future. It is incumbent upon the exporter to determine with certainty that his product is only subject to general license before he ships it without first obtaining a validated license. Section 13(b) preserves these forms of action required under existing law.

Hence, the charge with regard to the statement made with respect to the potential danger in connection with the "basket categories" simply is without foundation.

Mr. WHALEN. I certainly thank the gentleman for answering these questions and certainly the gentleman has removed the doubts which may have been planted in my mind as a result of some of the objections we have heard. I am most appreciative for the very close attention which the gentleman has given to this legislation over the last several months and for the clear explanation he has provided now.

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

Mr. ASHLEY. I yield to the gentleman from Illinois.

Mr. FINDLEY. I have been very disturbed about some of the restrictions which our Government has placed upon the shipments of grain to bloc countries. Some of them I think could be removed by Executive order. For example, there is a requirement on grain shipments to almost all of the Eastern European countries that a specific license be secured for each shipment.

Another requirement that applies today on some grain is that an entire shipment cannot be unloaded in a country, but part of the cargo has to be first unloaded in a free world port. That is a ridiculous requirement.

Mr. ASHLEY. I agree with the gentleman.

Mr. FINDLEY. Another requirement is that half of some shipments must go in U.S. vessels. Can the gentleman from Ohio tell me if the conference report deals in any way, directly or indirectly, with these requirements, liberalizing them in some respect?

Mr. ASHLEY. In all truth, the conference was not in a position to deal with the matters which the gentleman has raised, mainly because neither the House bill nor the Senate-passed bill contained provisions with respect to these matters.

Mr. FINDLEY. May I ask the gentleman, does it deal——

The SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman from Ohio has expired.

Mr. PATMAN. Mr. Speaker, I yield 5 additional minutes to the gentleman from Ohio.

Mr. ASHLEY. Mr. Speaker, I thank the gentleman from Texas for the additional time.

Let me go on further to say that certainly our subcommittee and the full committee were fully aware of the problems raised and the gentleman from Kansas (Mr. MIZE) as a member of the subcommittee, can perhaps amplify further on this matter, and I will yield to the gentleman for that purpose.

Mr. FINDLEY. May I direct a further question to the gentleman from Kansas, then?

Mr. ASHLEY. By all means.

Mr. FINDLEY. Does the conference report in any way liberalize the requirement for a specific license on each shipment of grain?

Mr. MIZE. If the gentleman will yield, I would say to the gentleman from Illinois the answer to that question is "No." But I do think that in the hearings on this matter both in the House and in the Senate this problem was aired thoroughly, and the matter of whether or not to offer an amendment to cover the items that the gentleman from Illinois has alluded to was discussed. But we do feel that these matters can be resolved administratively, and the language in the hearings suggested that it look at these matters very carefully, and I think it will.

Mr. FINDLEY. Mr. Speaker, I have just one final question that I would ask to have considered.

Is there anything in the language of the conference report or the legislation to which it pertains which would restrict the authority of the President to lift by Executive order these restrictions on grain shipments?

Mr. ASHLEY. Absolutely none.

Mr. Speaker, I want to make it clear that there is nothing in the conference report that inhibits the authority of the President in any way whatsoever. In all truth, the main thrust of this legislation is to continue the restrictions on the export of strategic goods and materials largely for purposes of our national security.

At the same time, it has become abundantly clear that there are some 2,200 categories of goods, products, and technology, many of which have no strategic value whatsoever, and are by any definition peaceful goods, and yet the requirements for licensing do put our competitors at a very significant disadvantage.

It has been largely this kind of situation that is sought to be resolved by the

conference report. If the President continued to control grain commodities on grounds of national security, in view of their obvious availability elsewhere, he would be required to give his reasons for continuing to require express permission to export.

It has been largely this kind of a situation that is sought to be resolved by the conference report.

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

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

Mr. GROSS. I thank the gentleman for yielding to me. Page 2 of the conference report, in paragraph (5), states:

It is the policy of the United States (A) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, . . .

I have in mind the country of Rhodesia, which is certainly friendly to the United States, and which this Government is boycotting. This has forced American industry to buy chromium ore from Russia at an 81-percent increase in price since there is no other supplier of high-grade chromium other than Rhodesia capable of meeting the demands for this high-grade ore.

In the opinion of the gentleman does this language have meaning, or is it simply window dressing?

Mr. ASHLEY. As the gentleman knows, the boycott provision as retained by the Congress is operative at the discretion of the President.

Mr. GROSS. Then does that mean it is within the discretion of the President to elect to trade with Communist Russia rather than with Rhodesia; is that what the gentlemen is saying?

Mr. ASHLEY. The Export Control Act is an act, as the gentleman knows, which restricts the export of goods and commodities from the United States to the Soviet Union and to other Communist countries, and to such other destinations as the President may designate, for reasons for national security, foreign policy, or short supply.

Mr. GROSS. But this does not limit it in any sense. There is nothing that limits it to exports. The language I have just read to the gentleman is general language. Incidentally, I might say that our balance of trade with Rhodesia, prior to the boycott, was most favorable to the United States. I do not understand why any President would penalize this country by loss of exports and at the same time forcing industry to deal with and pay premium prices to Soviet Russia.

Mr. ASHLEY. I can appreciate the sentiments of the gentleman. In all truth I think it must be said that that is not covered by the conference report.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. PATMAN. Mr. Speaker, I yield 7 minutes to the gentleman from New Jersey (Mr. WIDNALL).

Mr. WIDNALL. Mr. Speaker, we on the minority side are urging you to oppose the adoption of the conference report.

In view of the colloquy just prior to my rising, between the gentleman from Ohio (Mr. ASHLEY) and the gentleman from Ohio (Mr. WHALEN), I would like to read a letter which I received from the Secretary of Commerce, which was dated December 3, 1969, in which he says:

THE SECRETARY OF COMMERCE,
*Washington, D.C., December 3, 1969.*

Hon. WILLIAM B. WIDNALL,
*House of Representatives,*
*Washington, D.C.*

DEAR BILL: You have asked for the Administration's position on the Export Administration Act of 1969 as reported out of conference last month.

As you know, the Administration's preference from the outset has been for straight renewal of the Export Control Act of 1949. The House passed a two-year extension of this Act with a useful modification which presents no great difficulties internally nor could it be misinterpreted as an undue "liberalization" signal. However, we do not support the conference version which is being interpreted as calling for broad immediate liberalization. We feel strongly that any significant liberalization of East/West trade should be a part of broader improvements in overall East/West relations.

In addition to the policy difficulties which the conference-approved bill creates for the Administration, the language of the authority section is such a drastic change from the former act that a substantial question is raised as to whether, should it become law, the national security can be adequately protected. Specifically:

1. Section 4(a) calls for the Administration to review within six months all products and technologies with the intention of decontrolling those which do not make a significant contribution to the military potential of Communist countries. It is literally impossible to canvass defense laboratories and defense contractors with respect to all of the thousands of such highly sophisticated products in any short period, and even with a best efforts attempt, the margin for human error and the attendant security risk is great.

2. Section 4(b) provides that if strategic products or technology are available from any foreign source, comparable items from U.S. companies cannot be subject to export control, unless the President makes a specific determination that this is necessary in the interest of national security, and reports in detail to Congress the reasons for such determination. This requirement for detailed public disclosure of the reasons for retaining control over strategic commodities and technology despite foreign availability could be detrimental both to our national security and our foreign relations and also damage U.S. firms in regard to matters of trade confidentiality.

3. The language of the conference-approved bill is unclear as to whether the government maintains its authority as presently to control items involving new technology in "all other" or so-called "basket categories" until they have been reviewed and determined to be safe for export. Without such "basket categories" national security would be compromised by allowing uncontrolled export of many heretofore unidentified new products and technologies.

Failing the extension of the original Export Control Act of 1949 as amended by the House, the Administration strongly supports the substitution of the House Authority Section 3 of HR 4293 for the conference-approved Authority Section 4.

Sincerely,

MAURY,
*Secretary of Commerce.*

The three minority members of the conference sent a letter to Members of the House in which we urged opposition to the adoption of the conference report. We did not sign the report, and we hope it will not receive your support because the all-important section 4, the "authority" section, of the report is almost verbatim the Senate language to which we strenuously object for the following reasons:

First. It will be impossible to canvass the Government defense laboratories and private defense contractors throughout the United States to ascertain which of the many thousands of commodities, technologies, and information affected by the bill would, or would not, make a significant contribution to the military potential of Communist countries within the 6-month period to which such review is limited by section 4(a).

Second. Section 4(b) provides that if strategic products technology or information are available from any other source including Russia and other Communist countries or friendly nations not allied with the United States, such items cannot be subject to export control unless the President makes a specific determination that this is necessary in the interest of national security. Even if the President makes such a determination, the President then must report in detail to the Congress, his reasons for same. This reporting mandate will require detailed public disclosure which could, and no doubt would, be detrimental to our national security, our foreign relations and would damage U.S. firms in regard to matters of trade confidentiality.

Third. No provision is made for the maintenance of controls over "basket categories"—groupings of many similar products in general categories without individual identification. Use of basket categories is essential to control of the exportation of new products or technology having strategic potential but for which a separate classification does not exist because such new product or technology has never been previously identified. The Senate language in the report requires individual identification of all products subject to control and therefore inability to identify many new products and technologies would authorize their uncontrolled export even to the detriment of our national security.

In summary, we concur with many in the Congress who believe the Export Control Act needs updating. We agree that some of its provisions have been unnecessarily restrictive but we reject the radical changes proposed by the Senate and incorporated in the conference report.

We think it extremely unwise and not in this Nation's interest to shift the burden of proof to the President in total disregard of the fact that justification of his actions may entail the divulging of information which would be contrary to the national security interests of this country. When we in the House adopted an amendment to the Export Control Act making "availability" elsewhere of the proposed export a matter to be considered by the President in exercising his control authority, we restricted the application of such availability test to those nations with which we have de-

fense treaty commitments—in other words, we can have an impact upon trade policy and shipment of goods from other free world nations but we have no similar power or control with respect to the shipment of goods among and within the nations of the Communist bloc.

Defeat of the conference report will permit an opportunity to reexamine the questions and issues we have raised herein and hopefully the adoption of the House "authority" section.

Mr. PATMAN. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. I thank the gentleman for yielding.

Mr. Speaker, several weeks ago I came down to the well of this House and urged my colleagues to adopt an amendment to the Export Control Act which I was offering. I appreciated the substantial support the amendment received in the course of its adoption. Those who opposed the amendment looked upon it as a liberalization of the law, although I consider it a modernization or updating of the law.

This amendment to the "authority" section of the bill required the President to take into consideration the availability of items from other nations with which we have defense treaty commitments when making his determination as to whether or not an export from a firm in this country should be controlled or restricted. I argued then, as I argue now, that a realistic export control policy for this Nation must take into consideration the export policies of our friends and allies, for we are concerned with what Communist bloc nations, including Russia, receive from the free world in the way of exports more than we are in what nation does the trading. To the extent that we only interdict our source of supply by our Export Control Act, we do not deny receipt of strategic goods to our adversaries but in effect only penalize our exporters.

The modification in the "authority" section adopted by the House realistically dealt with the problem. But at the same time, it did not jeopardize the exercise by the President of proper controls over exports. It was a sensible modification of the Export Control Act, regardless of whether one views it as a liberal, a moderate, or a conservative, as those terms are used.

Subsequent to the House action the other body passed amendments to the Export Control Act which, in effect, constituted a rewriting of the law. Its action effected a significant liberalization of the law, and went far beyond what we had done in the House with respect to modification of the "authority" section of the law.

In conference, much of the policy thrust of the bill adopted by the other body was incorporated in the conference report, although some of us who participated in the conference thought some of the steps taken were too big and too fast, we acceded to the arguments and actions of the other body.

However, the mandate of the language of the "authority" section of the bill approved by the other body was such a departure from existing law, or even existing law as modified by the House version, that the gentleman from New Jersey, the gentleman from Kansas, and I could not accept the same, and as a consequence we did not sign the conference report.

I am sure you, too, are opposed to trade in strategic goods by exporters of this Nation with nations of the Communist bloc, including Russia; yet, the language of the "authority" section of the conference report, which was the Senate language, denies to the President the right to restrict or control such trade unless he satisfies the two-factor test of section 4(b) or makes an absolute determination that such trade would be detrimental to the national security of the United States and explains his reasons for such determination in a "full and detailed statement" in the next quarterly report to the Congress.

The strategic importance of most exports which may have military significance detrimental to the national security of the United States must necessarily be established from intelligence reports. Disclosure of the substance of these reports to the general public, through a detailed quarterly report to the Congress, would not be in this Nation's interest. It, therefore, would be almost essential for the President to attempt to satisfy the two-factor test of the "authority" section for the control of exports which does not necessitate the filing of such a report.

It is this two-factor test within the "authority" section that causes me the greatest concern. If you have read the language of the report, you will know that it denies to the President the right to control exports either through the establishment of restricted trade lists or by denial of export licenses, unless the President satisfies both requirements of such section. This test provides that with respect to any export control action, the President must determine: first, that the item to be restricted or denied a license "would make a significant contribution to the military potential of such nation or nations which would prove detrimental to the national security of the United States"; and, second, such item or items "sought to be exported are not readily available to such nation or nations from other sources." Since this is a twofold test, satisfaction of only one of the requirements is not sufficient to justify controls.

Once again I emphasize this says "other sources," not nations with which we have defense treaty commitments, as the House language said, but this says "other sources" and "other sources" under any interpretation means any sources within the world, and not just the free world.

The impact of this twofold test is to deny to the President the right to control the export of items to any nation even though such item or items may have substantial military significance detrimental to the United States, if such item or items are readily available to such nation or nations from any other source, including a source within the Communist bloc of nations, even Russia, since the term "other sources" has in no way been limited by the conference report.

The questioning of the Senator from Minnesota, the leading proponent of the Senate version, regarding his interpretation of this language of the conference report—I refer Members to the CONGRESSIONAL RECORD for November 14, pages 34290 through 34293—clearly establishes that either the Senator and his colleagues in the Senate did not mean what they had written or did not say what they meant.

Nevertheless, the language is not patently ambiguous and therefore is not subject to interpretation, regardless of the amount of legislative history which the Senate or this colloquy establishes in the pages of the CONGRESSIONAL RECORD.

My purpose in opposing the adoption of the conference report is to permit an opportunity for the Congress to adopt the House version of the "authority" section and for no other reason.

Section 4(b) of the conference report, which is the Senate language, is totally unacceptable to the administration, and to many of us on the committee, and should be unacceptable to the Members of the House.

I reiterate that urging the defeat of the conference report, as I am doing at this time, I am not advocating that I, or you, should reject all of that report.

Rather, it is necessary for us to reject the conference report if we are to be in a position to replace the objectionable provisions of the report's "authority" section only with the acceptable and responsible provisions originally adopted by the House. If we defeat the conference report, I will immediately move to have the House recede and concur in the Senate amendment with an amendment, and in this action I understand I have the concurrence of the chairman.

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

Mr. BROWN of Michigan. I yield to the gentleman from Illinois.

Mr. FINDLEY. Just to attempt to clarify in my own mind the essential issue here, is the gentleman's objection primarily the requirement of public disclosure which might in turn impair our security interests? Would that be an oversimplification?

Mr. BROWN of Michigan. Somewhat of an oversimplification, because it is only in the situation where the President cannot meet the two-factor test that he would have to make a determination of control just on the basis of the national security and give his reasons in the quarterly report. The two-factor test is primarily the test he should use. It is the two-factor requirement that makes it very difficult to control exports under that part of the law and as a consequence he would be required to rely upon the national security provision and give his reasons in the report.

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

Mr. BROWN of Michigan. I yield to the gentleman from Texas.

Mr. PATMAN. Do I correctly understand that the gentleman said that I had concurred with the gentleman in offering his motion?

Mr. BROWN of Michigan. Procedurally only, Mr. Chairman. I do not suggest that you concur in the substance of what I propose to do. I did mean you had procedurally agreed I could make such a motion, since otherwise it would be the prerogative of the chairman.

Mr. PATMAN. I had told you I had not made up my mind on what we should do, should the conference report be rejected.

Mr. BROWN of Michigan. That is not my understanding, Mr. Chairman, but if that is your understanding I accept it.

Mr. PATMAN. That is my understanding.

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

Mr. BROWN of Michigan. I yield to the gentleman from Ohio.

Mr. ASHLEY. The gentleman from Michigan was the author of the availability test that was written for consideration by our subcommittee and by the full committee. Can the gentleman tell me with respect to this dual test, which he feels is so onerous, what earthly difference it makes whether the commodity or the product or the technical knowledge is available from Great Britain, Italy, or from Czechoslovakia? If we are going to talk about availability as a rational, valid test, why do we choose to differentiate as to the source of that availability?

Mr. BROWN of Michigan. The gentleman from Ohio will agree that we have an export control law primarily to be able to control exports to the Communist-bloc nations and Russia. We think that should be a free world policy, a multilateral policy, more than just a policy of this Nation. We cannot have any control over exports from the nations of Eastern Europe or the Communist-bloc nations.

Mr. PATMAN. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. HALPERN).

(Mr. HALPERN asked and was given permission to revise and extend his remarks and to include extraneous material.)

Mr. HALPERN. Mr. Speaker, my colleagues ought to be fully cognizant of the broad support which is being expressed for this legislation. I would like to address myself to this aspect of this issue.

On November 17 to 19, the 56th annual foreign trade convention was held in New York under the sponsorship of the National Foreign Trade Council.

The council is made up of more than 600 companies of highly diversified interests, representing every segment of the American economy, and drawn from all over this country.

Attendance at the convention is not confined to members of the council. Registered delegates to the convention numbered more than 2,000, including many officials of our Government along with representatives of the business community. The convention was chaired by James M. Roche, chairman of the board of General Motors.

The convention was very much aware of the conference substitute for H.R. 4293, agreed to on November 6, in its deliberations, and it addressed itself specifically to the question of East-West trade as it is affected by our export control policy and procedures. The convention adopted unanimously, a declaration with language on export controls, to which not a single objection was raised, as follows:

Subject to limitations imposed by considerations of national security, the Convention favors the relaxation of restrictions and simplification of regulatory procedures on export sales of nonstrategic goods and services to the Soviet Union and to the countries of Eastern Europe.

The Convention welcomes the detailed review of U.S. policies in respect to trade with the Soviet Union and Eastern Europe which has been occasioned in both the Senate and the House of Representatives by consideration and enactment of bills for renewal or modification of the Export Control Act of 1949, as amended, now due to expire on December 31, 1969.

The view of the Convention is that the terms and administration of the required new legislation as it emerges from Congress should assure, first, the effective prohibition of export of goods and technology which would be detrimental to United States security interests; and, second, that U.S. export controls in other respects are brought into closer conformity to the controls which other cooperating nations exercise through the Coordinating Committee of the Consultative Group (COCOM) of which the United States is a member.

The Convention recognizes that there are many obstacles to expansion in U.S. trade with the Soviet Union and the countries of Eastern Europe and that such expanded trade can only develop as there is a demonstration of mutual benefit. The Convention opposes, however, continuation of U.S. unilateral controls on the literally hundreds of products on non-military character which the Soviet Union and Eastern European Countries can readily obtain from COCOM countries other than the United States.

The National Foreign Trade Council endorsed this declaration of the convention and sent it to each Member of Congress, along with several other recommendations on foreign economic policy issues. I would like to insert at this point in the RECORD a listing of the distinguished members of the board of directors of the Council and of the delegates to the convention.

It seems clear, Mr. Speaker, that it is time to come into closer step with public opinion in this area. I believe the conference report accomplishes this and constitutes a signal achievement. I do not share some of the apprehension expressed. I urge the adoption of the report.

The list follows:

NATIONAL FOREIGN TRADE COUNCIL, INC.

BOARD OF DIRECTORS

Chairman: Robert J. Dixon, Johnson & Johnson International.

Gerard Alexander, The B. F. Goodrich Company.

Claude H. Allard, Uniroyal International.

John H. Andren, Manufacturers Hanover Trust Company.

J. A. Black, Otis Elevator Company.

Richard M. Bliss, Bankers Trust Company.

Bart H. Bossidy, Celanese Corporation.

R. L. Brittenham, International Telephone & Telegram Corporation.

Anthony J. A. Bryan, Monsanto Company.

E. E. Buchanan, Bethlehem Steel Corporation

Willard C. Butcher, The Chase Manhattan Bank.

Guillermo Carey, The Anaconda Company.

James H. Carpenter, Colgate-Palmolive International Inc.

David H. Conklin, E. I. du Pont de Nemours & Company.

G. A. Costanzo, First National City Bank.

F. O. Cullen, Del Monte Corporation.

Daniel A. Cummings, Sears, Roebuck and Co.

E. J. Dailey, RCA Corporation.

Jose de Cubas, Westington Electric International Company.

Paul Dietz, Allis-Chalmers Manufacturing Company.

Mario A. Di Federico, Firestone International Company.

R. Stanley Dollar, Jr., The Robert Dollar Co.

Harry B. Duane, Norton Company.

James A. Farley, The Coca-Cola Export Corporation.

William L. Henry, Gulf Oil Corporation.

James A. Farrell, Jr., Past-Chairman, NFTC.

Marvin S. Fink, Ebasco Industries Inc.

David J. Fitzgibbons, Sterling Drug Inc.

L. W. Folmar, Texaco Inc.

Victor C. Folsom, United Fruit Company.

Berent Friele, International Basic Economy Corporation.

Harlow W. Gage, General Motors Corporation.

G. H. Gallaway, Crown Zellerbach Corporation.

C. Dillon Glendinning, Mobil Oil Corporation.

Austin J. Gould, Eastman Kodak Company.

George Haynes, The National Cash Register Company.

William L. Henry, Gulf Oil Corporation.

E. S. Hoglund, Past-Chairman, NFTC.

Joseph W. Holton, Armco International.

M. O. Johnson, International Harvester Company.

Antonie T. Knoppers, Merck & Co., Inc.

N. A. Liberatore, Lone Star Cement Corporation.

Walter L. Lingle, Jr., The Procter & Gamble Company.

L. R. Lyon, Fluor Corporation.

F. N. Mansager, Hoover Worldwide Corporation.

F. Arthur Mayes, AFIA.

John J. McMullen, United States Lines, Inc.

Allen W. Merrell, Ford Motor Company.

I. J. Minett, Chrysler Corporation.

Alfred F. Miossi, Continental Illinois National Bank and Trust Company of Chicago.

John G. Montag, Caterpillar Tractor Co.

James Montgomery, Pan American World Airways, Inc.

William T. Moore, Moore-McCormack Lines, Incorporated.

Robert M. Norris, National Foreign Trade Council, Inc.

Sydnor Oden, Anderson, Clayton & Co.

J. Warren Olmsted, The First National Bank of Boston.

George L. Parkhurst, Standard Oil Company of California.

Roland Pierotti, Bank of America N.T. & S.A.

Donald C. Platten, Chemical Bank.

John Pugsley, United States Steel Corporation.

Thomas J. Smith, Farrell Lines Incorporated.

William H. Spoor, The Pillsbury Company.

Hoyt P. Steele, General Electric Company.

Harold R. Stephan, Republic Steel Corporation.

Malcolm C. Stewart, The Gillette Company.

Leroy D. Stinebower, Standard Oil Company (New Jersey).

William S. Swingle, Past-President, NFTC.

Richard V. Thomas, Goodyear International Corporation.

Henry S. Thompson, Insular Lumber Company.

W. E. Tucker, Caltex Petroleum Corporation.

Alfred H. Von Kiemperer, Morgan Guaranty Trust Company of New York.
Sherwood Waldron, American Home Products Corporation.
Albert C. Wall, Chubb & Son Inc.
Philip C. Walsh, W. R. Grace & Co.
George C. Wells, Union Carbide Corporation.
B. H. Witham, IBM World Trade Corporation.
Charles R. Carroll, Counsel to the Board.

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ADVANCE REGISTRATION TO THE 56TH NATIONAL FOREIGN TRADE CONVENTION, NEW YORK, N.Y., NOVEMBER 17, 18, AND 19, 1969

(Includes guest observers from United States and foreign governments and from international institutions)

A

Arround, A. Robert, Vice President, International Section, First National Bank of Chicago, Chicago, Ill.
Achenbach, Dr. Richard, Consul, Consulate General of the Federal Republic of Germany, New York, N.Y.
Achikzad, G. F., Vice President, The Trading Company of Afghanistan, New York, N.Y.
Achilles, Theodore C., Vice Chairman, Executive Committee, Atlantic Council of the U.S., Washington, D.C.
Acosta, Allen H., Export Manager, Acheson, Colloids Company, Port Huron, Mich.
Adams, Frank J., Export Manager, The Jaeger Machine Company, Columbus, Ohio.
Adams, Professor Robert W., Institute for International Commerce, Graduate School of Business Administration, The University of Michigan, Ann Arbor, Mich.
Agnew, Harold A., Traffic Manager, Grancolombiana (New York), Inc., New York, N.Y.
Aguilar, Rafael, Head Commercial Office—Embassy of Spain, New York, N.Y.
Ahle, Rudolf, Consulate General of the Federal Republic of Germany, New York, N.Y.
Ahonen, Vaino A., Vice President and Manager, International Department, Peoples Trust of New Jersey, Hackensack, N.J.
Ahuja, V. K., Consul General of India, New York, N.Y.
Alexander, Gerald, Group Vice President, The B. P. Goodrich Company, Akron, Ohio.
Alexander, John L., Manager, Foreign Operations, Oneida Ltd., Oneida, N.Y.
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Alifano, G. J., Vice President, Pittsburgh National Bank, Pittsburgh, Pa.
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Ammar, Hamed, Minister, Charge d'Affaires a.i., Embassy of Tunisia, Washington, D.C.
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Anderson, John C., Assistant Vice President, Foreign Credit Insurance Association, New York, N.Y.
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Andrews, Lindsay T., Assistant Vice President, Franklin National Bank, New York, N.Y.
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Angle, Frank W., Director of Labor Relations, General Motors Overseas Operations, New York, N.Y.
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Armstrong, Willis C., President, U.S. Council of the ICC, New York, N.Y.
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Ayers, Captain William M., President, Ayers Steamship Company, Inc., New Orleans, La.
Ayoub, Sam, Assistant Treasurer, The Coca-Cola Export Corporation, New York, N.Y.

B

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Mr. PATMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. BLACKBURN).

Mr. BLACKBURN. Mr. Speaker, I expressed my own reservations about any changes in the Export Control Act when it first came before this body some months ago. At that time, frankly, I resisted any changes in the act because the administration had made it abundantly clear that it preferred an extension of the existing language. But now we find ourselves faced with a bill which is considerably different than what I objected to.

Let me touch upon a few of the things which I regard as most hazardous. First, there is this requirement that the President make known his reasons by setting forth in detail data for export which would make it possible for the whole world, perhaps, to obtain technical knowledge that we do not want certain countries to hear about.

I recall the colloquy of a few moments ago between the gentleman from Ohio (Mr. ASHLEY) and the question he asked the gentleman from Michigan (Mr. BROWN) about what difference does it make whether an item is available from Czechoslovakia or Great Britain. Let me address myself to that question for just one moment.

If Czechoslovakia has an item of extreme sophistication she is obligated by reason of her ties with the Soviet Union to sell whatever of her capacity she has to the Soviet Union, but if the Soviet Union needed more of that particular item the mere fact that item is being manufactured in Czechoslovakia, when perhaps no other country in the world except Communist-controlled countries would sell that item, that would be a sufficient justification under the language of this conference report to require the Secretary of Commerce to authorize the export by American manufacturers of that item which no other country in the western bloc would agree to sell to the Soviet Union.

I cannot possibly justify in my own mind, nor do I believe the majority of the Members of this body can justify that type of logic to open the floodgates of American industry and American technology to the Communist countries.

So, gentlemen, I earnestly hope the Members of this body can support the Brown amendment, or to support the proposal to send this matter back to conference. The administration is not sympathetic with the conference report as it now exists.

Those of us who have studied the conference report and understand the full implications of what can be developed in the logic, and the illogical results that can come about by applying the language in this conference report, will recognize and come to the same conclusion that the conference report should be rejected, and this matter should be sent back to conference for further review.

Furthermore it is interesting to note that the conference report regarding the extension of the Export Control Act has been awaiting action by the House for over 2 weeks. As you know, there is a great deal of controversy over the control and authority section of this conference report. This section would virtually allow American industries to export to Communist countries any material which could not be shown to have a direct military relationship. Specifically the bill requires the Department of Commerce to survey all laboratories and industrial products produced in the United States and form a list of those goods and technology which are strategic to our national security. First, it is almost impossible for the Department of Commerce to even conceive of surveying all the industries and laboratories within the United States which are producing strategic goods and decide whether or not they are of any military value.

I feel that if the Export Control Act as now drawn is adopted it will virtually open the floodgates and allow strategic materials to be exported to Communist-dominated countries. Recently, in the November–December issue to Ordinance magazine, Dr. Anthony C. Sutton of the Hoover Institution on War, Revolution, and Peace, which is located on the campus of Stanford University in California, presented an article entitled, "Soviet Export Strategy." It has been proposed by many Members of Congress, including myself, that the United States ship to Communist countries raw materials in order to make them dependent upon the United States for the supply of these vital necessities. However, we see that the reverse of this is becoming the accepted pattern. In Dr. Sutton's article, he clearly outlines this trend. I think that all Members of the House should review this article before casting their vote on the Export Control Act, and I hereby insert this article into the RECORD.

SOVIET EXPORT STRATEGY

(By A. C. Sutton)

Maj. Gen. A. N. Lagovskiy of the Red Army, a doctor of military science and a leading Soviet specialist in economic warfare, is also author of "Strategiya i Ekonomika"—a text on economic warfare recommended for study in the Soviet armed forces.* Given Lagovskiy's considerable status and wide influence, it is conceivable that the strategies outlined in "Strategiya i Ekonomika" constitute, at least in part, the basis for the operational directives of Soviet foreign economic polices.

The purpose of this article is to relate one Lagovskiy principle—the "weak-link principle"—to the pattern of recent U.S. trade with the Soviet Union and thus to test a stated Soviet strategic principle against empirical observations.

In a section discussing foreign trade as a weak link in the economy during a war, Lagovskiy notes the great independence of modern warfare on certain raw materials—such as chrome and platinum—and, simultaneously, notes the lack of major deposits of such raw materials in the United States and other capitalist countries.

As a consequence, he suggests, "the strategic material situation continues to be an urgent problem in war production for the U.S.A."

TABLE I—*Critical materials in a U.S. military jet airplane (from Lagovskiy)*

[Percentages of material imported]

| Material: | |
|---|---|
| Chrome (3,659 pounds) | 92 |
| Nickel (2,117 pounds) | 97 |
| Alumina (bauxite) (46,831) | 76 |
| Cobalt (436) | 88 |

A clear distinction is drawn by Lagovskiy between such "weak-link" strategic minerals and machinery with a technological component. Application of Lagovskiy's principle would require the Soviet Union to avoid import of weak-link mineral commodities—while simultaneously encouraging a potential adversary, such as the United States, to accept such exports from the Soviet Union.

On the other hand, the Soviet Union would deny exports of its own technology embodied in machinery and equipment, while maximizing imports of a potential adversary's technology.

As for the technological side of U.S.-Soviet trade, there is no question that export of worth-while Soviet technology to the West (or even to fellow socialist countries) is virtually nil, while Western and East European export of technology to the Soviet Union is not

* A. N. Lagovskiy, "Strategiya i Ekonomika" (Moscow: 1957), first Russian edition. A translated version of a second edition (1961) is "Strategy and Economics" (JPRS: No. 19,700 of June 17, 1963). There is significant difference between the two editions, and the material used here was largely added by Lagovskiy to the second (1961) edition. References are then to the second (translated) edition.

only both historically and currently of immense proportions but also of critical importance to Soviet economic and military development. Therefore, it is only the "weak-link"-import aspect which is now of interest.

Except for synthetic rubber, the Soviets do not import such mineral commodities from the United States; i.e., they have avoided any strategic dependence on their own part. In distinct contrast, the U.S. is a remarkably heavy importer of "weak-link" commodities from the U.S.S.R.

Let us first review the argument in detail.

Lagovskiy takes an American jet plane as his principal example and lists the amount of critical materials required in construction of a single aircraft (see Table I).

It is therefore, clear, says Lagovskiy, that a jet aircraft cannot be produced in the United States by utilizing only domestic raw materials, "since domestic production of the most important types of raw materials for it amounts to only 3 to 24 per cent of requirements." This example of dependence on imported materials for military aircraft is followed by a listing of United States imports of these materials (see Table II).

Many, but not all, of these raw materials, do have imperfect substitutes; synthetic rubber, for example, rather than natural rubber, is more important to industry in the United States, and butyl synthetics are equal in physical properties to natural rubber. It is rather the Soviet Union that is dependent on natural rubber, as its own development of synthetics (it has no natural rubber) is backward.

*Percentage imported by United States*

| | |
|---|---|
| Natural rubber | 100 |
| Tin | 100 |
| Industrial diamonds | 100 |
| Chrome ore | 99 |
| Platinum | 99 |
| Manganese | 95 |
| Cobalt | 80 |
| Tungsten | 72 |
| Bauxite | 70 |
| Mercury | 66 |

On the other hand, although substitution is possible for materials like chrome, manganese, and tungsten, such substitution is not complete and would be difficult to undertake on short notice. It is in U.S. imports of these minerals that Lagovskiy's argument has some force.

It is interesting that Lagovskiy avoids any further discussion of rubber but devotes a full page of discussion to U.S. dependence on imported chrome and emphasizes that "the U.S.A. has almost no chrome in its own country."

Chrome is required for production of alloys for jet engines, gas turbines, guns, and armor-piercing projectiles; it is used in both aircraft and motor vehicle manufacture The United States accounts for about two-thirds of the entire Western-world consumption. Lagovskiy points up as a "weak link" the "enormous geographic disparity" between world production and consumption regions:

"The imperialist countries, considering the enormous significance of chrome in war production and the lack of deposits of it in places where it is consumed, do not spare funds for the development of chrome reserves. However, this does not free them from the necessity of importing chrome ore in wartime as well."

*Amount of U.S. imports from U.S.S.R.*

| Weak-link commodity: | |
|---|---|
| Chrome ore | $3,433,000 |
| Diamonds, cut but unset | 5,681,000 |
| Platinum | 518,000 |
| Palladium | 15,540,000 |
| Rhodium | 2,348,000 |
| Nickel | 1,092,000 |
| Titanium | 899,000 |
| Lagovskiy's "weak links" | 29,501,000 |
| Total U.S. imports from U.S.S.R. | 35,359,000 |

*Source:* U.S. Department of Commerce, *Export Control,* 85th Quarterly Report, p. 19.

Clearly, then, Lagovskiy lays great faith in his "weak-link" theory, and he might be expected to recommend its use in Soviet economic relations with the United States.

Although we have no direct way of knowing whether the Soviets have indeed made use of the principle, we can examine the structure of U.S. imports from the Soviet Union to determine if the structure conforms, or does not conform, to Lagovskiy's theory.

If it does not, then either the Soviets have made no attempt to utilize the principle, or—conversely—they have attempted to do so, but the United States, aware of its potential weaknesses, has avoided dependence by diverting its purchases elsewhere. This is possible, as there are free-world as well as Soviet sources.

Table III contains U.S. imports of Lagovskiy's "weak links." While Lagovskiy lists "platinum," the table includes "platinum group" metals. Nickel and titanium are not in Lagovskiy's listing, but fulfill the Lagovskiy criteria.

This table contains data for the first half of 1969 (latest available in the Quarterly Reports on Export Control). U.S. imports of weak-link commodities constituted no less than $29 million out of a total import from the Soviet Union of $35 million of all goods. *A remarkably high percentage—84 per cent—of our total imports from the U.S.S.R. fall within the very narrow range of commodities covered by the Lagovskiy weak-link principle.*

If the comparison is extended to cover the previous full year (1967), 65 per cent of our imports from the U.S.S.R. fall into the category.

In brief, our import structure is almost unbelievably consistent with a principle of economic warfare that is advanced by a general of the Red Army.

The next relevant question concerns the proportion these imports from the U.S.S.R. constitute of U.S. *total* imports from *all* sources for specific commodities. In 1966 about one-third of U.S. chrome ore imports came from the Soviet Union.

In the same year, about one-half of palladium imports and just less than one-third of the rhodium imports came from the U.S.S.R.; in the case of other platinum-group metals, the Soviet proportion was somewhat less. However, it cannot be argued that the relative dependence is in any way a minor matter.

In general, it may seem improbable that the dependence is critical. Alternate sources of supply are available, stockpiles presumably are adequate, substitution is possible—and in time of war there would be diversion from considerable civilian end uses to military end uses.

But the Soviets, in case of war, also could divert these Russian deposits (developed with the aid of Western equipment and peacetime purchases) to their own military use. Such diversion would be relatively more important to them, as civilian uses in the U.S.S.R. are much smaller and they do not have the same range of substitution options. Further, free-world sources are in areas earmarked for "liberation" by the Soviets—Rhodesia, for example.

It cannot be argued that this coincidence between a Soviet strategic principle and its implementation is accidental. The Soviets have a foreign trade monopoly and can bring about, by manipulation of price and quantities marketed, a militarily desirable pattern of trade.

Any trade pattern therefore must reflect a conscious objective on the part of the Soviet Union. It has not resulted from the free play of market forces in international commerce.

The evidence suggests that the Soviets adopted the weak-link theory and have endeavored to put it into practice. Private American firms then responded (as they have every right to do) to the lower Soviet prices and more favorable offers. This pattern was encouraged by the Johnson Administration when Rhodesia was cut off as a source of supply for chrome.

The United States therefore is becoming increasingly dependent on Soviet raw materials of a critical nature. The only valid conclusion is that this was a conscious effort on the part of the Soviet Union as part of a wider scheme. If not, the pattern of U.S. imports from the U.S.S.R. would be distributed far more widely.

This also explains why the Soviet Union continued to ship chrome and manganese to the U.S. after the 1948 embargo and during the current Vietnamese war—*i.e.,* as a long-range effort to increase U.S. dependence. A few U.S. observers have noted the continuing import of Soviet chrome and concluded it is a sign of Soviet benevolence—a completely mistaken interpretation, inconsistent not only with Soviet strategy but also with our own defense posture.

For example, J. M. Chambers, testifying before the U.S. Senate Subcommittee on Banking and Currency (May 1969), argued: "The metallurgical-grade chrome consumed in the United States normally comes from two main sources; Rhodesia furnishes one-third, Russia one-third, and the balance from the rest of the world. With Rhodesia under sanction we cannot rely on them for any chrome and therefore the . . . availability of chrome ore from Russia is essential. . . .

"Since the importance of these materials to our industries is well known to the Russians I think that some of those who worry about our 'national interest' should take heart that Russia has continued to supply us . . . "

There are indeed two ways of looking at dependence on the Soviet Union for strategic materials. One way—put forward in the early 1960's in the Rock report—is to accept a strategy of interdependence as leading to peace.

Unfortunately, it has never been explained how interdependence between two countries leads to absence of conflict. Indeed, the argument is refuted by Soviet actions and their reasons for these actions in Vietnam.

Examination of the trade history of the past decade suggests certain firm conclusions. As the "bridge-building" policy took hold in the mid-1960's, the Soviets had an opportunity to make a reciprocal response according to the prevailing theory of "graduated reciprocation in tension reduction." How did they respond?

If Soviet actions had been guided by responsive reciprocity, they would have increased neither their trade in weak-link commodities nor their logistic supply of world revolution. They would have made a determined and conscious effort to deemphasize any action capable of misinterpretation, and so have marked their intentions to reciprocate.

Given the monopoly of foreign trade in the Soviet Union, such a policy could have been effected very readily, and it would have shown up long before 1966–1967.

The facts presented complement the evidence provided by Soviet logistic support of the Vietnamese war and the Middle East conflict—that the Soviets not only made no effort at reciprocity, but also seized the opportunity to further an over-all offensive strategy, an *economic* strategy with *military* objectives.

It appears that the United States, under the illusion that it was making an initial invitation for reciprocal disarmament and trading for peace, actually may have traded and reciprocated itself into a potentially dangerous corner.

The coincidence between Soviet strategic objectives and our imports from the Soviet Union is too great and has continued for too long a period of time to be dismissed as accidental. There is little question that Soviet

offers have been attractive enough to U.S. firms to induce such a dependence.

In "Strategiya i Economika," Lagovskiy makes explicit reference to this question: "Our strategy is a strategy of bold daring, always realistically considering the material, moral, and political capabilities of its accomplishment. In the Soviet Union, where economics and strategy are developed in an indissoluable dialectical unity under the leadership of the Communist Party, where the planned system of economy dominates, there is no expenditure of resources without plan, and never can be . . ."

It is the psychological effect on Soviet planners that contains a degree of danger. Although given to great realism, Soviet planners cannot help but observe the significant fulfillment of a strategic objective. If this be so, then it must weigh in the scale in consideration of future hostilities with the United States.

From the viewpoint of a soviet planner it is a distinct signal of United States weakness, and as such is generally considered a sufficient invitation to initiate aggression. It makes little sense, then, to defend ourselves at a cost of $X billions against Soviet missiles, without accompanying this move by the logical action—taken at the almost negligible cost of shifting supply sources—to remove a potential source of Soviet miscalculation.

Mr. PATMAN. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Speaker, during the 87th Congress I was pleased to serve on the Select Committee on Export Control, where we spent many, many months in dealing with the matter of strategic exports. Since the dissolution of this committee, I have had continuing interest in this field.

I might say further that I have watched with more than a keen interest the attempts that have been made over the years to try to do to this act what this conference report is now proposing.

I might also say very forthrightly and frankly that this bill scares me to death from the standpoint of our national security. This morning I talked with the Secretary of Defense concerning this conference report. I have since received a communication from the Department of Defense relative to the same.

This is what the Department communication says about this conference report:

From the standpoint of DOD, we foresee serious problems if the conference report is adopted. The basic problem is that as now drawn, the bill shifts the burden of proof from the exporter to the government and requires the President in order to place an item under control to make positive findings that (a) it would make a significant contribution to the military potential of other nations to the detriment of U.S. national security, (b) an item of comparable quality and technology is not readily available from other sources, and (c) if available from other sources, the item should still be controlled in the interest of national security, which must be subsequently explained to Congress.

Such requirements pose insuperable administrative difficulties. We cannot, for example, provide conclusive evidence that communications equipment shipped to Warsaw Pact countries will be used for military purposes, or that technology for building a launch vehicle for a space satellite is being acquired by a Free World country for use in connection with a ballistic missile program, or that an advanced computer capable of being diverted to strategic uses will in fact be so diverted. Indeed, in some cases where we have such evidence, it cannot be presented publicly because it is sensitive.

The question of foreign availability creates similar problems since, except for a very few of the most strategic items, conclusive evidence that the U.S. equipment is significantly superior in quality and technology is seldom available without exhaustive investigation. As a result many items of strategic importance are likely to escape control and become freely exportable to the USSR and Eastern Europe merely because comparable items are available outside the United States.

The Department's position is quite clear. The Commerce Department's position, as referred to by the gentleman from New Jersey, is also quite clear. According to these Departments' statements this legislation is not in the best interests of our national security.

I might ask, what happened to the House bill we passed? When this matter was before the Committee on Rules, proponents were asking only for a simple extension of the Export Control Act of 1949 with a few minor amendments. Now the conferees have come back with a major overhaul of the act, and the bill now proposes to do the very things certain interests have been attempting to do for many, many years.

I say that if we are interested in the national security of this country, we will vote down this conference report.

The SPEAKER. The time of the gentleman has expired.

Mr. PATMAN. Mr. Speaker, I yield to the gentleman from Wisconsin (Mr. REUSS) such time as he may use.

Mr. REUSS. Mr. Speaker, there is an eerie quality about this debate. I rise in support of what I believe to be an excellent conference report. The reasons for it have been well given by the gentleman from Texas (Mr. PATMAN) and the gentleman from Ohio (Mr. ASHLEY).

In essence what the conference report does is to support American business, and to try to free it from some of the archaic and bureaucratic cobwebs that have hampered it.

It is ironic that the Republican party, the party of business, or at least big business, should be attempting to knock down this conference report.

Now, let us look at precisely what the conference report does. Basically, it does two things. It reaffirms and reinvigorates the power and duty of the President to see that no strategic materials of military significance get anywhere back of the Iron Curtain or into the hands of our adversaries.

Second, it gives the President the power to end the ridiculous practice of cutting off our nose to spite our face. That has been going on for years.

On the list of strategic materials unshippable to the bloc are, let us say, widgets. Well, what happens? The Russians want widgets. The Germans, Italians, and the French sell them widgets. So our European allies get the orders and the Russians get the widgets—giving us the doubtful satisfaction of having gratified the lust of some obscure bureaucrat in the Department of Commerce to find reason for banning the sale.

Let me call your attention to page 169 of the subcommittee hearings, and of the 130 pages following that, filled with fine type and setting forth things that are strategic and hence subject willy-nilly to export control, no matter what the President thinks.

Just take the start of the list—dairy products, milk and cream, wheat, barley, rye, oats, sorghum, and so on.

Now what happened on dairy products? Well, in the great State of New Jersey and in the great State of Michigan, they produce dairy products—they even produce some in my State of Wisconsin—though I shall try to be objective. Dairy products are an excellent export commodity of the United States of America. Yet what happens is that if a little Polish child needs dairy products, who gets the order? The Germans or the French get the order. And we, the taxpayers of the United States, then buy our dairy products to dump them for nothing in the foreign aid program. If that makes sense, I wish somebody would tell me how.

So all that happens under the existing regimen is that we deny American business and agriculture the opportunity to compete for orders which our allies then proceed to get.

Oh, I know the specter of security has been dragged out. Let me tell you what security really means. In the U.S. foreign economic policy, real security depends on getting our balance of payments under control. It has been a shame and a disagrace for years that we have allowed it to deteriorate. The best single way of getting our balance of payments under control is to increase our exports, not to cut off our noses to spite our faces.

Unless we get our balance of payments under control, the dollar will be jeopardized, and then our real security will be weakened. And, believe me, our real security is not going to be weakened if we compete with the Germans and French for the opportunity to sell dairy products or wheat to people behind the Iron Curtain who need those products.

If by some mishap this conference report is voted down this afternoon, then you have indeed cast the whole Export Control Act into limbo, because it expires on December 31, 20 days from now. And if you vote down the conference report, I have to inform you that the Senate has acted on it, has adopted it, and the conference is dissolved. So for approximately 130 good reasons, which are set forth on pages 169 to 291 of the subcommittee hearings, let us support this excellent conference report.

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

Mr. REUSS. I yield to the gentleman from Ohio.

Mr. ASHLEY. I appreciate the gentleman yielding.

I ask him to do so only because it occurs to me that there is some confusion with respect to Presidential authority. Is it not a fact that under this conference report the authority of the President to ban the export of goods and commodities is retained?

Mr. REUSS. It is retained and reinvigorated.

Mr. ASHLEY. There are three rea-

sons that the President can use to prohibit or curtail the export of American goods, services, and technology. Foreign policy is the first, national security is the second, and short supply is the third. If the President chooses to use foreign policy as the reason for excluding exports, no explanation whatsoever is necessary as to whether or not those goods are available elsewhere. Where national security is the stated ground for control, and the goods are available from other sources, a very simple reporting requirement is necessary. Where reporting to the Congress is required, no stipulation whatsoever is made with respect to the release of classified information or of any confidential business data. If this does not answer the objection by the Defense Department to Mr. LATTA, I do not know what would satisfy him. The language of the report meerly indicates that it should be clear which categories, goods, and information continue to be subject to express permission on national security grounds, for which nation or nations, and for what reasons other than unavailability from foreign countries.

Mr. Speaker, let me say further, in connection with a question raised earlier, that the device of employing a strained and unreal hypothesis involving the presence of a source of supply among Communist countries fails to take into account the understanding of the language "readily available" held and conveyed by administration officials in public hearings. Ready availability embraces quantitative and delivery time capabilities, among others, of the supplier. With respect to the import requirements of the Soviet Union, if the Czechoslovakian capacity to deliver goods of comparable quality and technology in the desired quantities within a reasonable time differed ever so slightly from our own, the goods could be characterized as not readily available. If the Czechoslovakian capacity does not differ from our own, the Soviets are obviously not going to buy the goods from non-Communist sources.

Even in situations in which our exporters have attempted to compete with suppliers in countries allied with us, an inordinantly narrow construction has been put on the term "ready availability" by the Office of Export Control, so that an order which might be deliverable from a foreign competitor only a few weeks or months later than from one of our firms can be characterized as not readily available. There has been no great hesitation to require licenses for our exports vis-a-vis those of allied suppliers, so I find it difficult to imagine the Department of Commerce not finding a rationale for denying those which would compete with suppliers within Eastern Europe. I would like to make it clear now that, while the Department of Commerce should not employ too narrow an interpretation of "ready availability" which discriminates against our exports for civilian uses in competition with those of Western countries, the Department would certainly have the latitude to do so in situations involving goods of significant military applicability from Eastern European suppliers. And in any event, a careful reading of section 4(b) reveals that the President is still free to require express permission for the export of such goods.

Again I suggest, if the gentleman from Wisconsin will bear with me, that there is confusion with respect to Presidential authority, and I do not like to suggest that this is contrived confusion, but it comes close to it in my mind. I make that statement because throughout the hearings and throughout the conference it was abundantly clear that under no circumstances did any member of that conference want to disturb the authority of the President to regulate exports where national security and foreign policy were involved.

The gentleman from Michigan knows this. Other members of the conference know this. To suggest that somehow we are diluting this authority, somehow opening up some kind of bonanza for uncontrolled trade simply belies the facts of the matter. This is not the purpose of the conference and it is not the purpose nor the purport of the conference report. Would the gentleman not agree with me?

Mr. REUSS. I do. The gentleman has stated the letter and the spirit of the conference report precisely and concisely.

Let me add, in this connection, a word about that letter from some obscure bureaucrat in the Department of Defense, I do not know who he is to be writing a letter attempting to advise this House on economic matters. It is the Department of Defense which has gotten us into our balance-of-payments bind, a military deficit of about $7 billion a year. Now, when we are attempting to straighten out the mess into which the Defense Department has gotten us, the Department has the unparalleled gall to suggest it does not like the efforts we are making.

Mr. ASHLEY. Mr. Speaker, if the gentleman will yield further, we have had read to us letters from the Department of Commerce and the Department of Defense saying they do not support the conference report. I must say this is the first news the members of this committee have had of the position of the administration.

Putting that to one side, it is a fact that the Department of Commerce in conjunction with the Department of Defense and other departments have come up with a list of approximately 2,200 categories of goods, products and technology that are on the control list.

What are our COCOM neighbors doing? The multilateral group with which we seek to have a meaningful and effective free world export policy as far as significant military apparatus, and the like is concerned with respect to trade with Communist countries, our multilateral policy embraces less than 500 categories of goods and products. We have 2,200. So, of course, the question of availability exists.

But our allies are concerned with their national security just as we are. The fact of the matter is that in the testimony of the departments before our committee, there was tacit admission that hundreds upon hundreds of categories were peaceful goods, that there was no reason for foreign competitors to enjoy this position, which makes it difficult and often impossible for American exporters to compete in these areas. The witnesses admitted this. They admitted they do not review these categories, that they do it only on an infrequent basis, only when sufficient question is raised by the Congress. Is this not so?

Mr. REUSS. This is absolutely correct.

Let me say to the gentleman from Ohio, that if our friends here this afternoon, who seek to knock down and destroy this conference report, would only go over to Bonn and Rome and Paris and attempt to sell their restrictive programs to the Parliaments of Germany and Italy and France, and if by some chance they were successful, they would have done the greatest possible service for the United States of America. They would have diminished competition by those countries, and enabled us to sell our wheat, our dairy products, and our widgets in markets in which France and Germany and Italy are fast grabbing them from us, because of our ridiculous, self-imposed, feckless and reckless self-denial.

Mr. ASHLEY. Mr. Speaker, if the gentleman will yield further, we are talking about the export of peaceful goods and commodities. There can be no question about that. No effort is being made to facilitate the export of sophisticated, militarily-related technology or anything of this kind. We are talking about American businessmen who seek export markets for their peaceful goods and commodities, in competition with our European and other neighbors throughout the world. Is this not so?

Mr. REUSS. This is so.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. REUSS. Mr. Speaker, I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Speaker, I thank the gentleman from Wisconsin for yielding. Referring to the colloquy which has occurred between the gentleman in the well, the gentleman from Wisconsin, and the gentleman from Ohio, I think there is a total misunderstanding about the action I am suggesting the House take. I am only urging the defeat of the conference report so as to permit adoption by the House of the House authority section.

If the House does not want to impair the President's ability to control strategic goods, this can be done by defeating the conference report and adopting the motion I will make later on.

All of the conference report which relates to their colloquy will remain in the conference report. Only the area of the "authority" section, which deals with "strategic goods" that are available from a nonfree-world country and therefore authorized for shipment from this country, is the area we are talking about. So your discussion of widgets does not apply.

Mr. SMITH of California. Mr. Speaker, the conference report on the Export Control Act extension bill, H.R. 4293, which is before the House of Representatives at this time, must be viewed with deepest concern.

This bill was approved by the House on October 16, 1969, and provided essenti-

ally for a straight continuation of the Export Control Act of 1949. Extension of the act to provide authority to control exports from the United States is vital because of the significance of exports to our national welfare and security.

As agreed to in conference, H.R. 4293 is a different bill from that approved by the House. The conferees accepted almost entirely the version as passed by the other body. That version would continue to provide for an export control program but unfortunately its primary thrust appears to be toward forcing a weakening of the safeguard controls which now exist on proposed shipments of goods, equipment, and data to Communist nations.

The measure we are asked to put a stamp of approval on today contains what in my view is a questionable collection of findings, declarations, assessments of duties and reporting requirements which add up to uncertainty and inconsistency as to policy, and harassment and coercion of those who are supposed to administer the program. It is not spelled out on the face of the bill, but these requirements are included for the purpose of weakening our present program of controls on shipments to the Communists. Their purpose is to expand trade with the Reds.

Those who advocate gutting the export control program often assert or seek to advance the belief that there are prospects of greatly increased commercial East-West trade if we lower our control standards and that this would be a boom for our balance-of-payments situation and our economy. There is simply no evidence that this is the case. There are no prospects for substantially increased overall amounts of East-West trade with or without present controls.

The major effect of lowering barriers actually would be to remove restrictive controls on high quality, advanced machinery, techniques, equipment, data, and so forth. This is what the Communist nations are interested in obtaining here.

Allowing Communist regimes to acquire advanced equipment, machinery, and data here certainly must mean that they can continue to funnel that many more resources into their military, security, space, and related programs.

I think this is a dangerous policy to pursue and urge that the conference report on H.R. 4293 be rejected by the House of Representatives.

Mr. PATMAN. 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. BROWN of Michigan. 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 157, nays 238, not voting 38, as follows:

[Roll No. 312]

YEAS—157

| | | |
|---|---|---|
| Adams | Giaimo | Obey |
| Addabbo | Gibbons | O'Hara |
| Albert | Gilbert | Olsen |
| Anderson, Calif. | Gonzalez | O'Neill, Mass. |
| Annunzio | Green, Oreg. | Ottinger |
| Ashley | Green, Pa. | Patman |
| Aspinall | Griffiths | Patten |
| Barrett | Halpern | Pepper |
| Biaggi | Hamilton | Perkins |
| Bingham | Hanley | Pickle |
| Blatnik | Harrington | Pike |
| Boggs | Hathaway | Podell |
| Boland | Hawkins | Price, Ill. |
| Bolling | Hechler, W. Va. | Pucinski |
| Brademas | Helstoski | Purcell |
| Brasco | Hicks | Rees |
| Brooks | Holifield | Reid, N.Y. |
| Brown, Calif. | Howard | Reuss |
| Burke, Mass. | Hungate | Rodino |
| Burton, Calif. | Jacobs | Roe |
| Byrne, Pa. | Johnson, Calif. | Rogers, Colo. |
| Carey | Jones, Ala. | Rosenthal |
| Casey | Karth | Rostenkowski |
| Celler | Kastenmeier | Roybal |
| Chisholm | Kee | Ryan |
| Clay | Kluczynski | St Germain |
| Cohelan | Koch | St. Onge |
| Conyers | Kyros | Scheuer |
| Corman | Leggett | Sisk |
| Culver | Long, Md. | Slack |
| Daddario | Lowenstein | Smith, Iowa |
| Daniels, N.J. | McFall | Steed |
| Delaney | Macdonald, Mass. | Stokes |
| Dingell | Madden | Stubblefield |
| Donohue | Mahon | Sullivan |
| Dulski | Matsunaga | Symington |
| Eckhardt | Meeds | Thompson, N.J. |
| Edwards, Calif. | Melcher | Tiernan |
| Evans, Colo. | Mikva | Udall |
| Fallon | Miller, Calif. | Ullman |
| Farbstein | Mills | Van Deerlin |
| Feighan | Minish | Vanik |
| Flood | Mink | Vigorito |
| Foley | Mollohan | Waldie |
| Ford, William D. | Monagan | Whalen |
| Fraser | Moorhead | White |
| Frelinghuysen | Morgan | Wolff |
| Friedel | Morse | Wright |
| Gallagher | Moss | Yates |
| Garmatz | Murphy, Ill. | Yatron |
| Gaydos | Murphy, N.Y. | Young |
| Gettys | Nedzi | Zablocki |
| | Nix | |

NAYS—238

| | | |
|---|---|---|
| Abbitt | Camp | Fisher |
| Abernethy | Carter | Flowers |
| Adair | Cederberg | Flynt |
| Alexander | Chamberlain | Ford, Gerald R. |
| Anderson, Ill. | Chappell | Foreman |
| Andrews, Ala. | Clancy | Fountain |
| Andrews, N. Dak. | Clausen, Don H. | Frey |
| Arends | Clawson, Del | Fulton, Pa. |
| Ashbrook | Cleveland | Galifianakis |
| Ayres | Collins | Goldwater |
| Baring | Colmer | Goodling |
| Beall, Md. | Conable | Griffin |
| Belcher | Conte | Gross |
| Bell, Calif. | Corbett | Grover |
| Bennett | Coughlin | Gubser |
| Berry | Cramer | Gude |
| Betts | Crane | Haley |
| Bevill | Cunningham | Hall |
| Biester | Daniel, Va. | Hammer-schmidt |
| Blackburn | Davis, Wis. | Hanna |
| Blanton | de la Garza | Hansen, Idaho |
| Bow | Dellenback | Harsha |
| Bray | Denney | Harvey |
| Brinkley | Dennis | Hastings |
| Brock | Dent | Hébert |
| Broomfield | Derwinski | Heckler, Mass. |
| Brotzman | Devine | Henderson |
| Brown, Mich. | Dickinson | Hogan |
| Brown, Ohio | Dorn | Horton |
| Broyhill, N.C. | Dowdy | Hunt |
| Broyhill, Va. | Downing | Hutchinson |
| Buchanan | Duncan | Ichord |
| Burke, Fla. | Dwyer | Jarman |
| Burleson, Tex. | Edmondson | Johnson, Pa. |
| Burlison, Mo. | Edwards, Ala. | Jonas |
| Burton, Utah | Edwards, La. | Jones, N.C. |
| Bush | Erlenborn | Jones, Tenn. |
| Button | Esch | Kazen |
| Byrnes, Wis. | Eshleman | Keith |
| Cabell | Findley | King |
| Caffery | Fish | Kleppe |
| Kuykendall | O'Konski | Smith, Calif. |
| Landgrebe | O'Neal, Ga. | Smith, N.Y. |
| Langen | Passman | Snyder |
| Latta | Pelly | Springer |
| Lennon | Pettis | Stafford |
| Lloyd | Pirnie | Staggers |
| Long, La. | Poage | Stanton |
| Lujan | Poff | Steiger, Ariz. |
| Lukens | Pollock | Steiger, Wis. |
| McClory | Preyer, N.C. | Stephens |
| McCloskey | Price, Tex. | Stratton |
| McClure | Pryor, Ark. | Stuckey |
| McCulloch | Quie | Taft |
| McDade | Quillen | Talcott |
| McDonald, Mich. | Railsback | Taylor |
| McEwen | Randall | Teague, Calif. |
| McKneally | Rarick | Thompson, Ga. |
| McMillan | Reid, Ill. | Thomson, Wis. |
| MacGregor | Rhodes | Waggonner |
| Mann | Rivers | Wampler |
| Marsh | Roberts | Watkins |
| Martin | Robison | Watson |
| Mathias | Rogers, Fla. | Watts |
| May | Rooney, Pa. | Weicker |
| Mayne | Roth | Whitehurst |
| Meskill | Roudebush | Whitten |
| Michel | Ruth | Widnall |
| Miller, Ohio | Sandman | Wiggins |
| Minshall | Satterfield | Williams |
| Mize | Saylor | Wilson, Bob |
| Mizell | Schadeberg | Winn |
| Montgomery | Scherle | Wold |
| Morton | Schneebeli | Wyatt |
| Mosher | Schwengel | Wydler |
| Myers | Scott | Wylie |
| Natcher | Sebelius | Wyman |
| Nelsen | Shipley | Zion |
| Nichols | Shriver | Zwach |
| | Skubitz | |

NOT VOTING—38

| | | |
|---|---|---|
| Anderson, Tenn. | Gray | Reifel |
| Cahill | Hagan | Riegle |
| Clark | Hansen, Wash. | Rooney, N.Y. |
| Collier | Hays | Ruppe |
| Cowger | Hosmer | Sikes |
| Davis, Ga. | Hull | Teague, Tex. |
| Dawson | Kirwan | Tunney |
| Diggs | Kyl | Utt |
| Eilberg | Landrum | Vander Jagt |
| Evins, Tenn. | Lipscomb | Whalley |
| Fascell | McCarthy | Wilson, Charles H. |
| Fulton, Tenn. | Mailliard | |
| Fuqua | Philbin | |
| | Powell | |

So the conference report was rejected.

The Clerk announced the following pairs:

Mr. Tunney with Mr. Hosmer.
Mr. Teague of Texas with Mr. Reifel.
Mr. Rooney of New York with Mr. Lipscomb.
Mr. Hull with Mr. Collier.
Mr. Charles H. Wilson with Mr. Utt.
Mr. Gray with Mr. Vander Jagt.
Mr. Clark with Mr. Cahill.
Mr. Philbin with Mr. Mailliard.
Mr. Fuqua with Mr. Cowger.
Mr. Evins of Tennessee with Mr. Kyl.
Mr. Hays with Mr. Riegle.
Mr. Anderson of Tennessee with Mr. Ruppe.
Mr. Fascell with Mr. Whalley.
Mr. McCarthy with Mr. Diggs.
Mr. Dawson with Mr. Eilberg.
Mr. Sikes with Mr. Hagan.
Mr. Kirwan with Mr. Powell.
Mr. Davis of Georgia with Mr. Fulton of Tennessee.
Mrs. Hansen of Washington with Mr. Landrum.

Messrs. LONG of Louisiana, EDMONDSON, STRATTON, QUIE, McCLORY, WATTS, and NATCHER changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Senate amendment: Strike out all after the enacting clause and insert: "That this Act may be cited as the 'Export Expansion and Regulation Act of 1969'.

"FINDINGS

"SEC. 2. The Congress finds that—

"(1) the availability of certain materials at home and abroad varies so that the quantity and composition of United States exports and their distribution among importing countries may effect the welfare of the domestic economy and may have an important bearing upon fulfillment of the foreign policy of the United States;

"(2) the unrestricted export of materials without regard to whether they make a significant contribution to the military potential of any other nation or nations may adversely affect the national security of the United States;

"(3) the unwarranted restriction of exports from the United States has a serious adverse effect on the stability of our currency abroad and, therefore, upon the domestic economy; and

"(4) the uncertainty of Government policy toward certain categories of exports has curtailed the efforts of American business in those categories to the detriment of the overall attempt to improve the trade balance of the United States.

"DECLARATION OF POLICY

"SEC. 3. The Congress makes the following declarations:

"(1) It is the policy of the United States both (A) to encourage the expansion of trade with all countries with which we have diplomatic or trading relations, except those countries with which such trade has been determined by the President to be against the national interest, and (B) to restrict the export of goods and technology which would make a significant contribution to the military potential of any other nation or nations which would prove detrimental to the national security of the United States.

"(2) It is the policy of the United States to use export controls (A) only to the extent necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand, (B) only to the extent necessary to further significantly the foreign policy of the United States and to fulfill its international responsibilities, and (C) to the extent necessary to exercise the necessary vigilance over exports from the standpoint of their significance to the national security of the United States.

"(3) It is the policy of the United States that any export controls found necessary should be applied uniformly to all nations with which the United States engages in trade, except where the national security, the foreign policy of the United States, or the need to protect the domestic economy from the excessive drain of scarce materials requires that an exception be made in the case of one or more nations.

"(4) It is the policy of the United States (A) to formulate, reformulate, and apply any necessary controls to the maximum extent possible in cooperation with all nations with which the United States has defense treaty commitments, and (B) to formulate a unified commercial and trading policy to be observed by all such nations.

"(5) It is the policy of the United States to use its economic resources and trade potential to further the sound growth and stability of its economy as well as to further its national security and foreign policy objectives.

"(6) It is the policy of the United States (A) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (B) to encourage and request domestic concerns engaged in the export of articles, materials, supplies, or information to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against another country friendly to the United States.

"AUTHORITY

"SEC. 4. (a) (1) The Secretary of Commerce shall institute such organizational and procedural changes in any office or division of the Department of Commerce which has heretofore exercised functions relating to the control of exports and continues to exercise such controls under this Act as he determines are necessary to facilitate and effectuate the fullest implementation of the policy set forth in this Act with a view to promoting the expansion of trade with all nations with which the United States is engaged in trade, with special emphasis on promoting such trade with (A) those countries or groups of countries having defense treaty commitments with the United States have a significantly larger percentage of volume of trade than does the United States, and (B) other countries eligible for trade with the United States but not significantly engaged in trade with the United States. In addition, the Secretary shall review any list of articles, materials, or supplies, including technical data or other information, the exportation of which from the United States, its territories and possessions, was heretofore prohibited or curtailed with a view to making promptly such changes and revisions in such list as may be necessary or desirable in furtherance of the policy, purposes, and provisions of this Act. The Secretary shall include a detailed statement with respect to actions taken in compliance with the provisions of this paragraph in the second quarterly report (and in any subsequent report with respect to actions taken during the preceding quarter) made by him to the Congress after the date of enactment of this Act pursuant to section 11.

"(2) The Secretary of Commerce shall use all practicable means available to him to keep the business sector of the Nation fully apprised of changes in export control policy and procedures instituted in conformity with this Act with a view to encouraging the widest possible trade.

"(b) To effectuate the policies set forth in section 3, the President may prohibit or curtail the exportation from the United States, its territories and possessions, of any articles, materials, or supplies, including technical data or other information, except under such rules and regulations as he shall prescribe. To the extent necesary to achieve effective enforcement of this Act, such rules and regulations may apply to the financing, transporting, and other servicing of exports and the participation therein by any person. Rules and regulations prescribed in the interest of the national security shall provide that express permission and authority must be sought and obtained to export articles, materials, or supplies, including technical data or other information, from the United States, its territories and possessions, to any nation or combination of nations, if the President determines that (1) such articles, materials, supplies, data, or information would make a significant contribution to the military potential of such nation or nations which would prove detrimental to the national security of the United States, and (2) articles, materials, supplies, data, or information of comparable quality and technology to that sought to be exported are not readily available to such nation or nations from other sources: *Provided*, That express permission and authority shall be required to be sought and obtained, in accordance with such rules and regulations, in order to export to any nation or nations articles, materials, supplies, data, or information with respect to which the President has not made the determination referred to in clause (2), if the President (A) determines such action to be necessary in the interest of national security, and (B) includes in the first quarterly report submitted, pursuant to section 11, after taking such action a full and detailed statement with respect to such action setting forth the pertinent articles, materials, supplies, data, or information; the nation or nations affected thereby; and the reasons therefor. Rules and regulations prescribed under this subsection shall implement the provisions of section 3(6) of this Act and shall require that all domestic concerns receiving requests for the furnishing of information or the signing of agreements as specified in such section must report this fact to the Secretary of Commerce for such action as he may deem appropriate to carry out the purposes of such section.

"(c) Nothing in this Act, or in the rules and regulations authorized by it, shall in any way be construed to require authority and permission to export articles, materials, supplies, data, or information except where the national security, the foreign policy of the United States, or the need to protect the domestic economy from the excessive drain of scarce materials makes such requirement necessary.

"(d) The President may delegate the power, authority, and discretion conferred upon him by this Act to such departments, agencies, or officials of the Government as he may deem appropriate.

"(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils, during any period for which the supply of such commodity is determined by the Secretary of Agriculture to be in excess of the requirements of the domestic economy, except to the extent required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act.

"CONSULTATION AND STANDARDS

"SEC. 5. In determining what action to take with regard to regulating and expanding exports, any departments, agency, or official making these determinations shall seek information and advice from the several executive departments and independent agencies which are concerned with aspects of our domestic and foreign policies and operations having an important bearing on exports. Consistent with considerations of national security, the President shall from time to time seek information and advice from various segments of private industry in connection with the making of these determinations.

"VIOLATIONS

"SEC. 6. (a) Except as provided in subsection (b) of this section, in case of any knowing violation of any provision of this Act or any regulation, order, or license issued thereunder, the violator or violators, upon conviction, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than one year, or by both such fine and imprisonment. For a second or subsequent offense, the offender shall be punished by a fine of not more than three times the value of the exports involved or $20,000, whichever is greater, or by imprisonment for not more than five years, or by both such fine and imprisonment.

"(b) Whoever willfully exports anything contrary to any provision of this Act or any regulation, order, or license issued thereunder, with knowledge that such exports will be used for the benefit of any Communist-dominated nation, shall be punished by a fine of not more than five times the value of the exports involved or $20,000, whichever is greater, or by imprisonment for not more than five years, or by both such fine and imprisonment.

"(c) The head of any department or agency exercising any functions under this Act, or any officer or employee of such department or agency specifically designated by the head thereof, may impose a civil pen-

alty not to exceed $1,000 for each violation of this Act or any regulation, order, or license issued under this Act, either in addition to or in lieu of any other liability or penalty which may be imposed.

"(d) The payment of any penalty imposed pursuant to subsection (c) may be made a condition, for a period not exceeding one year after the imposition of such penalty, to the continued right to export of the person upon whom such penalty is imposed.

"(e) Any amount paid in satisfaction of any penalty imposed pursuant to subsection (c) shall be covered into the Treasury as a miscellaneous receipt. The head of the department or agency concerned may, in his discretion, refund any such penalty, within two years after payment, on the ground of a material error of fact or law in the imposition. Notwithstanding section 1346(a) of title 28 of the United States Code, no action for the refund of any such penalty may be maintained in any court.

"(f) In the event of the failure of any person to pay a penalty imposed pursuant to subsection (c), a civil action for the recovery thereof may, in the discretion of the head of the department or agency concerned, be brought in the name of the United States. In any such action, the court shall determine de novo all issues necessary to the establishment of liability. Except as provided in this subsection and in subsection (d), no such liability shall be asserted, claimed, or recovered upon by the United States in any way unless it has previously been reduced to judgment.

"(g) Nothing in subsection (c), (d), or (f) shall limit—

"(1) the availability of other administrative or judicial remedies will respect to violations of this Act, or any regulation, order, or license issued under this Act;

"(2) the authority to compromise and settle administrative proceedings brought with respect to violations of this Act, or any regulation, order, or license issued under this Act; or

"(3) the authority to compromise, remit, or mitigate seizures and forefeitures pursuant to section 1(b) of title VI of the Act of June 15, 1917 (22 U.S.C. 401(b)).

"ENFORCEMENT

"SEC. 7. (a) To the extent necessary or appropriate to the enforcement of this Act or to the imposition of any penalty, forfeiture, or liability arising under the Export Control Act of 1949, the head of any department or agency exercising any function thereunder (and officers or employees of such department or agency specifically designated by the head thereof) may make such investigations and obtain such information from, require such reports or the keeping of such records by, make such inspection of the books, records, and other writings, premises, or property of, and take the sworn testimony of, any person. In addition, such officers or employees may administer oaths or affirmations, and may by subpena require any person to appear and testify or to appear and produce books, records, and other writings, or both, and in the case of contumacy by, or refused to obey a subpena issued to, any such person, the district court of the United States for any district in which such person is found or resides or transacts business, upon application, and after notice to any such person and hearing, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce books, records, and other writings, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(b) No person shall be excused from complying with any requirements under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (27 Stat. 443; 49 U.S.C. 46) shall apply with respect to any individual who specifically claims such privilege.

"(c) No department, agency, or official exercising any functions under this Act shall publish or disclose information obtained hereunder which is deemed confidential or with reference to which a request for confidential treatment is made by the person furnishing such information, unless the head of such department or agency determines that the withholding thereof is contrary to the national interest.

"(d) In the administration and enforcement of this Act, reporting requirements shall be so designed as to reduce the cost of reporting, recordkeeping, and export documentation required under this Act to the extent feasible consistent with effective enforcement and compilation of useful trade statistics. Reporting, recordkeeping and export documentation requirements shall be periodically reviewed and revised in the light of developments in the field of information technology. The Secretary of Commerce shall include a detailed statement with respect to actions taken in compliance with this subsection in the first quarterly report made by him, pursuant to section 11, after such actions are taken.

"EXEMPTION FROM CERTAIN PROVISIONS RELATING TO ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW

"SEC. 8. The functions exercised under this Act shall be excluded from the operation of sections 551, 553–559, and 701–706 of title 5, United States Code.

"INFORMATION TO EXPORTERS

"SEC. 9. In order to enable United States exporters to coordinate their business activities with the export control policies of the United States Government, the agencies, departments, and officials responsible for implementing the rules and regulations authorized under this Act shall, insofar as it is consistent with the national security, the foreign policy of the United States, and the effective administration of this Act—

"(1) inform each exporter of the considerations which may cause his export license request to be denied or to be the subject of lengthy examination;

"(2) inform each exporter of the circumstances arising during the Government's consideration of his export license application which are cause for denial or for further examination;

"(3) give each exporter the opportunity to present evidence and information which he believes will help the agencies, departments, and officials concerned to resolve any problems or questions which are, or may be, connected with his request for a license; and

"(4) inform each exporter of the reasons for a denial of an export license request.

"EXPORT EXPANSION COMMISSION

"SEC. 10. (a) There is hereby established an Export Expansion Commission (hereinafter referred to as the 'Commission') to be composed of fifteen members to be appointed by the President. The President shall designate one of the persons appointed to the Commission to serve as Chairman.

"(b) The Commission shall conduct a study to determine practicable ways in furtherance of the national interest by which exports can be expanded, without jeopardizing the national security, to all nations with which the United States is engaged in trade, with special emphasis on promoting such trade with (1) those countries or groups of countries with which other countries or groups of countries having defense treaty commitments with the United States have a significantly larger percentage of volume of trade than does the United States, and (2) other countries eligible for trade with the United States but not significantly engaged in trade with the United States. The Commission shall coordinate its activities with the National Export Expansion Council, may make interim reports to the President and the Congress, and shall make a final report thereto with respect to its findings and recommendations not later than one year after the date of enactment of this Act.

"(c) Each member of the Commission who is appointed from private life may receive compensation at a rate of $100 for each day he is engaged upon work of the Commission, and shall be reimbursed for travel expenses, including per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently.

"(d) The Commission may, without regard to the provisions of title 5, United States Code, relating to appointments in the competitive service or to classification and General Schedule pay rates, appoint and fix the compensation of an Executive Director, and the Executive Director, with the approval of the Commission, may employ and fix the compensation of such additional personnel as may be necessary to carry out the functions of the Commission. No individual so appointed may receive compensation in excess of the rate authorized for GS–18 under the General Schedule.

"(e)(1) The Commission may require directly from the head of any Federal executive department or agency available information which the Commission deems useful in the discharge of its duties. All such departments and agencies shall cooperate with the Commission and furnish information requested by the Commission to the extent permitted by law.

"(2) The head of any executive department or agency of the Government may detail, on a reimbursable basis, any of its personnel to assist the Commission in carrying on its work.

"(f) Thirty days after submission of its final report, the Commission shall cease to exist.

"(g) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"QUARTERLY REPORT

"SEC. 11. The head of any department or agency, or other official exercising any functions under this Act, shall make a quarterly report, within forty-five days after each quarter, to the President and to the Congress of his operations hereunder.

"EFFECTS ON OTHER ACTS

"SEC. 12. (a) The Act of February 15, 1936 (49 Stat. 1140), relating to the licensing of exports of tinplate scrap, is hereby superseded; but nothing contained in this Act shall be construed to modify, repeal, supersede, or otherwise affect the provisions of any other laws authorizing control over exports of any commodity.

"(b) The authority granted to the President under this Act shall be exercised in such manner as to achieve effective coordination with the authority exercised under section 414 of the Mutual Security Act of 1954 (22 U.S.C. 1934).

"EFFECTIVE DATE

"SEC. 13. (a) This Act shall take effect upon the expiration of the Export Control Act of 1949.

"(b) All outstanding delegations, rules, regulations, orders, licenses, or other forms of administrative action under the Export Control Act of 1949 or section 6 of the Act of July 2, 1940 (54 Stat. 714), shall, until amended or revoked, remain in full force and effect, the same as if promulgated under this Act.

"TERMINATION DATE

"SEC. 14. The authority granted by this Act shall terminate on June 30, 1973, or upon any prior date which the Congress by con-

current resolution or the President by proclamation may designate."

Mr. BROWN of Michigan (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and it be printed in the RECORD.

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

There was no objection.

MOTION OFFERED BY MR. BROWN OF MICHIGAN

Mr. BROWN of Michigan. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BROWN of Michigan moves that the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"SHORT TITLE

"SECTION 1. This Act may be cited as the 'Export Administration Act of 1969'.

"FINDINGS

"SEC. 2. The Congress makes the following findings:

"(1) The availability of certain materials at home and abroad varies so that the quantity and composition of United States exports and their distribution among importing countries may affect the welfare of the domestic economy and may have an important bearing upon the fulfillment of the foreign policy of the United States.

"(2) The unrestricted export of materials, information, and technology without regard to whether they make a significant contribution to the military potential of any other nation or nations may adversely affect the national security of the United States.

"(3) The unwarranted restriction of exports from the United States has a serious adverse effect on our balance of payments.

"(4) The uncertainty of policy toward certain categories of exports has curtailed the effects of American business in those categories to the detriment of the overall attempt to improve the trade balance of the United States.

"DECLARATION OF POLICY

"SEC. 3. The Congress makes the following declarations:

"(1) It is the policy of the United States both (A) to encourage trade with all countries with which we have diplomatic or trading relations, except those countries with which such trade has been determined by the President to be against the national interest, and (B) to restrict the export of goods and technology which would make a significant contribution to the military potential of any other nation or nations which would prove detrimental to the national security of the United States.

"(2) It is the policy of the United States to use export controls (A) to the extent necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand, (B) to the extent necessary to further significantly the foreign policy of the United States and to fulfill its international responsibilities, and (C) to the extent necessary to exercise the necessary vigilance over exports from the standpoint of their signficance to the national security of the United States.

"(3) It is the policy of the United States (A) to formulate, reformulate, and apply any necessary controls to the maximum extent possible in cooperation with all nations with which the United States has defense treaty commitments, and (B) to formulate a unified trade control policy to be observed by all such nations.

"(4) It is the policy of the United States to use its economic resources and trade potential to further the sound growth and stability of its economy as well as to further its national security and foreign policy objectives.

"(5) It is the policy of the United States (A) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (B) to encourage and request domestic concerns engaged in the export of articles, materials, supplies, or information, to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against another country friendly to the United States.

"AUTHORITY

"SEC. 4. (a) (1) The Secretary of Commerce shall institute such organizational and procedural changes in any office or division of the Department of Commerce which has heretofore exercised functions relating to the control of exports and continues to exercise such controls under this Act as he determines are necessary to facilitate and effectuate the fullest implementation of the policy set forth in this Act with a view to promoting trade with all nations with which the United States is engaged in trade, including trade with (A) those countries or groups of countries with which other countries or groups of countries having defense treaty commitments with the United States have a significantly larger percentage of volume of trade than does the United States, and (B) other countries eligible for trade with the United States but not significantly engaged in trade with the United States. In addition, the Secretary shall review any list of articles, materials, or supplies, including technical data or other information, the exportation of which from the United States, its territories and possessions, was heretofore prohibited or curtailed with a view to making promptly such changes and revisions in such list as may be necessary or desirable in furtherance of the policy, purposes, and provisions of this Act. The Secretary shall include a detailed statement with respect to actions taken in compliance with the provisions of this paragraph in the second quarterly report (and in any subsequent report with respect to actions taken during the preceding quarter) made by him to the Congress after the date of enactment of this Act pursuant to section 10.

"(2) The Secretary of Commerce shall use all practicable means available to him to keep the business sector of the Nation fully apprised of changes in export control policy and procedures instituted in conformity with this Act with a view to encouraging the widest possible trade.

"(b) To effectuate the policies set forth in section 3 of this Act the President may prohibit or curtail the exportation from the United States, its territories, and possessions, of any articles, materials or supplies, including technical data or any other information, except under such rules and regulations as he shall prescribe. To the extent necessary to achieve effective enforcement of this Act, these rules and regulations may apply to the financing, transporting, and other servicing of exports and the participation therein by any person. The rules and regulations shall provide for denial of any request or application for authority to export articles, materials, or supplies, including technical data, or any other information, from the United States, its territories and possessions, to any nation or combination of nations threatening the national security of the United States if the President determines, taking into consideration its availability from other nations with which the United States has defense treaty commitments, that the export would prove detrimental to the national security and welfare of the United States. The rules and regulations shall implement the provisions of section 3(5) of this Act and shall require that all domestic concerns receiving requests for the furnishing of information or the signing of agreements as specified in that section must report this fact to the Secretary of Commerce for such action as he may deem appropriate to carry out the purposes of that section.

"(c) Nothing in this Act, or in the rules and regulations authorized by it, shall in any way be construed to require authority and permission to export articles, materials, supplies, data, or information except where the national security, the foreign policy of the United States, or the need to protect the domestic economy from the excessive drain of scarce materials makes such requirement necessary.

"(d) The President may delegate the power, authority, and discretion conferred upon him by this Act to such departments, agencies, or officials of the Government as he may deem appropriate.

"(e) The authority conferred by this section shall not be exercised with respect to any agricultural commodity, including fats and oils, during any period for which the supply of such commodity is determined by the Secretary of Agriculture to be in excess of the requirements of the domestic economy, except to the extent required to effectuate the policies set forth in clause (B) or (C) of paragraph (2) of section 3 of this Act.

"CONSULTATION AND STANDARDS

"SEC. 5. (a) In determining what shall be controlled hereunder, and in determining the extent to which exports shall be limited, any department, agency, or official making these determinations shall seek information and advice from the several executive departments and independent agencies concerned with aspects of our domestic and foreign policies and operations having an important bearing on exports. Consistent with considerations of national security, the President shall from time to time seek information and advice from various segments of private industry in connection with the making of these determinations.

"(b) In authorizing exports, full utilization of private competitive trade channels shall be encouraged insofar as practicable, giving consideration to the interests of small business, merchant exporters as well as producers, and established and new exporters, and provision shall be made for representative trade consultation to that end. In addition, there may be applied such other standards or criteria as may be deemed necessary by the head of such department, or agency, or official to carry out the policies of this Act.

"VIOLATIONS

"SEC. 6. (a) Except as provided in subsection (b) of this section, whoever knowingly violates any provision of this Act or any regulation, order, or license issued thereunder shall be fined not more than $10,000 or imprisoned not more than one year, or both. For a second or subsequent offense, the offender shall be fined not more than three times the value of the exports involved or $20,000, whichever is greater, or imprisoned not more than five years, or both.

"(b) Whoever willfully exports anything contrary to any provision of this Act or any regulation, order, or license issued thereunder, with knowledge that such exports will be used for the benefit of any Communist-dominated nation, shall be fined not more than five times the value of the exports involved or $20,000, whichever is greater, or imprisoned not more than five years, or both.

"(c) The head of any department or agency exercising any functions under this Act, or any officer or employee of such department or agency specifically designated by the head thereof, may impose a civil penalty not to exceed $1,000 for each violation of this Act or any regulation, order, or license issued under

this Act, either in addition to or in lieu of any other liability or penalty which may be imposed.

"(d) The payment of any penalty imposed pursuant to subsection (c) may be made a condition, for a period not exceeding one year after the imposition of such penalty, to the granting, restoration, or continuing validity of any export license, permission, or privilege granted or to be granted to the person upon whom such penalty is imposed.

"(e) Any amount paid in satisfaction of any penalty imposed pursuant to subsection (c) shall be covered into the Treasury as a miscellaneous receipt. The head of the department or agency concerned may, in his discretion, refund any such penalty, within two years after payment, on the ground of a material error of fact or law in the imposition. Notwithstanding section 1346(a) of title 28 of the United States Code, no action for the refund of any such penalty may be maintained in any court.

"(f) In the event of the failure of any person to pay a penalty imposed pursuant to subsection (c), a civil action for the recovery thereof may, in the discretion of the head of the department or agency concerned, be brought in the name of the United States. In any such action, the court shall determine de novo all issues necessary to the establishment of liability. Except as provided in this subsection and in subsection (d), no such liability shall be asserted, claimed, or recovered upon by the United States in any way unless it has previously been reduced to judgment.

"(g) Nothing in subsection (c), (d), or (f) limits

"(1) the availability of other administrative or judicial remedies with respect to violations of this Act, or any regulation, order, or license issued under this Act;

"(2) the authority to compromise and settle administrative proceedings brought with respect to violations of this Act, or any regulation, order, or license issued under this Act; or

"(3) the authority to compromise, remit, or mitigate seizures and forfeitures pursuant to section 1(b) of title VI of the Act of June 15, 1917 (22 U.S.C. 401(b)).

"ENFORCEMENT

"SEC. 7. (a) To the extent necessary or appropriate to the enforcement of this Act or to the imposition of any penalty, forfeiture, or liability arising under the Export Control Act of 1949, the head of any department or agency exercising any function thereunder (and officers or employees of such department or agency specifically designated by the head thereof) may make such investigations and obtain such information from, require such reports or the keeping of such records by, make such inspection of the books, records, and other writings, premises, or property of, and take the sworn testimony of, any person. In addition, such officers or employees may administer oaths or affirmations, and may by subpena require any person to appear and testify or to appear and produce books, records, and other writings, or both, and in the case of contumacy by, or refusal to obey a subpena issued to, any such person, the district court of the United States for any district in which such person is found or resides or transacts business, upon application, and after notice to any such person and hearing, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce books, records, and other writings, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(b) No person shall be excused from complying with any requirements under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (27 Stat. 443; 49 U.S.C. 46) shall apply with respect to any individual who specifically claims such privilege.

"(c) No department, agency, or official exercising any functions under this Act shall publish or disclose information obtained hereunder which is deemed confidential or with reference to which a request for confidential treatment is made by the person furnishing such information, unless the head of such department or agency determines that the withholding thereof is contrary to the national interest.

(d) In the administration of this Act, reporting requirements shall be so designed as to reduce the cost of reporting, recordkeeping, and export documentation required under this Act to the extent feasible consistent with effective enforcement and compilation of useful trade statistics. Reporting, recordkeeping, and export documentation requirements shall be periodically reviewed and revised in the light of developments in the field of information technology. A detailed statement with respect to any action taken in compliance with this subsection shall be included in the first quarterly report made pursuant to section 10 after such action is taken.

"EXEMPTION FROM CERTAIN PROVISIONS RELATING TO ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW

"SEC. 8. The functions exercised under this Act are excluded from the operation of sections 551, 553–559, and 701–706 of title 5, United States Code.

"INFORMATION TO EXPORTERS

"SEC. 9. In order to enable United States exporters to coordinate their business activities with the export control policies of the United States Government, the agencies, departments, and officials responsible for implementing the rules and regulations authorized under this Act shall, if requested, and insofar as it is consistent with the national security, the foreign policy of the United States, the effective administration of this Act, and requirements of confidentiality contained in this Act—

"(1) inform each exporter of the considerations which may cause his export license request to be denied or to be the subject of lengthy examination;

"(2) in the event of undue delay, inform each exporter of the circumstances arising during the Government's consideration of his export license application which are cause for denial or for further examination;

"(3) give each exporter the opportunity to present evidence and information which he believes will help the agencies, departments, and officials concerned to resolve any problems or questions which are, or may be, connected with his request for a license; and

"(4) inform each exporter of the reasons for a denial of an export license request.

"QUARTERLY REPORT

"SEC. 10. The head of any department or agency, or other official exercising any functions under this Act, shall make a quarterly report, within 45 days after each quarter, to the President and to the Congress of his operations hereunder.

"DEFINITION

"SEC. 11. The term 'person' as used in this Act includes the singular and the plural and any individual, partnership, corporation, or other form of association, including any government or agency thereof.

"EFFECTS ON OTHER ACTS

"SEC. 12. (a) The Act of February 15, 1936 (49 Stat. 1140), relating to the licensing of exports of tinplate scrap, is hereby superseded; but nothing contained in this Act shall be construed to modify, repeal, supersede, or otherwise affect the provisions of any other laws authorizing control over exports of any commodity.

"(b) The authority granted to the President under this Act shall be exercised in such manner as to achieve effective coordination with the authority exercised under section 414 of the Mutual Security of 1954 (22 U.S.C. 1934).

"EFFECTIVE DATE

"SEC. 13. (a) This Act takes effect upon the expiration of the Export Control Act of 1949.

"(b) All outstanding delegations, rules, regulations, orders, licenses, or other forms of administrative action under the Export Control Act of 1949 or section 6 of the Act of July 2, 1940 (54 Stat. 714), shall, until amended or revoked, remain in full force and effect, the same as if promulgated under this Act.

"TERMINATION DATE

"SEC. 14. The authority granted by this Act terminates on June 30, 1971, or upon any prior date which the Congress by concurrent resolution or the President by proclamation may designate."

Mr. BROWN of Michigan (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with and it be printed in the RECORD.

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

There was no objection.

Mr. BROWN of Michigan. Mr. Speaker, I do not feel a great deal more time need be spent on the proposal that is before you.

As I indicated to you when we discussed the conference report and when I urged your opposition to that report, I said a motion would be offered to recede and concur in the Senate amendment, with an amendment. That amendment is now pending before you. The amendment that I now offer and which is included in the motion upon which I am seeking affirmative action is, in effect, the language of the conference report except for section 4(b).

Mr. Speaker, section 4(b) of this amendment is the House language of the authority section as distinguished from the Senate language of section 4(b) which is presently in the conference report.

All of the improvements in the legislation as now incorporated in the conference report, in other words, the conference report in its entirety, will still be in the bill except for the Senate authority section. And that is the section to which we devoted a great deal of time in explaining our objections as it was adopted in the conference report.

Mr. Speaker, the House has already given its approval to the change in the conference report that I am now suggesting. The language my amendment proposes is the same language that the House originally adopted. The opponents of this motion—and I trust that there will be few, can only argue that the Senate will not act if we take the action I am recommending. But in answer to that argument, I contend that the Senate should still approve of our action because the bill, as again transmitted to the Senate, will still embrace most of the Senate language which is compatible with the authority section of the House. In other words, all of the procedural improvement provisions will still be in the bill.

Mr. Speaker, for the Senate not to

act would mean that there would be no legislative basis for export controls unless there is another extension of the existing law to extend it beyond the present expiration date of December 31. I do not believe the other body will fail to act because if no action is taken on export control legislation at this time, and in view of the fact that the present extension expires on December 31, there would be no legislative basis for export control.

This possibly would require the administration to rely upon the Trading With the Enemy Act. I think this is irresponsible. The emergency provisions of the Trading With the Enemy Act should not be exercised to handle the export activities for which the Export Control Act is intended.

Even if one has some disagreement with the authority section assuming my motion prevails, the report has much to offer in improvements in export control.

I therefore, do not think any responsible Member of this House would like to have any of these alternatives come into being. It is my hope, and I would like to urge, every Member of the House to support the motion that is presently pending so that we can responsibly and effectively deal with export control legislation yet this year.

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

Mr. BROWN of Michigan. I yield to the gentleman from Minnesota.

Mr. FRAZER. Mr. Speaker, I would just like to pursue for a moment this one alternative that the gentleman does suggest as not being acceptable; namely, that the legislation would expire altogether.

I gather what the gentleman is saying is that in this event there would be no control on American businessmen trading with anybody they would like to trade with?

Mr. BROWN of Michigan. Unless the administration invoked the provisions of the Trading With the Enemy Act of 1917.

Mr. FRASER. What restrictions could they impose through that legislation?

Mr. BROWN of Michigan. These restrictions certainly are much broader in what can be done and I think would have the impact of affecting trade that need not be controlled. I frankly am not an expert on the Trading With the Enemy Act, and would not attempt to say what total prerogatives the administration would have. But I am suggesting that act is a poor alternative to the course of action I am suggesting that we support at this time.

Mr. FRASER. This, of course, lies in the hands of the other body, but I was curious as to that alternative because it would seem to me the Senate has wanted to open up the trading opportunities more freely than the House apparently is willing to do, and I am wondering if they might not want to take a look at that possibility.

Is the gentleman from Michigan fairly certain that that will not be the result?

Mr. BROWN of Michigan. Of course, I cannot predict the action of the other body. I would hope they would concur in the action we take here today if my motion prevails.

The administration, I think, is in the best position to determine whether or not it would like to effect export controls through the invoking of the Trading With the Enemy Act, or would like to have the legislation passed in the form that it will be if my motion is successful, and they have chosen the latter; they would prefer to have this legislation with this amendment passed by the House and adopted by the Senate.

Mr. FRASER. I gather the gentleman from Michigan is not able to be certain as to the position of the Senate on this; he is just hoping or expecting they would approve his suggestion?

Mr. BROWN of Michigan. In view of the actions of the Senate in the past few days, I would think that anyone would be a little bit doubtful about being able to predict the action of the Senate.

Mr. FRASER. I thank the gentleman.

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

Mr. BROWN of Michigan. I yield to the gentleman from Ohio.

Mr. LATTA. I would ask the gentleman from Michigan this question: If we should adopt this amendment, what would the difference be, if any, between the bill if it should be amended according to the proposal offered by the gentleman from Michigan, and what the bill was that we passed and sent to the Senate?

Mr. BROWN of Michigan. The Senate adopted many provisions that deal with the mechanical aspects of export control. There are many things, I think, the Senate did that are improvements, procedural and otherwise, the purging of lists, the constant review of the restrictive trade lists, and all these things remain in the bill even if my motion prevails.

As far as the authority section is concerned, if my motion is successful, we will be sending back to the Senate the same authority provisions that we originally adopted in the House when the bill was passed by us.

Mr. LATTA. A further question:

Does the Department of Commerce support the amendment?

Mr. BROWN of Michigan. The Department of Commerce supports my amendment.

Mr. LATTA. I thank the gentleman.

Mr. BROWN of Michigan. Mr. Speaker, I think that the letter which was read by the gentleman from New Jersey from the Secretary of Commerce indicated that although they originally had been in favor of a straight 2-year extension of the Export Control Act, the conference report was acceptable to them if the authority section were changed to include the House language for section 4(b).

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

Mr. BROWN of Michigan. I yield to the gentleman.

Mr. WOLFF. In other words, if your motion passes there are greater restrictions placed on the President; is that correct?

Mr. BROWN of Michigan. There is one basic factor involved that did not exist before; that is, the President would be required to take into consideration the availability of exports from nations of the free world with which we have defense treaty commitments in making a determination as to whether or not exports from this Nation shall be controlled or restricted.

Mr. WOLFF. Does this place added restrictions on the President?

Mr. BROWN of Michigan. No; because the administration has used this as an element in making its decision to date. But it has had no legislative basis for using it.

Mr. WOLFF. What you ask is a vote of no confidence in the President. In other words, we in the House do not feel confident the President should make the decision, we would like to place a restriction on his decisionmaking process.

Mr. BROWN of Michigan. No, if I understand the gentlemen correctly, it does not in any way indicate that we are not confident of the ability of the President to make these decisions.

Rather we are providing him with a legislative basis to use a factor or an element in making this determination that was not available in the legislation before. This certainly will be beneficial to us in attempting to establish a free world policy for trade which does not now exist.

Mr. WOLFF. It is a question of authority or restriction?

Mr. BROWN of Michigan. At this point, I would say probably one of semanitcs.

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

Mr. BROWN of Michigan. I yield to the gentleman.

Mr. EDMONDSON. A couple of years ago export controls were placed on cattle hides with the immediate result that the price on hides was depressed about 40 percent before any hearing was afforded—or any chance afforded to the cattle industry to make the showing which later resulted in the removal of those restrictions.

Would this amendment that you are proposing help to prevent a repetition of this in the future?

Mr. BROWN of Michigan. I cannot guarantee the gentleman that it would, for the amendment I am offering would not have an impact in that area.

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

Mr. BROWN of Michigan. I yield to the gentleman.

Mr. BROCK. I think the gentleman from Michigan could categorically answer the question of the gentleman from Oklahoma—no. This would eliminate that sort of situation occurring and under the amendment I do not think there is any possibility of that situation happening again.

Mr. EDMONDSON. Could we have an explanation as to how that would be prevented and how a reoccurrence would be prevented of the incident that took place with cattle hides?

Mr. BROCK. What this does is if there are any materials commercially available so far as the Nation's defense is concerned, then we cannot prohibit the exports without an official decision as to

our national security and that would not be possible in this instance.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman.

Mr. SMITH of Iowa. I think the record ought to be clear that this has nothing whatever to do with the cattle hide restriction situation which was based on a shortage of supply. The Department got talked into that by the leather manufacturers.

I authored an amendment on an appropriation bill and it prohibited them from enforcing the order.

This has nothing to do at all with the permits based upon shortage of supply.

Mr. BROWN of Michigan. That is substantially correct. Although I think a much more active review of items in short supply and things of that nature will be made by the Department of Commerce, if the provisions of the conference report which are incorporated in my motion are adopted.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. BROWN).

The motion was agreed to.

A motion to reconsider was laid on the table.

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## GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just adopted and to include extraneous matter.

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

There was no objection.

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## CONFERENCE REPORT ON STATE TAXATION OF NATIONAL BANKS

Mr. PATMAN. Mr. Speaker, I call up the conference report on the bill (H.R. 7491) to clarify the liability of national banks for certain taxes 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 Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of December 9, 1969.)

The SPEAKER. The gentleman from Texas is recognized.

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

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

Mr. GROSS. Will the gentleman give us at least a brief explanation of what transpired in conference?

Mr. PATMAN. Yes.

There was no contention in the conference among the conferees from either body. The conferees of both the House and the Senate signed the report, and there is no difference at all. We think it is a very fine conference report.

Mr. Speaker, the House will recall that when the other body considered H.R. 7491, it struck all after the enacting clause of the House bill and inserted a new text. The conferees on this legislation agreed to a substitute for the entire Senate amendment.

In my opinion, the House views on this legislation prevailed in conference. Under the conference substitute, the House-passed amendment to section 5219 of the Revised Statutes, with no change whatsoever in substance, will take effect on January 1, 1972.

Under the bill as passed the House, the amendment to section 5219 would have taken effect on January 1 of the first calendar year beginning after the date of enactment. Under the conference substitute this amendment will not take effect until January 1, 1972. The reason why the conferees extended the date to January 1, 1972, is the fact that the tax laws of some of the States are built on the foundation of the section 5219 as now in effect and this delay will enable those State legislatures to make such changes in their tax laws as they deem appropriate.

In the meanwhile, section 1 of the conference substitute makes a temporary amendment to section 5291 which permits any State or political subdivision therof to "impose any tax which is imposed generally on a nondiscriminatory basis throughout the division—other than a tax on intangible personal property—on a national bank having its principal office within such State in the same manner and to the same extent as such tax is imposed on a bank organized and existing under the laws of such State."

In other words, the State in which a national bank's principal office is located may tax it substantially the same as a State bank, except that intangible personal property taxes may not be imposed.

The conference substitute also includes a savings provision to the effect that except for sales taxes, documentary taxes, and property taxes, a tax may not be applied to a bank after the enactment of this legislation unless either the tax was applicable before the enactment of this legislation or the State legislature authorizes its imposition by positive action taken after enactment of this legislation. This savings provision is effective only until January 1, 1972.

The conferees included this savings provision because of the fact that the repeal of the prohibitions in section 5291 within any compensating action by a State legislature could have the effect of substantially increasing the tax burden on the banks in that State.

Mr. Speaker, regarding the question of taxation of a national bank by States other than the one in which its principal office is located—the so-called foreign bank problem—the temporary amendment to section 5291 made by the conference substitute limits the permissible types of taxes to sales and use taxes, documentary stamp taxes, and license taxes. This temporary amendment is effective only for the period from the date of enactment until January 1, 1972, when the permanent amendment to section 5219 takes effect.

On January 1, 1972, States will have full authority to impose intangible property taxes on national banks just as they have imposed such taxes on State-chartered banks. Likewise, any State will be free to impose taxes on income derived within its borders by the operations of a bank having its principal office in a different State, regardless of whether the foreign bank is a State or nationally chartered bank.

Finally, due to the fact that some apprehension has been expressed as to whether or not the expanded tax powers might be used in a way to impair the mobility of capital between States, the conference substitute includes a section requiring a study by the Federal Reserve Board "to determine the probable impact on the banking systems and other economic effect of the changes in existing law to be made by section 2 of this act governing income taxes, intangible property taxes, so-called doing business taxes, and any other similar taxes which are or may be imposed on banks.

This study is to be transmitted to the Congress by the Federal Reserve Board not later than December 1, 1970.

Thus, if the report should disclose any problems or deficiencies in the amendment to section 5219, which would take effect in 1972, the Congress would have a full session in which to take any necessary remedial action. The conferees from both Houses are agreed that their respective committees would give swift and serious consideration to the findings and recommendations of the Federal Reserve Board.

Mr. Speaker, in conclusion, it should be reiterated that the House-passed bill in essence prevailed in conference. The House-passed bill and the proposed conference substitute to take effect January 1, 1972, provides for equality of taxation by State legislatures of State chartered and nationally chartered banks. Beginning on January 1, 1972, no advantage in the area of taxation will be available to any State-chartered bank over a nationally chartered bank or a nationally chartered bank over a State-chartered bank.

Mr. Speaker, I trust the Members of the House will support the actions of their House conferees and the conference report on H.R. 7491.

Mr. PATMAN. I assure the gentleman that there is no difference between the House conferees and the Senate conferees or any members of the committee. They are satisfied.

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

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

Mr. GROSS. Did the Senate insert an entirely new text from that approved by the House?

Mr. PATMAN. No; not in conference on the substance. There was a conference between the House and the Senate. They had placed some amendments on the bill that were unacceptable to the House. They yielded on those amendments. They yielded to the House. And there is no difference between us at all.

Mr. GROSS. But the other body did not insert a new text; is that correct?

Mr. PATMAN. No; not an entirely new text. They added some amendments that we were not willing to accept.

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.

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GENERAL LEAVE TO EXTEND

Mr. PATMAN. 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 adopted, and to include extraneous material.

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

There was no objection.

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CONFERENCE REPORT ON LEGISLATIVE BRANCH APPROPRIATIONS, 1970

Mr. ANDREWS of Alabama. Mr. Speaker, I call up the conference report on the bill (H.R. 13763) making appropriations for the legislative branch 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 Alabama?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of December 9, 1969.)

The SPEAKER pro tempore. The gentleman from Alabama is recognized.

Mr. ANDREWS of Alabama. Mr. Speaker, the conference report on this bill is printed in this morning's RECORD and is available in leaflet form at the Clerk's desk. You have just heard the Clerk read the statement of the managers explaining the conference disposition of each of the Senate amendments.

There were 45 Senate amendments, but 39 of them relate solely to the Senate housekeeping. One relates to the Joint Economic Committee; three relate to the Library of Congress; one relates to the Superintendent of Documents. Lastly, and by far more importantly to this conference, one—amendment No. 37—relates to the west front of the Capitol—the question of whether we should restore the west front or whether we should extend it.

There was no dispute whatever on 44 of the amendments. The report which you have just heard read explains why that was so.

SUMMARY OF CONFERENCE TOTALS

Before mentioning the west front matter, let me give the record some totals for the conference report.

The conference total, including the amount in the west front amendment reported in technical disagreement, is $344,326,817.

The conference agreement is $2,016,000 above the Senate bill.

It is $59,802,760 above the House bill. That, of course, is because the House bill did not include any provision for Senate housekeeping items.

The conference agreement is $27,826,-132 below the budget estimates.

The conference agreement is $32,584,-318 above fiscal 1969 appropriations.

I will insert, when I revise any remarks, a summation of these figures in tabular form by major sections of the bill.

WEST CENTRAL FRONT OF THE CAPITOL

Mr. Speaker, this bill went to conference on October 23. The sole controversy in the conference was over the west front project—whether to extend, as the House had originally voted, or whether to restore, as the Senate had voted.

We met in conference on three different occasions, seeking to uphold the position of the House. Based on the evidence adduced in the comprehensive hearings held earlier in the year, the House conferees—and I think it entirely fair to say, later the House itself—became thoroughly convinced, beyond reasonable doubt, that the most appropriate, the most permanent, the most enduring solution to correction of the dangerous condition of the west central portion of the Capitol was to extend rather than to restore. We came to that conclusion after considering the expert advice of the outside consulting engineers on how best to buttress the old walls. It was said emphatically and unequivocally that the safest, that the least hazardous and most permanent method would be to secure lateral support through extension of the west front. It was determined to be the most feasible procedure; the safest procedure.

During the long time that this bill has been in conference, the House conferees went to the extent of inviting the consulting engineer, Dr. Miles N. Clair, of the Thompson & Lichtner Co., and another noted and eminent consulting engineer, Mr. Fred N. Severud, to meet with the committee and go over the question of the best procedure to follow from an engineering standpoint. The distinguished gentleman from New York (Mr. STRATTON) who has been vociferous in his opposition to extension, was invited to sit in the meeting and ask questions. He did so.

These two widely known and highly regarded consulting engineers both agreed that the preferred procedure from an engineering and safety standpoint was to buttress the old walls by extending the west central front, which of course is what the House had originally voted for.

And this is the position that the House conferees have tried to maintain in the conference. But the Senate was adamant. They insisted that funds be appropriated for a study of the feasibility and cost of restoring the old walls.

They insisted that it be done under the jurisdiction and direction of the National Park Service.

The House conferees were equally adamant that nothing should be done to remove the direction of this project or this study from the Commission for the Extension of the Capitol, made up of eminent men of high position; namely, the Speaker, the Vice President, the majority and minority floor leaders of the House and Senate, and the Architect of the Capitol.

While the House conferees, like the House itself, were convinced that extension was the best solution, we had to reach some acceptable compromise in order to secure passage of this bill. So what we have done is to agree to an appropriation for a study of restoration. But we have insisted—and successfully—that neither the National Park Service nor any other agency of the executive branch of the Government have anything to do with directing the expenditure of the money. We insisted that the direction be under the Commission for Extension of the Capitol.

We have, however, in this compromise agreed that the Commission should seek a completely independent, nongovernmental engineering firm or firms, or individual or individuals, to make the restoration study. We have provided that no nongovernmental firm or individual who has had any connection with the project—either restoration or extension, and either for or against—should be selected for the new study. This would include any nongovernmental firm or individual with an expressed predisposition for or against extension or restoration.

And by way of further emphasis, let me repeat the closing sentence of the statement of the managers on this item:

> The conferees are especially anxious that the selection be made from among highly reputable firms or individuals generally noted or regarded for their excellence of ability, to the end that all Members may have confidence that whatever report is submitted is qualitative and impartial in character and content.

Now, Mr. Speaker, what happens when the report is submitted? What disposition is to be made of it?

We lay down five conditions or points that the study report must meet to the satisfaction of the Commission. They are in the language to be offered. They are recited in the statement of the managers. If, in the opinion of the Commission, the study report fails to meet any one of the five conditions, the Commission is to proceed with extension as heretofore agreed to by the House.

If, on the other hand, the study report, in the opinion of the Commission, meets all of the five conditions enumerated, then the Commission is to make recommendations to the Congress as to what should be done—that is, whether to extend or to restore. If that should happen, it would then be up to the Congress to decide what it wishes to do.

In the meantime, Mr. Speaker, the language of the bill puts a stop order on any further extension work being carried on.

And also in the meantime, Mr. Speaker, the agreement provides that such portions of the appropriation as may be necessary should be used for emergency shoring and repairs necessary in the interim to make the old west walls as safe as reasonably possible.

Now, one other thing: The amount of $2,275,000 in the agreement is above what was in either bill. We left in the $2 million for extension plans if that should be the course ultimately taken. We put in not to exceed $250,000—and I emphasize the words "not to exceed"—to be used for the restoration study. And we included $25,000 as an approximation of the cost of the immediate repair measures. But the Commission can direct expenditure of whatever they determine necessary for emergency shoring and repairs and related work; they are not limited to the $25,000.

Mr. Speaker, it is trite but true that legislation is a compromise. This is a compromise. I hope it is adequate to the necessities of the moment. I would not want to be here if some unexpected catastrophe should cause the old west front walls to tumble. All are agreed that some major work must be undertaken to make the building safe and sound. The question has been, and still is, What should be done?

We are offering the conference agreement, hoping that it is a reasonably acceptable compromise.

I urge its adoption.

Mr. Speaker, under leave to extend, I include a summary companion of the conference total in tabular form:

LEGISLATIVE BRANCH APPROPRIATION BILL, FISCAL YEAR 1970 (H.R. 13763)

CONFERENCE SUMMARY

| Item | 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 | New budget (obligational) authority recommended by conference action | Conference action compared with— 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 |
|---|---|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| Senate | $49,839,669 | $54,849,076 | | $54,837,660 | $54,837,660 | +$4,997,991 | −$11,416 | +$54,837,660 | |
| House of Representatives | 91,372,495 | 105,754,815 | 104,813,635 | 104,813,635 | 104,813,635 | +13,441,140 | −941,180 | | |
| Joint items | 12,824,135 | 13,280,258 | 13,206,322 | 13,242,322 | 13,233,322 | +409,187 | +46,936 | +27,000 | −$9,000 |
| Architect of the Capitol | 16,613,800 | 39,355,200 | 18,967,500 | 22,011,100 | 24,036,100 | +7,422,300 | −15,319,100 | +5,068,600 | +2,025,000 |
| Botanic Garden | 587,500 | 599,800 | 599,800 | 599,800 | 599,800 | +12,300 | | | |
| Library of Congress | 41,712,900 | 44,677,800 | 43,886,800 | 43,856,300 | 43,856,300 | +2,143,400 | −821,500 | −30,500 | |
| Government Printing Office | 39,178,000 | 50,452,000 | 40,050,000 | 39,950,000 | 39,950,000 | +772,000 | −10,502,000 | −100,000 | |
| General Accounting Office | 59,614,000 | 63,184,000 | 63,000,000 | 63,000,000 | 63,000,000 | +3,386,000 | −184,000 | | |
| Grand total, new budget (obligational) authority | 311,742,499 | 372,152,949 | 284,524,057 | 342,310,817 | 344,326,817 | +32,584,318 | −27,826,132 | +59,802,760 | +2,016,000 |
| Consisting of: | | | | | | | | | |
| 1. Appropriations | 311,415,499 | 372,152,949 | 284,464,057 | 342,250,817 | 344,266,817 | +32,851,318 | −27,886,132 | | |
| 2. Reappropriation | 327,000 | | 60,000 | 60,000 | 60,000 | −267,000 | +60,000 | | |
| Memorandum: 1. Appropriations including appropriations for liquidation of contract authorizations | 311,942,499 | 373,850,949 | 284,871,057 | 342,657,817 | 344,673,817 | +32,731,318 | −29,177,132 | +59,802,760 | +2,016,000 |

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

Mr. ANDREWS of Alabama. I yield to my friend from Illinois.

Mr. YATES. I should point out that the principal opponent in another body to extension of the west front, who was in favor of restoration—and I speak about the senior Senator from Wisconsin—also was invited to attend that extra hearing along with the gentleman from New York (Mr. STRATTON). He was engaged in work which would not permit him to come.

The hearing was held, and I thought it went very well. I was pleased that the gentleman from New York was invited, because he had been the leader of the opposition in the House and I thought it only fair that he be present as we tried to resolve our differences.

Our chairman, Mr. Speaker, the gentleman from Alabama (Mr. ANDREWS), did an outstanding job in bringing the parties together. He was patient, he was determined, he was fair in his desire to achieve the best solution in this matter. I never have worked with a fairer chairman than the gentleman. He was not arbitrary. He did not insist upon the extension and so deprive those of us who wondered whether restoration was possible of an opportunity to achieve the result the conferees reached.

The chairman and the other House conferees appreciate that the Capitol is the Nation's most important building. It is an important part of our national heritage. All of us want to do what is right in this matter, whether it be restoration or extension. The gentleman from Alabama impressed the engineers who appeared before us over and over on that point.

The result of that conference will be explained by the gentleman during the course of his remarks. At this time I want to commend the gentleman for his patience and for his profound desire to do that which would be best to preserve this Capitol.

Mr. ANDREWS of Alabama. I thank the gentleman for his very kind remarks.

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

Mr. ANDREWS of Alabama. I yield to my friend from Iowa.

VARIOUS PROVISIONS OF BILL

Mr. GROSS. I thank my friend from Alabama for yielding.

Let me see if I can get these figures straight. Incidentally, I do appreciate having this information prepared by the committee staff, but I would hope that next year the staff member who prepared it would write just a little larger for my particular benefit. My bifocals will not go down to quite this small print.

Do I correctly understand this housekeeping bill for the House and Senate now calls for $344,673,817?

Mr. ANDREWS of Alabama. The gentleman is correct. May I add, however, that the Library of Congress and the General Accounting Office are also in this bill and are included in the total figure.

Mr. GROSS. And that is an increase over the House bill. That figure, I believe, was $284,871,057. Is that the gentleman's figure?

Mr. ANDREWS of Alabama. That is correct.

I might say to the gentleman that virtually all of the additional funds provided in this bill over the House total were added by the Senate for their housekeeping expenses. It has been traditional through the years, under the rule of comity, for the Senate to appropriate whatever it deems necessary and sufficient to operate that side of the Capitol, just as we on the House side do.

Mr. GROSS. Of course I would not for the world, and I am sure the gentleman from Alabama would not even think of disturbing the comity with the other body.

Mr. ANDREWS of Alabama. If we did the west wall might fall.

Mr. GROSS. We might see a repetition of the Jericho episode.

Mr. ANDREWS of Alabama. It could be a calamity.

Mr. GROSS. I still believe we ought to know what we are called upon to approve here today. Does this figure by any chance provide for the preliminary steps to the building of another Senate office building?

Mr. ANDREWS of Alabama. It does. It is $1,250,000. It was put in by the Senate for a building to be constructed on their side of the Capitol. They insist that they need it, and I again say to the gentleman that it has been traditional for the House to go along with their requests for their operations.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, what estimate did they put on it? Is it to be a large office building or a small office building? I cannot conceive of a small one. But could the gentleman give us any idea of the proposed cost of this additional Senate building? Would not 100 Members of the other body rattle around in three big Senate office buildings?

Mr. YATES. Mr. Speaker, will the gentleman from Alabama yield to me?

Mr. ANDREWS of Alabama. I yield to the gentleman from Illinois.

Mr. YATES. The plans were not revealed, may I say to the gentleman from Iowa. The money that is contained in this bill is for the purchase of land. I do not know that the plans for the proposed Senate office building have yet been drawn. Therefore, we cannot give the gentleman a more precise answer to his question.

Mr. ANDREWS of Alabama. As I recall, there was some mention in conference that it would be used for committee rooms.

Mr. GROSS. For committee rooms?

Mr. ANDREWS of Alabama. Mainly, as I recall.

Mr. GROSS. Well, now, to more mundane things. Do they still enjoy free haircuts in the other body?

Mr. ANDREWS of Alabama. I have heard that. There is no money in this bill for free haircuts on the House side.

Mr. GROSS. Is there any money in this bill for the usual purchases of spring water?

Mr. ANDREWS of Alabama. Not for Members of the House.

Mr. GROSS. Bottled water. No; I mean for Members of the other body. I repeat, we do not want to do anything to disturb the comity which exists between the two bodies, but I would like to know what we are voting on.

Mr. ANDREWS of Alabama. I do not know what they drink over there.

Mr. GROSS. I thank the gentleman for yielding.

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

Mr. ANDREWS of Alabama. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, does not the gentleman believe that he should tell the House about the condition of the Capitol at the present time, and about the letter the gentleman received from Dr. Clair, the consulting engineer about the movement of the Capitol?

Mr. ANDREWS of Alabama. Mr. Speaker, I will yield to the gentleman from Illinois in just a moment for that purpose. First, however, Mr. Speaker, I wish to yield 10 minutes to the gentleman from North Dakota (Mr. ANDREWS).

Mr. ANDREWS of North Dakota. Mr. Speaker, I appreciate our chairman yielding to me, and I want to point out that the conferees did indeed reach a compromise. Those who favor a study will have that further study.

The proponents of restoration instead of extension came up with five points on conditions which if they can be met would be taken care of through restoration. Those five points are set out in the substitute amendment as well as in the conference report. As stated in the report, if the restoration—rather than extension—treatment meets all five of the conditions noted above, then the extension work is to proceed. If on the other hand, the Commission, after consideration, concludes that the restoration study report meets all five of the conditions noted above, the Commission is then to make recommendations to the Congress on whether to extend or restore the west central front.

Mr. Speaker, I would like to reserve the balance of my time.

The SPEAKER pro tempore. The gentleman from North Dakota reserves the balance of his time.

Mr. ANDREWS of Alabama. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Speaker, as has been indicated, the conferees are very much concerned about the condition of the Capitol. The hearings indicated, and the previous statements of the distinguished gentleman from Alabama, the chairman of our committee (Mr. ANDREWS), have revealed something of the concern of the members of the subcommittee to the deteriorating condition of the west front of the Capitol, and to the dangers that are present in its condition.

The Architect of the Capitol has been directed by the subcommittee to take constant readings of the condition of the Capitol. Recently a report was made by the engineering firm which is engaged in these readings, which indicate—and this is the fourth set of readings—that there is a downward movement of the Capitol at all eight points checked. This is his report:

There have been both outward and inward horizontal movements. He can't explain the inward movements, but raise the question of something may be giving way.

Dr. Claire (who is the engineer) feels that there should be a 5th reading and that certain maintenance work should be done to the present temporary shoreing, etc. whether extension or restoration is authorized or not. This would cost $26,500 and should not be delayed until spring.

If the 5th reading in February or March shows continued settlement should proceed with underpinning the wall and would cost from $500,000 to $3,000,000. Some of this underpinning would have to be done even if extension or restoration was undertaken, but I understand the cost was included in the 1969 estimates for extension. Dr. Claire is particularly concerned with the downward movement.

Mr. Speaker, in this agreement by the conferees, we determined and we have stated to the Architect of the Capitol that no expense should be spared to maintain the condition of the west wall in as safe a condition as possible, to take any and all steps to prevent any accidents.

A period of time will elapse before a study that is authorized under this conference report will be completed.

It is the intention of the subcommittee that every effort be made to maintain the condition of the Capitol as safely as possible pending that study and pending the decision of what should be done with the west wall.

Again, let me say that this committee has tried to find the right answer to this complex problem. The gentleman from North Carolina (Mr. ANDREWS) and I have attempted from the start to find a way in which the restoration was possible. We came to the conclusion that it was not possible. Nevertheless, in view of the determined arguments of the distinguished gentleman from New York (Mr. STRATTON), in view of the overwhelming vote in the other body, we decided that we ought to find out if restoration is possible.

Mr. Speaker, I attach hereto a copy of the transcript of the hearing at which Dr. Clair and Mr. Severud appeared. Extension of the west wall is indicated. Yet, our committee wanted to leave no stone unturned in coming to the correct conclusion for the problem of the west wall. That is why we agreed to the study authorized by the conference report to see if restoration is a feasible solution. This is the transcript:

LEGISLATIVE APPROPRIATIONS FOR 1970—
WEST FRONT OF THE CAPITOL

(Wednesday, Nov. 12, 1969)

WITNESSES: Mr. Fred Severud, consulting engineer, Senior Partner of Severud, Perrone, Strum, Conlin, and Bandel, consulting engineers; Dr. Miles N. Clair, president, The Thompson and Lichtner Co., Inc., engineers.

Mr. ANDREWS. The committee will come to order. I do not know whether we will come to order or not. This is a very informal meeting. We held etxensive hearings on the question of what should be done about the west front of the Capitol, and we had a fight on our suggested program which would follow the extension plan on the floor of the House, and we won.

They had a fight on the Senate floor and they lost two to one, the extension advocates were defeated two to one. So now we go to conference, and the question before the conferees at this time is essentially whether or not the west front should be extended or restored.

We are all in agreement with Dr. Clair's statement in his letter to Mr. Stewart dated October 24, 1969. This is your statement:

"There is a structural condition of the wall that requires prompt attention."

I do not know whether you read the hearings of our committee in connection with the extension.

Mr. SEVERUD. Yes, sir, I did.

Mr. ANDREWS. This committee unanimously agreed that the extension work was preferable. We are not architects, we are not engineers, we are trying to do what we all agree should be done, namely, protect in some way the existing west wall of the Capitol.

We believe that it poses a real hazard; that a sonic boom quiver of any kind could cause that wall to collapse. When we stop and think that the wall was put together in 1829 with sandstone blocks which were put together with mortar of that vintage, it makes me doubly sure that something should be done.

There are two things that address themselves to me that cause me to conclude that extension was the most appropriate action to take One, it would be more permanent. We were told that a restoration job at best would be good for only about 20 years.

Congressman Stratton is one of the great advocates of the restoration work. That is an informal meeting. We are trying to enlighten the members of this committee about wnat should be done. I want something done and I want something done as cheaply as possible, but if you are going to get a job of restoration which will be good for only 20 years or maybe a little more, then I think in the long run it will be more economical to extend according to the plans that have been made in the hope it would be as permanent as the rest, north, and south wings of the Capitol.

That was one thing that addressed itself very strongly to me.

Second, we were told that with an extension job you could get a contractor to give what we call a lock and key job, a fixed price contract. On the other hand, if you attempted to restore the west front, you could not get anything but a cost plus contract, and it was impossible to estimate the cost except between the range of ten million and 50 million, and if we followed that method of trying to protect the west wall, you would have a job there that would have to be redone in 20 or a few years. So that is the

dilemma the members of this committee are faced with now: What should we do?

I think all of us want to do what is necessary at the cheapest price.

Mr. Severud, you had several telephone conversations with Congressman Yates?

Mr. SEVERUD. Yes.

Mr. ANDREWS. Congressman Yates has been very much interested in this project as have all other members of this committee, but I think you understand the purpose of this meeting this afternoon.

Mr. SEVERUD. Yes, sir.

Mr. ANDREWS. We are going to have a record of it and use it for whatever purposes we might see fit.

Now I am going to yield to Mr. Yates to resume his conversation with you.

First of all, I want to thank you and Dr. Clair for coming down here today and trying to help us with a very difficult problem. Mr. Yates told me that you are an engineer who enjoyed the respect of all of the members of your profession.

I yield to Mr. Yates.

Mr. YATES. Thank you, Mr. Chairman.

Mr. Severud and Dr. Clair, as you have discovered as you have read the hearings and the record, I wanted restoration of the west front. I still want a restoration if that is possible.

My Good friend, Mr. Stratton, and I are together on this. We diverge, I think, in that I, in the course of the testimony before our committee became convinced that a restoration was not possible. I say again it is possible, I want a restoration.

This committee is now in a position where it is butting heads with the Senate. The Senate insists that a study be made which would decide whether a restoration is possible. It wants that study to be done by the National Park Service rather than the Commission on Extension of the Capitol. May I say to the committee, Dr. Clair, Mr. Severud met earlier this morning and went over this problem again. They had charts, they had plats, they had a construction of an arched room inside the Capitol at the west wall. I cross-examined them, I hammered them, and I still cannot get them to agree that a restoration is possible. They say, yes, a restoration is possible if you vacate the rooms next to the west wall, I think you said, Mr. Severud. Is that right?

Mr. SEVERUD. Yes.

Mr. YATES. Will you tell the committee what you told me at that conference.

Before I do that, Mr. Chairman, with your permission may I ask Sam Stratton if he wants to ask any questions at this point or wait until the explanation?

Do you want to ask any questions at this point?

Mr. STRATTON. Is this letter to Dr. Clair's part of the record to date.

Mr. YATES. There is no record.

(Off the record.)

Mr. ANDREWS. Mr. Yates.

Mr. YATES. Mr. Severud and Dr. Clair, whichever wants to answer first, what is meant by a restoration? When we talk of restoration of the west wall of the Capitol, in your judgment what is meant by that term?

Mr. SEVERUD. I think it would be good to separate the two items in this sense—that Dr. Clair has been on the record now, I have read the record and he has made a study of the wall. So I think when it comes to the wall itself, the constitution of the wall and the way it could be restored, it would be best for Dr. Clair to answer. Then when it comes to the over-all structural elements, I would like to bring in some points that have been overlooked, and in that sense I would then cover more of the general principle and Dr. Clair, who has been involved in all of the details, I think would be the man to answer questions of that kind.

Mr. YATES. Dr. Clair, what is meant in your judgment by the term "restoration"? That term was really never defined by the A.I.A.

Dr. CLAIR. I am assuming that when the term "restoration" is used that it means more than—I am going to say give some of the exceptions. It means more than sealing joints or taking the paint off or taking the surface layer that has been affected by the paint, the disintegrated portion. Restoration means replacing this structure back to its original form.

Mr. YATES. What do you mean by original form? Do you mean its composition when it was originally built in 1829?

Dr. CLAIR. Yes.

Mr. CASEY. With the original stone?

Dr. CLAIR. That is right. That is what restoration is.

If you mean repair, that is another thing. If you mean renovation, that is still another thing. But I assume, you see, when they talk about restoration they mean to bring this back to its original form.

Mr. YATES. What do you mean by restoration, Mr. Stratton?

Mr. STRATTON. What I am in favor of—I do not know whether you call it restoration or what you call it—is putting the building in a safe condition with as little change as possible. That is basically it.

Mr. YATES. Repair and rehabilitation then?

Mr. STRATTON. And also without adding to the area that it covers, without changing its basic architecture, and without changing any more of the stones and other fixtures than would be absolutely necessary. That would be my idea of what we ought to be shooting for.

(Off the record.)

Mr. YATES. With this definition by Mr. Stratton, Dr. Clair, what would have to be done to the west wall in order to put it in the type of condition Mr. Stratton speaks about? Is this a restoration?

Dr. CLAIR. It is not what I would call a restoration.

Mr. YATES. What would you call Mr. Stratton's description, a repair and rehabilitation job.

Dr. CLAIR. To me it is a repair, and rehabilitation is involved. However, it is not still a very simple thing because it involves the removal of cracked stones, the putting in of the arch stones, keystones and releasing the stresses on them and putting them in the right position. The wall of course, as you know from our report, has separations between the face stones and the body of the wall in many places, it has voids in many places, it has stones that are held together in the interior of the wall by inferior mortar, and it has face stones. You could not possibly think of just leaving those face stones there without either taking a part of them off down to sound stone. Then after that, of course, you would have to contemplate in doing this that you have thrusts on these walls, you have conditions that give rise to the question of the stability of the wall, you have a foundation that is obviously settling because we have records that show that.

We have foundations which in some areas are deficient in bearing capacity. Some do not go down far enough below the surface of the ground. You have sections of the wall——

Mr. STRATTON. We are——

Dr. CLAIR. You brought in stability. That is the reason I am bringing this up.

Mr. STRATTON. We are just trying to arrive at some conclusion and all of this is very familiar. You say here on page 1 of your letter, Doctor—

"Our study developed detailed factual information relative to the condition of the structure on which to base engineering judgment as to what was necessary to be done for complete and permanent correction of conditions."

I have read your study, all five volumes of it. You are absolutely correct, what that does is to develop detailed factual information relative to the condition of the structure. You never made any analysis of what had to be done or what should be done about it. It has just one paragraph in there that says we think it ought to be extended instead of restored.

Dr. CLAIR. We gave you our conclusions, sir.

Mr. STRATTON. Why did you not analyze them?

Dr. CLAIR. We had to for the report. We checked sections, forces on sections, forces on arches, forces on the walls.

Mr. STRATTON. Then why were these not put down on paper? There is nothing on paper there. You have more in this letter than is in your report.

Dr. CLAIR. Why was it not put down?

Mr. STRATTON. Yes.

Dr. CLAIR. Because we were asked for a conclusion and we gave the conclusion. Who would take our engineering computations and so on and analyze them?

Mr. STRATTON. You say this—in the next part of that sentence, which I did not read, you say this: "to secure against immediate failures and failures during the period that would be required for preparation of the plans and specifications and the letting of contacts for whatever was decided, repair, restoration or extension."

In other words, you are suggesting that your purpose was to get factual information and that is all that is in the five columns, all kinds of pictures of cracks and other things you have been talking about. But nowhere do you say we could do it this way or could do it that way. This is the thing I found out five years ago.

I tried to point this out on the House floor. Nobody would really believe that five volumes of a study were produced without a single discussion of the very thing that is really at issue here. Now you are giving us your analysis, but that was never committed to paper. I do not know whether you made the analysis then or whether you have made it since this argument came up.

Dr. CLAIR. How could we issue our report?

Mr. STRATTON. There is more in this letter than was in those five volumes on the subject.

Dr. CLAIR. The letter says I think the same thing as the first volume of the report.

Mr. STRATTON. It could not because there is only one paragraph in the 5 volumes. So all you have to do is have a third of a page of the letter to go beyond that and you have said more.

Dr. CLAIR. That is the conclusion.

Mr. STRATTON. Did you study these things?

Dr. CLAIR. Of course we did.

Mr. STRATTON. Why were they not in the report?

Dr. CLAIR. Why were they not, because we do not write a report with all of our computations and so on in it.

Mr. STRATTON. You do not even bother to give the discussion you have just given us right now, explaining why you cannot do these various things.

Dr. CLAIR. We do not. Maybe somebody else does. We gave a conclusion.

Mr. STRATTON. I do not understand how you can expect anybody to accept a conclusion if you do not give the reasoning and supporting material for the conclusion.

Mr. SEVERUD. May I inject?

Mr. STRATTON. This is Dr. Clair's study, is it not?

Mr. SEVERUD. But it has to be evaluated.

Mr. STRATTON. I am talking about the study the taxpayers paid for, which has been at issue in this matter on the floor, and an incredible thing is, with all of this study in all of the five volumes, we do not have any discussion even approximating what is in this letter. And I just find it difficult to understand how Dr. Clair can come in here now and say we concluded this and we concluded that and we got this and we got that, when none of that is in the original study.

Dr. CLAIR. We were asked for a conclusion as to what to do about it based on the findings that we got from the examination of

the structure. And to arrive at that conclusion, we did not sit down and in five minutes write a paragraph. We had to make computations of stresses, we had to analyze how this structure worked, we had to even go out and get some cost figures.

Mr. STRATTON. Even the United States Supreme Court, when they make a conclusion, write an opinion so that you know how they arrived at their study. This is the basic question now.

Mr. Andrews, the architect, Mr. Yates are all citing your study as proof of the soundness of your position. But the position is not there anywhere. All it is is just the conclusion. You knew what the conclusion was going to be before you started writing the study, you knew what Mr. Stewart wanted.

Dr. CLAIR. I beg your pardon.

Mr. STRATTON. All you have provided is the factual information, as you say here very truthfully in the first page, of the condition of the structure on which to base your conclusion.

Mr. ANDREWS. Do you want to make a statement there? I think you have the right.

Dr. CLAIR. How do you dare to sit there, Mister Stratton, and say I wrote a conclusion that was given to me to start with? I have not been in this business for 50 years and gotten to where I am based on writing reports that people want. I am a professional engineer.

Mr. STRATTON. I am sure you are, Doctor, but the fact of the matter is that the study that the taxpayers paid for does not have a single word of analysis whatsoever. And I do not know how you as an engineer or an architect, any more than a reputable physician or a judge or a lawyer, can come up with a conclusion on a serious matter on which people are deeply concerned and are going to be spending millions of dollars of the taxpayers' money without setting down a single step-by-step argument as to how you got what you concluded.

If I tell my wife something, I have to give her reasons for it. She is not going to go out and buy this or buy that unless I tell her why. Yet you conclude in a single paragraph, and you say you made all of these preliminary computations, but they do not appear anywhere in five volumes that come up about this high (indicating) from the floor.

Dr. CLAIR. The five volumes largely contain photographs, as you know.

Mr. STRATTON. That is right, and is what I said on the floor and they would not believe it.

Dr. CLAIR. Those photographs are facts.

Mr. STRATTON. Sure they are facts, they are the structural condition of the building.

Dr. CLAIR. That is right.

Mr. STRATTON. And this is the point. I tried in the 8 minutes allotted to me to refute my friend from Illinois, who spent two hours, because people could just not believe the architect could spend, what was it, $100,000 on this study and then have nothing but five volumes of photographs and a single typewritten page of conclusions.

Dr. CLAIR. Is that so?

Mr. STRATTON. They did not believe it.

Dr. CLAIR. There is no other data in that report?

Mr. STRATTON. There is about one paragraph of conclusions. There is some typewritten discussion.

Dr. CLAIR. There is no other data in that?

Mr. STRATTON. Oh, you have a certain amount of discussion of what is in the photographs.

Mr. YATES. Dr. Clair, Mr. Stratton contends your study was deficient.

As I understand the purpose of your study, it was to lay out certain conditions that you found in connection with your survey from which conclusions might be drawn as to what should be done, as to whether it should be restored, whether an extension should be made, or whether there should be some other kind of corrective steps taken.

Is your study deficient? Does it give enough data to the architect or to an outside engineer to reach a conclusion based on your study?

Dr. CLAIR. I certainly do not think it is deficient.

Mr. YATES. Mr. Stratton says that there are parts of your study that are not included. You talk about computations that were made in connection with stresses. I assume these are work papers.

Dr. CLAIR. How could I know whether or not the foundations were overloaded? How could I know whether or not on the various portions like the south side of the west front whether stresses were high? They are given in there. How could I know whether or not the walls were unstable?

Mr. YATES. Was that not to be part of your study, Dr. Clair?

Dr. CLAIR. I was supposed to give them an answer. I gave them an answer. I write many reports the same way, one page maybe, in which I give my opinion after looking at facts.

Mr. YATES. Are you saying now that in submitting a report to the people who hire you that you do not give the basis for your conclusions?

Dr. CLAIR. Not all the computations, and so on, because most of the people you give engineering reports to don't know what they mean, anyhow.

Mr. ANDREWS. Is that standard practice in your profession, the line which you followed here?

Dr. CLAIR. This is the way we write a report.

Mr. ANDREWS. That is what I asked, whether that is standard practice in your profession.

Dr. CLAIR. That is right. You have another engineer here with whom I had no contact either before or after. I have not seen Mr. Severud and I have not had contact with him in seven or eight years. I had no contact with him whatever. I will go by what he says.

Mr. YATES. Is it possible for an engineer like Mr. Severud to take your report and on the basis of that decide, is it adequate to decide, whether the wall should be restored or whether an extension is called for?

Dr. CLAIR. Of course it is.

Mr. YATES. Is it adequate for that purpose? Mr. Stratton believes there is not enough information in that report for any person to take it and decide what should be done.

Mr. STRATTON. He says he concluded that himself but he will not give us the reasoning behind it.

Dr. CLAIR. I will not give you the reasoning? I just went through the reasoning.

Mr. STRATTON. You did not give it in your report. You told the Chairman this is standard practice in your profession. You do not give the reasons. You give only the conclusions.

Dr. CLAIR. In very many reports you do not give anything but the conclusions because you give the facts and then you give——

Mr. STRATTON. I don't know what kind of profession yours is, doctor, and I do not pretend to know it, but if I went into an automobile body shop and asked them what was necessary to fix up my car and they said "You are going to have to do this, that, and the other, and it will cost you this much money," I would not go back to them unless they also told me what they were doing and why it had to be done in that particular way, and I don't think you would, either. I don't think any of us would buy a pig in a poke without knowing what and why.

Mr. YATES. Let us ask Mr. Severud the question. You have read Dr. Clair's report.

Dr. CLAIR. That depends on whether you know the man in your automobile shop. I wouldn't question a man in my automobile shop.

Mr. STRATTON. Not until I found out——

Mr. ANDREWS. Let us proceed in order.

Mr. Yates has the witness. If you have questions ask him to yield.

Mr. YATES. Mr. Severud, can you on the basis of Dr. Clair's report conclude whether there should be an extension or a restoration?

Mr. SEVERUD. That is my business. It is my responsibility. When the various experts are hired, for instance Bill Mueser, even as prominent as he is in the field of foundations, I do not take his judgment but the facts and it is up to me on the basis of the facts to arrive at the proper conclusion. The position we are in makes me the man who carries the whole load of responsibility.

Mr. YATES. Was Dr. Clair's report adequate for you to reach a conclusion?

Mr. SEVERUD. Yes.

Mr. YATES. Was there an adequate delineation of the condition of the wall to permit an outside engineer coming in and looking at the report to know what to do?

Mr. SEVERUD. Yes, sir.

Mr. YATES. In your opinion there was?

Mr. SEVERUD. Yes, sir.

Mr. YATES. Did you make an independent survey of your own or did you use Dr. Clair's report?

Mr. SEVERUD. Oh, no. We went beyond as we always do because in addition to the physical condition of the wall we have many other factors that if time permits I will be glad to explain.

Mr. STRATTON. If I may interrupt at this point. I do not want to be argumentative but I am trying to pin down two points. We have two different witnesses here on two different points.

Dr. Clair made a study a number of years ago. This is the study that we are all being told is the final definitive study. You don't need more money for studies, we are told, because we have had them all. Here is the study in five volumes, we are told. Everything has been studied and you don't need to study anything more we have been told.

This is the thing that I, as you know, have consistently objected to.

Mr. YATES. Yes.

Mr. STRATTON. I don't know whether you read the Clair study but I saw it three or four years ago and I was appalled to find out what was really in all of these volumes and this is the first time I have had an opportunity to argue the point with somebody that had something to do with the study.

I am concerned about whether this study really is an adequate study on the question of whether you can repair and renovate the West Front or whether you have to go to a four and a half acre extension. I have been saying this all along and everybody else has been saying no, we have all the studies we need.

Now we have here the statement of Dr. Clair that all he was really doing was collecting factual information. He has one paragraph of conclusions which he says he backed up with a lot of material that he did not put in his report because we are too dumb to understand what it was all about, and I would also call your attention to page 4 which says "We have no opinion and therefore have expressed no opinion relative to the proposed extension, and we are concerned only with avoiding the reconstruction of the West Wall because of the danger involved by using underpinning and lateral support."

He never discussed this item in his report, either. He just concluded that.

I would like to point out that even though Dr. Clair does not discuss that point he makes it perfectly clear now that his study was not in support of the extension. It was opposed only to the reconstruction of the West Wall. To use that statement as support for anything except opposition to the reconstruction of the West Wall, for reasons which he never gave us, is to me extremely misleading.

If Mr. Severud wants to go on from this to

support extension that would be an entirely different matter, but it seems to me we have established one thing that I tried to establish, that this Clair study tells us precisely nothing about what is to us the major question at issue now in this Congress.

Mr. YATES. I will tell you one thing you yourself repeated—he is opposed on the basis of the study to reconstruction of the wall.

Mr. STRATTON. I knew that because he had stated that conclusion.

Mr. YATES. That is right. He does tell you that.

Mr. STRATTON. But not why. Before I would spend $300 to get somebody to put a particular new engine in my car I would want to know why the heck I had to have that new engine and why I couldn't fix up my car with something else.

Unfortunately these five volumes do not tell you a darn thing. There is more in this letter than there was in that study.

Mr. YATES. It does not tell you and not me, but does it tell an engineer enough? That is what I am trying to find out.

Mr. ANDREWS. That is the whole thing. He said he followed standard procedure for his profession. Let us proceed in order here now and the witness is with you.

Mr. YATES. I was asking Mr. Severud whether he could take that study and reach a conclusion.

Mr. ANDREWS. His answer was yes.

Mr. SEVERUD. This should be clarified. The one that is responsible for the judgment in this matter is me personally, nobody else, so it is up to me, even with Bill Mueser being part of the team, evaluating part of the report——

Mr. ANDREWS. Who is he and what about him?

Mr. SEVERUD. He is supposed to be the world's greatest foundation expert. He goes all over the world.

Mr. ANDREWS. Where does he live?

Mr. SEVERUD. New York City. The firm used to to be known as Moran, Proctor, Freeman and Mueser. Now Mueser is the only surviving partner of this earlier firm. The firm is now known as Mueser, Rutledge, Wentworth & Johnston.

Mr. ANDREWS. Does he have a good reputation with the American Institute of Architects?

Mr. SEVERUD. The best, absolutely the top.

Mr. ANDREWS. Tell us something about you. What is your background?

Mr. SEVERUD. I was educated in Norway in the National Institute. I came here in 1923 and I established my business in 1928.

Not going through all the many ramifications of work that we have done, I might mention the Jefferson Memorial Arch which was engineered under tremendous opposition and finally proved to be eminently successful.

Various ones tried wind tunnel tests, they said it would wreck itself, we stuck to our guns, and we have been proven to be right.

We did Madison Square Garden, a very complicated job.

Mr. ANDREWS. It sure was. The one over Pennsylvania Station?

Mr. SEVERUD. Yes. I was called in in connection with a very complicated structure. They are going to house the entire complex with one roof. It took all kinds of crazy contortions. There was controversy in Germany and they called in an engineer from Switzerland, one from Denmark, and myself to decide what to do.

Time and again I have been involved in conditions of cracked buildings. I must mention the General Hospital in Philadelphia where it cracked so badly that they wanted a grand jury investigation. Some of these housewives want to see blood, you know. They wanted to put somebody in jail, so finally they called in all kinds of experts in Philadelphia and they could not figure it out.

I was finally called in.

Mr. ANDREWS. Did you correct it?

Mr. SEVERUD. Yes. We had a budget of $150,000 to correct it and we did it with $11,000.

Remember, gentlemen, that a crack is absolutely basic. What engineers often overlook is that a crack is an explosion. You have capacity of a member, and when the capacity is used up it goes and you have a dynamic reaction. It is mostly on the basis of that discovery and the conclusions built up that we have been able to build up an organization where we engage more than 120 men, and we have a special design department where we analyze very complicated structures.

Of course, we also have a computer in the office and we have some of the best engineers in the world who give lectures. Dr. Bandel, for example, is internationally known as one of the leading men in the field.

We are just now consulting on a restaurant in Sidney, Australia. It is a very slender restaurant, a revolving affair. It is so flexible that in order to dampen it so people do not get seasick we detach a doughnut water tank and suspend it so we get a sort of flexible support.

If you have a mass that is detached from the main structure, that mass is inertia and it prevents the shaft from going all the way.

We are just studying extending that principle into skyscrapers. We are writing an article about it. You can take the mechanical floor on top of a skyscraper and put it on roller skates with shock absorbers and you can save a tremendous amount of money and get something that is much more efficient.

You might say our contribution is to do engineering with a different outlook. We are not just static. We go into the whole structure. We live with the structure and try to find out exactly what goes on. I have a prepared statement here on my background which you might wish to include in your record.

FRED N. SEVERUD (PARTNER)

Born: Bergen, Norway—June 8, 1899. Degree in Civil Engineering from the Norwegian Inst. of Technology in 1923.

Experience: James B. French, Consulting Engineer (1924), Partner of Ruderman & Severud (1928), Independent Practise as Fred N. Severud (1931), Senior Partner of the firm of Severud-Elstad-Krueger (1950), Senior Partner of the firm of Severud-Perrone-Fischer-Sturm-Conlin-Bandel (1960).

Practice: As consulting engineer at 415 Lexington Ave., New York 17, N.Y. Office Buildings, Schools, hospitals, research centers, research laboratories, airports, housing developments, theatres, industrial buildings of all types, television development, consultant to the Norweigian government and other communities, new developments in wall and floor construction, marine construction.

Memberships: American Institute of Consulting Engineers. American Society of Civil Engineers. New York Association of Consulting Engineers. The Architectural League of New York. International Association for Shell Structures.

Lectures and Publications: Lectures at Harvard University, Yale University, Princeton University, City College of New York, Columbia University, Rhode Island School of Design, and many other colleges and universities, in Puerto Rico, Toronto Canada, Pennsylvania, A.I.A., Central States Conference, A.I.A.; Cleveland Chapter, A.I.A., and many others.

ARTICLES

*Architectural Record.* Structural Study: Jefferson Memorial Arch. This Engineer Travels in Comfort Forecasting a New Era for Concrete Hangers; Analyzed Efficiency in Structures; The Structures that House Us.

*Consulting Engineer.* New Engineered Structures.

*Civil Engineering.* Materials Combined to Advantage—Concrete in Compression, Steel in Tension; Cable-Suspended Roof for Yale Hockey Rink.

*Engineering News-Record.* Avoiding Cracks in Building Walls.

*Forum.* Turtles & Walnuts, Morning Glories and Grass.

*Ingenieria Internacional Construccion.* Porque Resultan Economics Los Pisos Con "Vigas-Losa."

*The Nation's Schools.* Concrete: Its Uses and Behavior.

*Progressive Architecture.* The Pros and Cons of Architecture for Civil Defense; The Load Bearing Structure; Hung Roofs; Suspended Porte-Cochers Roof.

*Books.* "Apartment Houses" by Abel & Severud (Reinhold Publishing Corp.). "The Bomb, Survival & You" by Merrill & Severud (Reinhold Publishing Corp.).

AWARDS

The Franklin Institute's Frank P. Brown Medal for Engineering Accomplishments in the Field of Building Construction.

Decoration by the Government of Norway for help in Reconstruction after occupation.

*Architectural League of New York.* Collaborative Medal of Honor, 1962 (IBM Research Center, Yorktown Heights, N.Y.). Gold Medal Award, 1953 (Raleigh, N.C. Pavilion).

*The American Institute of Architects.* First Honor Award, 1953 (Raleigh, N.C. Pavilion). Allied Professions Gold Medal (1958). Honorary Associate Membership (1962).

*Illinois and Missouri Society of Professional Engineers.* Ill-Mo Award for 1963 (St. Louis Arch).

*American Society of Civil Engineers.* Ernest E. Howard Award for 1964 (St. Louis Arch).

Fred N. Severud has been linked with many of the outstanding structures in the United States wherein development and application of improved or advanced principles of structural design and construction have been involved. His contributions in this respect have been recognized by the architectural profession which has conferred on him some of its highest honors.

Structures such as the House of Seagram, the I.B.M. Research Center, the Jefferson National Expansion Memorial Arch in St. Louis, Missouri, the United States and Johnson Wax Pavilions at the 1964–65 World's Fair, are in keeping with his position as perhaps the foremost contemporary designer in what may be termed the field of progressive structural design.

In the design of the Livestock Judging Pavilion for the North Carolina State Fair at Raleigh, N.C., a roof construction supported by steel cables was developed. That design has won a great deal of professional recognition and is being adopted on an international scale. Other solutions of cable-roof construction were employed by him in the design of the Congress Hall in Berlin, Germany and the Hockey Rink for Yale University at New Haven, Connecticut.

Mr. Severud developed the Slab-Band floor system for apartment buildings which became very widely used in major projects by the New York City Housing Authority. He also developed the engineering design of the Lift-Slab method of construction.

Mr. Severud's firm was selected to design the structures comprising the huge Air Force Base at Thule, Greenland, also the buildings, hangars and towers on the Distant Early Warning System in Alaska and Canada, the DEW line. In connection with these projects, intensive studies were made of the phenomenon of Permafrost and the type of construction developed which is now commonly adopted for the Arctic.

ADDITIONAL AWARDS

The Franklin Institute, Philadelphia, Pa., Frank P. Brown Medal for Outstanding Engi-

neering Accomplishments, given to Fred N. Severud in 1952.

American Institute of Architects First Honor Award, 1953, for the North Carolina State Fair Pavilion, Raleigh, N.C.

Architectural League of New York Gold Medal Award for 1953, for the North Carolina State Fair Pavilion, Raleigh, N.C.

Progressive Architecture Design Awards Program for 1954, Cherry Hill Project, Radio Corporation of America, RCA-Victor Division, Camden, N.J.

American Institute of Architects Allied Professions Gold Medal Award for 1958 to Fred N. Severud.

Architectural League of New York, Honorable Mention Award for 1960, David S. Ingalls Hockey Rink, Yale University, New Haven, Conn.

Architectural League of New York Gold Medal for Architecture in 1960, House of Seagram Office Building, New York, N.Y.

Progressive Architecture Design Award for 1961, Washington Square East, Section A, Housing, Philadelphia, Pa.

American Institute of Architects, New York Chapter, Honorary Award Membership conferred on Fred N. Severud, June, 1962.

American Institute of Steel Construction Architectural Award of Excellence for 1962, Johnson Hall Dormitory, Temple University.

Architectural League of New York Collaborative Medal of Honor for 1962, Thomas J. Watson Research Center, Yorktown Heights, N.Y.

American Institute of Steel Construction Architectural Award of Excellence for 1963, American Cyanamid Co., Wayne, N.J.

American Institute of Steel Construction Architectural Award of Excellence for 1964, United States Pavilion, New York World's Fair, Flushing, N.Y.

American Institute of Steel Construction Architectural Award of Excellence for 1964, Academic Center, Gwynedd Valley, Pa.

Illinois and Missouri Societies of Professional Engineers Ill-Mo Award to Fred N. Severud for 1963 for the St. Louis Gateway Arch.

American Society of Civil Engineers Ernest E. Howard Gold Medal Award for 1964 to Fred N. Severud for Outstanding Performance in the field of Structural Engineering.

Concrete Industry Board 1966 Annual Award for the Library-Footbridge-Dormitories Hofstra University, Hempstead, N.Y.

Missouri Society of Professional Engineers and National Societies of Professional Engineers "Engineering Wonders in Missouri" Award to Dr. Hannskarl Bandel in 1966 for the St. Louis Gateway Arch.

Engineering News-Record Award in 1966 to Dr. Hannskarl Bandel for serving the best interests of the construction industry.

Consulting Engineers Council Award for Outstanding Engineering Achievement in the Structural Field in 1966 for the St. Louis Gateway Arch.

American Society of Civil Engineers Outstanding Civil Engineering Achievement of 1967 Award for the St. Louis Gateway Arch.

Engineering News-Record Award in 1967 to Mr. Fred N. Severud for serving the best interests of the construction industry.

American Institute of Steel Construction Special Award for Excellence for 1967 St. Louis Gateway Arch.

American Iron and Steel Institute Excellence in Engineering Award for Public Works Construction in 1967 St. Louis Gateway Arch.

American Iron and Steel Institute Excellence in Engineering Award for Low Rise Commercial Construction in 1967 John Deere Co. Warehouse and Display Center Baltimore, Md.

Steel Plate Fabricators Association Steel Tank of the Year Award for 1967 Standpipe, Albany, N.Y.

Concrete Industry Board of New York Annual Award for 1967 Boardwalk Restaurant Jones Beach State Park, N.Y.

Concrete Industry Board of New York Award of Merit for 1967 Laurence G. Payson House, New York, N.Y.

New York Association of Consulting Engineers First Prize for Structure in Buildings in 1968 Madison Square Garden Sports Complex, New York, N.Y.

Consulting Engineers Council Award for Engineering Excellence for 1968 Madison Square Garden Sports Complex New York, N.Y.

New York Association of Consulting Engineers Special Award for Unique Structural Design for 1969 The L. Stockwell Jadwin Gymnasium, Princeton University, Princeton, N.J.

Consulting Engineers Council, National Competition Award for Engineering Excellence for 1969 The L. Stockwell Jadwin Gymnasium Princeton, University, Princeton, N.J.

Mr. ANDREWS. You have given us a very fine statement there about your connections with various people and projects and we will insert your prepared statement in the record. I have heard from many people that you have an excellent reputation with the architects throughout the United States.

I merely wanted something in the record so we can identify you when we discuss your testimony later.

Now we will return to Mr. Yates. You will pursue your questioning.

Mr. YATES. Mr. Severud, Mr. Stratton was developing the point that Dr. Clair's study was inadequate in order to make a judgment as to how to proceed on the West Wall.

Mr. STRATTON. If I may correct that. I did not say the study was inaccurate.

Mr. YATES. I said inadequate.

Mr. STRATTON. He just did not put anything into his study to justify his conclusions. There are all kinds of data, and if I understand what Mr. Severud is saying, you can look at this data and he as an engineer can come to certain conclusions.

Mr. YATES. Is that right, Mr. Severud?

Mr. SEVERUD. It is my business to draw conclusions.

Mr. YATES. It is your business to do what?

Mr. SEVERUD. Draw the conclusions.

Mr. YATES. On the basis of the facts as he developed them?

Mr. SEVERUD. Of course.

Mr. ANDREWS. If the gentleman will yield, Dr. Clair made an inspection and an investigation, call it whatever you want to. He furnished you with certain materials.

Mr. SEVERUD. Right.

Mr. ANDREWS. Did he give you enough as a professional man for you to form an opinion and give advice on what should be done? Was what he gave you sufficient?

Mr. SEVERUD. We have to go beyond.

Mr. YATES. What do you mean by going beyond?

Mr. SEVERUD. He gave us the physical data, but when it comes to an overall analysis we have to go a little further than that.

Mr. YATES. What did you do?

Mr. SEVERUD. Well, the situation in this building—may I demonstrate it?

Mr. YATES. Sure.

Mr. SEVERUD. We have a model, not a replica but something which gives major principles of floor construction. These arches give a thrust when a load is placed onto it. Obviously it is not stable until the supports are adequate.

All the way through the building there is a series of inbuilt thrusts.

It is true that the building has many cross walls, and if these were absolutely intact then, as proven, the building is still here, and these cross walls are the ones which are responsible for the stability in my opinion.

However, we have a situation where the foundation situation is very variable. There are all kinds of different materials and different time elements involved, and so on, so that it is foregone conclusion that in many cases the foundation condition under a cross wall is superior to the foundation condition under the front wall.

Let us say, for a moment, that this is the front wall. Here is the side wall.

Let us say this might be sitting on a rock, the major part of the building. That would mean to me that this wall acts as a cantilever and actually carries the front wall. The cracks indicate that that is the case in many instances.

This front wall then tries to carry the load from one sidewall to another.

If you take this entirely away then it would be resting on air.

Therefore there is inbuilt into this construction a situation where of necessity there will have to be a tremendous conflict of stresses. It is so indefinite that it would be utterly impossible for anyone to know which interior wall is ready to give up the ghost.

You can imagine this. Anyone can see that. This wall in many cases must, you might say, be riding on air and being supported with cross walls—not completely but relatively, let us say. There is more support on these walls than in the foundation underneath. That is the element that should be gone beyond the physical data we have here. That is what disturbed me the most.

Just to illustrate the point that cracks are explosive.

Mr. YATES. This is Statuary Hall?

Mr. SEVERUD. Yes. The piece of cornice was found 15 feet beyond the building.

Mr. YATES. You mean this broke off and was thrown off?

Mr. SEVERUD. Yes. You can imagine a heavy stone like that. It held in place. All of a sudden the static forces that are there are transformed into dynamic forces just as I ripped the paper for you a few minutes ago to illustrate.

Those conditions must exist all over the building to a great extent. How much, I do not know.

Mr. YATES. Can a study be made which will tell you how much of that exists throughout the building?

Mr. SEVERUD. I don't think anyone in a sane mind would try to restore this wall without giving it lateral support.

Mr. STRATTON. If I understood your point here, the thrust on these arches is carried mostly, you said, by the interior walls?

Mr. SEVERUD. Right. Not only the exterior—

Mr. STRATTON. So even if we fix the West Front you are suggesting we still have conditions on the interior side walls that could be just as bad as the West Front?

Mr. SEVERUD. Right. It could be worse.

Mr. STRATTON. So we are really not going to fix the building by undertaking an elaborate extension to correct the West Wall. We will still have other problems on the side walls?

Mr. SEVERUD. No, no, no. If you get lateral support it cannot fall out.

Mr. STRATTON. This is only one out of four walls. You are suggesting, I thought, that there are interior walls which also have problems.

Mr. ANDREWS of North Dakota. He is saying interior walls have the lateral support he is trying to get for the exterior walls. Each of these interior walls has a floor running against it and other walls and a ceiling.

Mr. STRATTON. What about the side walls?

Mr. SEVERUD. That is why it is carried all the way across. The extension is picking up all the weak spots. If it is held from falling out what can it do? It will stay there.

Mr. STRATTON. Let us say this is the West Wall. You still have a problem on this wall here.

Mr. YATES. That is just an arch. That is just a replica of one of the arched rooms in

the many that make up the whole along the west wall of the Capitol.

Mr. SEVERUD. This is just one room.

Mr. YATES. That is a room which fronts on the West Wall.

Mr. SEVERUD. Let us say——

Mr. STRATTON. But it has four walls. The problem is on each of the walls. The problem is as great on this side as on that side, is it not?

Mr. SEVERUD. That is held by the interior. It is only if the wall is free to fall out that there is danger.

Mr. STRATTON. You said the interior walls were equally bad. This is not the only interior wall. You have an interior wall here, do you not?

Mr. ANDREWS of North Dakota. He says the footings of the interior wall, Sam, and the interior walls are the things keyed into the outside wall and keeping it up; if one of those should pop while the outside wall is not braced from outside it will fall off.

This is exactly what he said.

Mr. SEVERUD That is right.

Mr. STRATTON. I don't think we are on the same wavelength. There are four walls here.

Mr. SEVERUD. In one room.

Mr. STRATTON. All we are talking about is fixing one of the four. What happens to the others?

Mr. SEVERUD. They are fixed because they get lateral support.

Mr. ANDREWS. What do you mean by lateral support? An extension?

Mr. SEVERUD. In the case of the interior walls the floor arches in the adjoining rooms furnish the lateral support.

Mr. YATES. Let me see if I can explain this. This is one of the rooms, and there is a series of rooms all the way along the West Wall that are like this.

What is happening is that this is the West Wall. These other walls also have thrusts from the arches but they are contained by other walls, interior walls along in here?

Mr. SEVERUD. Right.

Mr. YATES. So there is a thrust contained, there is protection, but there is no similar protection at the outer wall, the West Wall. So that the forces are moving against the West Wall which is not similarly protected. Is that correct?

Mr. SEVERUD. Right. The West Wall is the free end and that is the one that can fall.

I know that I am somewhat under a handicap in being the engineer, but I can guarantee you, gentlemen, that if you just go into this building and feel with it you will see there are conditions there where you have tremendous conflicts. Here foundations give way and something else is picking it up. You give away elsewhere and something else has to pick it up. It is such a delicate thing.

Mr. ANDREWS. What do you mean by lateral support? I think I know but I want it in the record.

Mr. SEVERUD. The floor slab.

Mr. ANDREWS. Does that mean extending the west part of the Capitol as we have been talking about?

Mr. SEVERUD. Yes.

Mr. CASEY. How far?

Mr. ANDREWS. 44 feet?

Mr. YATES. That is the next question.

Mr. ANDREWS. You say that in order to protect this wall and the exterior walls you need lateral support out here, which means an extension?

Mr. SEVERUD. That is right. This is what we did on the East Front.

Mr. ANDREWS. At the East Front?

Mr. SEVERUD. Yes. The same thing we did here.

Mr. ANDREWS. Let me ask one question while on this subject. During the debate in the other body the Senator from Wisconsin said that in repairing the wall "We wouldn't have the same sandstone, anyway. It would have to be new, so whether it was new sandstone or marble the best way to proceed would be in terms of economy but also in terms of durability."

He is inferring that you will take this West Wall and to get durability you will replace those sandstone blocks with marble blocks.

Following up your testimony here as an expert engineer, could this be done? Could we, if we decide tomorrow to replace those blocks in the old West Wall where they are now sandstone with marble, do this without the whole darn thing falling in? I think this is one of the important things because we should know whether we can, in fact, restore in place.

That is the crux of this whole problem.

Mr. SEVERUD. I have a delicate situation in a job in Vancouver. It was specified that workmen had to be imported from Italy. I don't know if you can get the workmanship to handle it.

Otherwise I would say that it probably could be done. I am not going into the details of the stone work because to my mind it would be utterly ridiculous.

Mr. ANDREWS of North Dakota. Why do you say "utterly ridiculous"?

Mr. SEVERUD. To restore a wall without giving it lateral support. Anything can happen. Engineering-wise it is utterly unthinkable. The only thing that could be done if you were desperately up against it would be to gut enough of the interior to create the same situation as we have here.

Mr. ANDREWS of North Dakota. In other words, what you are saying is that if you want to restore the old wall in place you would have to do as they did in the White House—

Mr. SEVERUD. Right.

Mr. ANDREWS of North Dakota. Gut the interior and move back a room or two and rebuild that whole thing from the inside out?

Mr. SEVERUD. Right. It is a ticklish proposition because you are up against the thrust of the interior. You have to hold that. As you gut it you have to be able to hold the thrust. That in itself is a very difficult proposition.

Mr. ANDREWS of North Dakota. And the only sure way of doing it would be going clear through to the other wall?

Mr. SEVERUD. I wouldn't go that far.

Mr. YATES. Off the record.

(Discussion held off the record.)

Mr. ANDREWS of North Dakota. Here is a chart of the design of this building and the floor plan. How far back would you have to clear out in your judgment as one of the top engineers in order to restore the wall that we now have in place?

Mr. SEVERUD. I hesitate to answer that question because of this: I will have to analyze the strength we could get from along this line——

Mr. ANDREWS of North Dakota. Here is a full-scale blueprint. What would you have to do——

Mr. SEVERUD. It is not that simple. From the standpoint of good engineering and economy we would have to utilize to the full extent any situation where you can gain depth against lateral support. It would take somewhat of a study.

Mr. ANDREWS of North Dakota. This would have to be done before you could begin to replace those sandstones with marble or new sandstone or whatever it is. You would have to go back at least one room.

Mr. SEVERUD. Naturally.

Mr. STRATTON. You said it would take something of a study before you could answer that, did you not?

Mr. SEVERUD. Yes.

Mr. STRATTON. In other words, the detailed study of just what would have to be done has not really been made yet, has it?

Mr. SEVERUD. I would say it would take one room and you can work it out close enough. That is the minimum.

Mr. STRATTON. Your statement there was a rather interesting one because this is the point I have been making, that nobody has ever really studied this thing carefully and in detail. You just admitted that before you could give an intelligent answer to Mr. Andrews' question you would have to make a little study, more detailed than just answering questions in a conference room of this kind.

Mr. SEVERUD. Obviously the minimum would be one room.

If we don't have to go beyond this you could take advantage of the absolute minimum, which is one room.

Mr. ANDREWS of North Dakota. This is on the basis of the study which already has been made and the facts you already have at your disposal?

Mr. SEVERUD. Yes.

Mr. STRATTON. You spoke about yourself and Mr. Mueser examining this data about the condition of the building. Is this a study that you made which is somewhere on paper? Does it involve certain conclusions or is this just something that you concluded in your head?

Mr. SEVERUD. We had a big conference among the team. The team includes the Architect and we the Engineers. We do our own engineering, but to protect the client we often welcome a foundation expert. We really don't need it.

In this case the team was Mueser, myself, and the Architect.

Mr. STRATTON. Which architect? The Architect of the Capitol?

Mr. SEVERUD. The Associate Architect.

Mr. STRATTON. Mr Campioli?

Mr SEVERUD. He was frequently at the conferences, but the conferences were among Bill Mueser, the Architect, and myself.

Mr. STRATTON. You say the client. Who was your client?

Mr SEVERUD. My client is the Architect.

Mr. STRATTON. Who is the Architect?

Mr SEVERUD. Alfred Poor and Associates.

Mr STRATTON. You are working for Mr. Poor?

Mr. SEVERUD. Yes.

Mr. STRATTON For whom is he working?

Mr. SEVERUD. He is working for the Government.

Mr STRATTON. He is working for the Architect of the Capitol. Is that correct?

Mr. SEVERUD. I don't know. My contact is with him.

Mr. STRATTON. He is paying you, then? Is that right?

Mr. SEVERUD. Right.

Mr. STRATTON. May I ask how much you are being paid?

Mr. SEVERUD. Normally we get half of one percent of the total cost of the building. That is it roughly.

In this case, this is very complicated and we always lose money. In fluctuations like this we can never get the fee to cover it.

Mr. STRATTON. What were you engaged to do and what was Mr. Poor doing?

Mr. SEVERUD. Mr. Poor, then, was——

Mr. STRATTON. What was his mission?

Mr. SEVERUD. To carry on the details with the owner and make various plans for submission for approval, and he works with us very intimately. We get together and find out how these plans lend themselves structurally——

Mr. STRATTON. Let us not put it in general terms. Mr. Poor is developing the detailed specifications for this four and a half acre extension of the Capitol. Is that not correct?

Mr. SEVERUD. Architecturally, yes.

Mr. STRATTON. Architecturally?

Mr. SEVERUD. Yes.

Mr. STRATTON. And he hired you to perform certain engineering studies in connection with that job; is that correct?

Mr. SEVERUD. That is right.

Mr. STRATTON. O.K. So you are working for

somebody who is in the process of extending the Capitol?

Mr. SEVERUD. Right.

Mr. STRATTON. He never said to you "Mr. Severud, we are not sure whether we want to extend it or not. Maybe we won't."? In fact, I wasn't aware that Alfred Poor had any contract for extending the Capitol. This is the first time I heard about it. I thought we were questioning whether we were going to spend some money to hire somebody to draw up detailed plans and specifications for such an extension. So this is a very interesting piece of information. But he never said to you "I would like to have you take a frank look at that and tell me whether it should be extended or not"?

Mr. SEVERUD. Of course he did.

Mr. STRATTON. He did?

Mr. SEVERUD. Sure.

Mr. STRATTON. You mean, he suggested that you might determine whether perhaps the job that he was embarked on should not be undertaken in the first place?

Mr. SEVERUD. Naturally, because that is in the cards. We knew the controversy and all that——

Mr. STRATTON. I see

Mr. SEVERUD. So that we had to analyze it very carefully.

Mr. STRATTON. So what was your assignment then?

Mr. SEVERUD. My assignment was to get together with Bill Mueser as far as the foundations are concerned, and I took care of the structure to determine on the basis of the information that we had received, the report from Dr. Clair, and our own investigations—I had one of my partners down there and we had done the East Extension and we knew all the——

Mr. STRATTON. But what were you trying to do? What did he tell you tc do?

Mr. SEVERUD. To determine if restoration would be possible.

Mr. STRATTON. To determine if restoration would be possible?

Mr. SEVERUD. Right. It is obvious. It would be ridiculous if he didn't because that was the controversy at the time.

Mr. STRATTON. I wouldn't agree that just because it is ridiculous it is therefore something that wouldn't be undertaken.

Now, did you submit a report to Alfred Poor and Associates on your conclusions on this study, or are you still in the process of making the study?

Mr. SEVERUD. We don't make reports, normally.

Mr. STRATTON. You don't make reports?

Mr. SEVERUD. No. We settle it in conference. We don't have these experts——

Mr. STRATTON. When were you engaged to undertake this duty?

Mr. SEVERUD. From the beginning, I don't remember when the job started, but from the very beginning Alfred Poor called me.

Mr. STRATTON. Are you talking about last fall? Are you talking about 1963, or what?

Mr. SEVERUD. Maybe Mr. Campioli would know.

Mr. CAMPIOLI. It was in 1965 after Dr. Clair's report.

Mr. STRATTON. You have been an employee of Poor Associates since 1965?

Mr. SEVERUD. An associate. We are not employed.

Mr. CAMPIOLI. A consultant.

Mr. STRATTON. A Consultant?

Mr. SEVERUD. Yes.

Mr. STRATTON. At what time did you conclude that this extension was not possible?

Mr. SEVERUD. Well, we had various conference and we were very conscious of the American Institute of Architects. We had correspondence with the American Institute to find out why they took such a position. From the beginning that was, of course, the basic decision that had to be made.

Mr. STRATTON. I am just trying to find out, Mr. Severud, how long it took you to make this study. You were hired in 1965. When did you conclude that it was not necessary, that it was not feasible, to restore the West Front or to renovate and repair it as we are talking about, but that it had to be extended?

Mr. SEVERUD. It didn't take me long.

Mr. STRATTON. Well, two months, two days?

Mr. SEVERUD. No.

Mr. STRATTON. Half an hour?

Mr. SEVERUD. As you can imagine, as a senior partner in a big firm, I don't spend just my full time on one job. So that I had one of my partners attending the conferences. On the important conferences, I was there personally. We had many discussions between Mr. Poor and myself personally. As a result, it might have taken, I would say, just a few weeks because we had the experience on the other job.

Mr. STRATTON. What other job?

Mr. SEVERUD. The East Front.

Mr. YATES. The East Front?

Mr. SEVERUD. The East Front.

Mr. STRATTON. You were also involved in that?

Mr. SEVERUD. Sure.

Mr. STRATTON. With Poor and Associates?

Mr. SEVERUD. Yes. We had to make the same decision at that time.

Mr. STRATTON. Then you are not really as dispassionate a witness in this case, are you, since you have been connected with this firm not only since 1965 but on the East Front?

Mr. SEVERUD. I—what difference does that make?

Mr. STRATTON. Pardon me?

Mr. SEVERUD. I don't see that that makes any difference.

Mr. STRATTON. I don't know whether it does or not, but I think it is something that certainly hasn't been brought out in this discussion before, because Mr. Yates, I know, mentioned on the Floor that an outstanding expert in engineering had been discovered and he had just rendered basically an independent judgment which supported the—

Mr. YATES. That isn't what I said at all. You are interpreting—you are not interpreting correctly.

Mr. STRATTON. You said he was a consultant. I had assumed this was something that was very recent.

Mr. YATES. I said on the Floor that I had called the office of the American Institute of Architects and asked them for the name of a person in whom they would have confidence to make the study that it wanted to see whether restoration was possible.

Mr. STRATTON. That is right.

Mr. YATES. The A.I.A. called me and gave me a list of six names of firms whom it felt were qualified to make the study. Mr. Severud's name led all the rest. His name was number one on the A.I.A.'s list, and frankly, I am somewhat surprised now that they are rejecting him. I said on the floor, too, I thought the Architect deserved some Brownie points because he had had the good sense to hire the man that the American Institute of Architects said was the outstanding structural engineer in the country for this job.

Mr. ANDREWS. That is right. I remember that.

Mr. YATES. That is what I said on the floor. Check the record. I think my memory is better on this point than yours.

Mr. STRATTON. You didn't indicate that he had been——

Mr. ANDREWS. Let's proceed in order, gentlemen.

Mr. YATES. Mr. Severud, in connection with your retainer by Mr. Poor, was it your job to advise Mr. Poor as to what should be done? As a part of that retainer did you have the responsibility of recommending to him that the wall could be restored if in fact it could be restored, that it should be extended if it had to be extended?

Mr. SEVERUD. Yes, sir.

Mr. YATES. In other words, you had to determine what was the best way to handle the problem of the deteriorating wall?

Mr. SEVERUD. That is right.

Mr. YATES. Well, that answer is clear enough.

Mr. STRATTON. Could I just develop these two points, because I think this is the key to the question here. That is, if you want me to participate in this.

Mr. YATES. Sam, I am glad to have you participate, but I don't think that you ought to be throwing slurs around against these people.

Mr. STRATTON. I am certainly not throwing any kind of slurs.

Mr. YATES. You are. You are saying they are biased.

Mr. STRATTON. Well, if a fellow is working for somebody for four years I would think——

Mr. YATES. This man has been working all over the world. He doesn't need this job even if it is an important one. He has been working all over the world. This isn't the only job your office has, is it?

Mr. ANDREWS. Off the record.

(Discussion off the record.)

Mr. ANDREWS. On the record.

Mr. YATES. Mr. Severud, specifically, is it possible to have a restoration of this wall?

Mr. SEVERUD. If you gut the interior.

Mr. YATES. What does that mean?

Mr. SEVERUD. It means at least——

Mr. YATES. Will you take that chart and show what that means?

Mr. STRATTON. Would you let me ask a couple of questions first, because this is the kind of thing, the very thing that I objected to before.

Mr. YATES. What?

Mr. STRATTON. What we have here now is just question and answer, and not a detailed study. I am trying to pin down what kind of study he has actually done and what kind of a study would be required.

Mr. ANDREWS. I think he answered those questions.

Mr. SEVERUD. It is plain enough. You need lateral support, you have to get it from the outside or from the inside, it is just as simple as that. What do you need a study for?

Mr. YATES. You say you don't need another study?

Mr. SEVERUD. No.

Mr. YATES. Tell me why you don't need another study.

Mr. SEVERUD. Because, first of all, if it is found that the gutting of these walls is necessary it would be ridiculous to spend the amount of money to go into every little detail. It does take a lot of study if you want to really do it, to provide the lateral support at the edge where you come to the old construction, so that if you have to study every little detail it is quite a chore. But to say that—just as we realize a certain extension on the outside gives it support, so we could say——

Mr. YATES. Suppose you were told, Mr. Severud, that we wanted a restoration and wanted to avoid an extension if that were possible. Suppose it were decided to have a restoration, that the question of extension of the wall of the Capitol was not involved. Would you have to make a study in order to do that?

Mr. SEVERUD. I could accept it and go through with it; if I were allowed to gut the interior I could do it.

Mr. STRATTON. Could I ask this question: You said, did you not, that it just took your firm a few weeks after you were engaged to conclude, as I understand it, that the conclusion which Dr. Clair had come up with, namely, that reconstruction of the West Wall was not feasible, was the correct conclusion?

Mr. SEVERUD. Yes.

Mr. STRATTON. That was the conclusion that you arrived at?

Mr. SEVERUD. We studied his five volumes

and it gave us enough within that short period of time.

Mr. STRATTON. Do you have documents in your files that could be assembled to put down on paper some of the things that you are telling this committee here?

Mr. SEVERUD. We can't afford to go through all of that on every job, it would be impossible.

Mr. YATES. What do you mean by "can't afford to"?

Mr. STRATTON. The Senate of the United States and also myself, along with 164 other Members of the House felt that it would be desirable before we embark on a $70 million spending job to spend a little money for a cost and feasibility study. We are all laymen in the House; we are not experts. We would like to know the reasons, not take it as somebody's conclusions, why we should do one thing rather than another. We were prepared in the House to spend $100,000 and the Senate is prepared to spend $250,000 for a study that would examine some of these things. Now, here is a chance for you to pick up a little easy money, I would think, because you have already studied at least part of this question, you say, and if the Congress of the United States would feel a little bit better about it before spending $45 million or $60 million or $70 million they could read in your studies some of these arguments which Mr. Clair's studies never did give us, and that might be helpful. Now, could you go back and assemble for $250,000 some of these documents and put them together and write them in such a way that a layman like myself could understand them?

Mr. SEVERUD. Wouldn't it be better to get another engineer?

Mr. STRATTON. Well, I don't know. But you say you have done this study and you just have not committed it to paper? Perhaps you are right; the study should be an independent one.

Mr. SEVERUD. I would think that since that question has come up it would be much betbetter to have an independent engineer, otherwise others may object the same as you object to me being in the picture.

Mr. STRATTON. The thing that disturbs me, Mr. Severud, is that this particular job has never been done, to my knowledge.

Mr. YATES. It has not been done to your satisfaction, not to your knowledge.

Mr. ANDREWS. Off the record.

(Discussion off the record.)

Mr. STRATTON. May I ask, Mr. Severud, whether your study, this one that you completed, also examined what would be the best and the simplest and the cheapest way of protecting this wall that you say cannot be restored in place but needs some kind of lateral support?

Mr. SEVERUD. Well, that is exactly what we did.

Mr. STRATTON. Is it your position that the only possible way of keeping this wall from falling down is to extend it by 44 feet?

Mr. SEVERUD. No; gut the interior and give the same lateral support on the inside as you would on the outside. These are the two alternatives. In my opinion, that is the only way.

Mr. CASEY. Will the gentleman yield at that point, please?

Mr. STRATTON. Yes.

Mr. CASEY. As an engineer, you are not concerned with how many rooms or such as that they put on the extension, are you?

Mr. SEVERUD. No.

Mr. CASEY. As an engineer, you are concerned with the lateral support and you figure the best method of lateral support is from the outside instead of inside, because you would have to gut those rooms?

Mr. SEVERUD. Yes.

Mr. CASEY. Now, then, what is the minimum amount of lateral support? How far would you have to go out?

Mr. SEVERUD. We could probably do it with one room. That would be the absolute minimum.

Mr. CASEY. One room?

Mr. STRATTON. Couldn't you do it with a few metal supports right on the outside?

Mr. SEVERUD. Those are toothpicks. We are dealing with tremendous forces here. We can't just put a toothpick to them.

Mr. ANDREWS. Answer him yes or no.

Mr. SEVERUD. No; impossible.

Mr. STRATTON. You couldn't do it with steel girders——

Mr. SEVERUD. Yes.

Mr. STRATTON. That are standing in place?

Mr. SEVERUD. As we discussed this morning, we could probably do it with 15-foot pilaster, reenforced concrete, with a footing and piles under it at each of these places.

Mr. STRATTON. Fifteen feet out, you mean?

Mr. SEVERUD. Yes, 15 feet out, the height of the building—probably the whole height of the building.

Mr. YATES. If you don't—if you do that, don't you change the architectural character of the building?

Mr. SEVERUD. Of course.

Mr. STRATTON. You could do what you did in the East Front, which is to reproduce what you had rather than to change it? You could do that, couldn't you?

Mr. SEVERUD. But then the interior walls may pop at any time.

Mr. STRATTON. No, no. The East Front was extended 34 feet.

Mr. CAMPIOLI. 32½ feet.

Mr. STRATTON. In that case you reproduced exactly out there in marble what you had back here in sandstone. Now, you could go out 15 feet from the present West Front and reproduce exactly either in sandstone from Virginia or marble what you have here presently, couldn't you, as far as preventing the collapse is concerned?

Mr. SEVERUD. Yes.

Mr. ANDREWS. Mr. Campioli has something to add.

Mr. CAMPIOLI. You cannot make that statement unequivocally. If you come out 15 feet here you have to come out 15 feet along here, along here, and here and here (indicating) and you would no longer have a reproduction of the existing building because this is what you would have—(indicating)—something like this. This central wing, instead of being that wide, would be 30 feet wider, 15 feet added on each side. This wing instead of being on that location would then be over here. The courtyards instead of being 44 feet wide would be only 29 feet wide. So you would no longer have a reproduction of the original architecture.

Mr. YATES. Do you concur with that, Mr. Severud?

Mr. SEVERUD. Yes; that is a possibility, I believe.

Mr. YATES. You mean, this is a possibility. Would it not alter the entire appearance of the Capitol?

Mr. SEVERUD. Yes.

Mr. YATES. By going out 15 feet from each portion of the wall?

Mr. SEVERUD. Yes.

Mr. YATES. It would be a parallel to the existing wall but it would be out 15 feet. This proposed 15-foot wall would have to be built the height of the building; is that correct?

Mr. SEVERUD. Yes.

Mr. STRATTON. Well, now, I don't accept this. What I understand that Mr. Campioli is trying to say is that the only way you can brace up this wall is to extend this section all the way out here?

Mr. CAMPIOLI. To beyond that point (indicating).

Mr. STRATTON. You don't have to go beyond the point.

Mr. CAMPIOLI. Yes, you do.

Mr. STRATTON. Because if you are bracing this wall you can go right out there.

Mr. CAMPIOLI. Well, except that you would have an exposed corner join there where you can't get an adequate expansion joint. You have to overlap this portion here and come out beyond that point (indicating) so that when you come right out this way and develop a buttress here you have a joint that is away from the existing sandstone corner of the west central wing.

Mr. STRATTON. Even if you do that, accepting this—and I won't accept it without a little bit more anaylsis than what we have here—you still don't have to go more than 15 feet out there, do you?

Mr. SEVERUD. No; I think we could handle it.

Mr. ANDREWS. Dr. Clair, do you have a statement you want to make in connection with this?

Dr. CLAIR. You are developing here into architecture which I refuse to comment on. Of course, it seems to me obvious that is an architectural question.

Mr. ANDREWS. Let me ask you this final question and then we will adjourn the committee and go answer the roll call: Is it your professional opinion that the proper thing to do is to give this West Front lateral support which means extending the West Front?

Dr. CLAIR. It means you have an extension of the West Front in order to do it.

Mr. ANDREWS. That is my question.

Dr. CLAIR. Of course you have to have it.

Mr. ANDREWS. Lateral support means extending the West Front?

Dr. CLAIR. And I am not saying how far. I am just saying you have to extend it.

Mr. ANDREWS. Mr. Severud, is that your opinion?

Mr. SEVERUD. Yes.

Dr. CLAIR. I think that is what we agree on.

Mr. ANDREWS. Now, the question of how far an extension, and so forth, is an architectural question?

Dr. CLAIR. That is an architectural question.

Mr. YATES. Structurally, in order to have the type of restoration here, would you have to vacate all these rooms (indicating) the rooms indicated on that chart, in order to have a restoration? You were indicating yes?

Mr. SEVERUD. Yes.

Mr. YATES. May I return to meaning of restoration. What is meant by restoration? We couldn't just have the same wall, could you? Wouldn't you have to rebuild the wall if a restoration were ordered?

Mr. SEVERUD. Yes.

Mr. YATES. What would you have to do in that event?

Mr. SEVERUD. Well, I would say that is something Dr. Clair can answer better because it is a question of removing certain stones, removing stones above that, and even so, with the evidence of the stresses in the wall, as indicated by the falling of that piece of the cornice, it is a dangerous thing. I venture to say it would be hard to do it without an accident.

Dr. CLAIR. You have to remove the architrave and rebuild it, there is no question about that whatsoever. You have to remove many of the arch stones and you have got to remove many of the stones already fractured. You have a wall then that is going to look like blazes but that is an architectural question. You are talking now on the structural aspect, what you have to do structurally; is that right?

Mr. YATES. Yes, that is right. Would you have to reconstruct that wall even with the so-called restoration?

Dr. CLAIR. You could hardly end up without removing at least 30 or 40 percent of the wall.

Mr. ANDREWS. Take the blocks out and see in what condition they are in?

Dr. CLAIR. To see what your condition is, yes.

Mr. ANDREWS. And put them back?

Dr. CLAIR. As soon as you take one out you

are usually in trouble with another one, and so on.

Mr. CASEY. In the meantime the roof falls in on some workingman.

Mr. ANDREWS. I don't want to be around here when that thing collapses.

Mr. YATES. How difficult a process is this, shoring this up?

Mr. SEVERUD. The main difficulty is in the borderline between what is gutted and what remains.

Mr. YATES. What can happen?

Mr. SEVERUD. You have to be able to take the lateral thrust before you gut the building. That requires ingenuity. It can be done. We did part of that in the East Front. We had to cut an opening in these arches. So we know it could be done but it would require shoring that would go beyond some of these rooms, the gutted portion, some of those would have to be vacated.

Mr. YATES. Have you any idea what the cost of that is likely to be?

Mr. SEVERUD. I have burned my fingers on so many costs that I don't quote them any more.

Mr. ANDREWS. Let me ask you one final question: When you were called in for professional advice on this West Front matter were you given a free choice to recommend restoration or extension?

Mr. SEVERUD. Yes, sir.

Mr. ANDREWS. And your recommendation was extension?

Mr. SEVERUD. Without hesitancy.

Mr. ANDREWS. There was no pressure put on you?

Mr. SEVERUD. No.

Mr. ANDREWS. No coercion?

Mr. SEVERUD. No, sir.

Mr. ANDREWS. Your recommendation for extension is your own free will recommendation based on your professional knowledge as one of the outstanding engineers in this country?

Mr. SEVERUD. And without the shadow of a doubt.

Mr. STRATTON. Just so you don't put any words in his mouth, Mr. Chairman, this is an extension up to 15 feet? You didn't necessarily maintain that the only way you could do the extension job was to go out 44 feet and put in all of the various appurtenances that are involved in the project which the architect of the Capitol has recommended.

Mr. SEVERUD. That is right?

Mr. YATES. That is an architectural question.

Mr. ANDREWS. Dr. Clair, I want to ask you the same questions I asked him about your professional opinion. You heard that question, did you not?

Dr. CLAIR. My answer is the same as his. I want to reiterate, and I sent something in this letter so that it is in writing, I say to you as I said to the architectural group: If you don't like what I wrote you go and write your own reply.

Mr. ANDREWS. That is a good statement.

The committee is adjourned.

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

Mr. YATES. I yield to the gentleman.

Mr. HALL. I appreciate the gentleman yielding and I appreciate the statement the gentleman has just made.

May I ask the gentleman if this accounts for the increase in the conference report over that of either body in the funding for the Architect of the Capitol?

Mr. YATES. Yes, I think that is the reason for the increase.

Mr. HALL. I thank the gentleman.

Secondly, may I ask him if the funding here for the Library of Congress involves the new so-called Madison Library?

Mr. YATES. I will say to the gentleman that there are no such funds in disagreement in the conference report.

Mr. HALL. May I ask the same question about the Government Printing Office—the item of $40,000,000; does that involve either land acquisition or a new building for the Government Printing Office?

Mr. YATES. I am quite sure that it does not.

Mr. HALL. Finally, may I ask about the General Accounting Office—the item of $63,000,000; is there a new building or land acquisition involved in that area?

Mr. YATES. There is no new building or land acquisition involved in that. Our committee was concerned with the necessity of having adequate supervision over the enormous budget of the Department of Defense by the General Accounting Office. A significant portion of the figure that the gentleman read would go toward a new organization in the General Accounting Office to provide adequate review of the operations of that department.

Mr. HALL. In other words, it is an operations matter and not brick and mortar?

Mr. YATES. That is right.

Mr. HALL. I thank the gentleman.

(Mr. YATES asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. ANDREWS of Alabama. I yield 10 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Speaker, as perhaps the principal opponent in the House of the proposal for extending the west front of the Capitol in the elaborate manner outlined in so-called plan 4, I would like to comment on this conference report and also to express my appreciation to the distinguished gentleman from Alabama (Mr. ANDREWS), the chairman of the subcommittee, and the distinguished gentleman from Illinois (Mr. YATES), for their courtesy in inviting me to sit in with the subcommittee when this matter of restoration, repair, and so forth, versus extension was explored in some detail.

I understand that the gentleman from Illinois has received unanimous consent to include in the RECORD today the text of the transcript of that hearing, and I believe it will bear out some of the points that I want to try to summarize very quickly in my remarks.

I am not sure that the gentleman from Alabama and the gentleman from Illinois would agree with all of the conclusions that I would draw from that hearing, but basically I think these are the main points:

First, the hearing supported my contention that there was never any study made of the reasons for extending the Capitol vis-a-vis simply repairing it and renovating it. Dr. Clair, who made the original detailed study which has been so frequently referred to, agreed—and the text that the gentleman from Illinois has put in the RECORD will bear this out—that he had arrived at that conclusion himself but did not include the reasoning behind that conclusion in his study. I think for most of us, however, before we embark on a $60-, $70-, or even a $45-million spending program, we would first like to know the reasons why it is desirable and not just the conclusion.

Mr. YATES. Mr. Speaker, will the gentleman yield briefly?

Mr. STRATTON. I yield briefly to the gentleman from Illinois.

Mr. YATES. The gentleman remembers that in the testimony it was pointed out that the report gave sufficient information so that an engineer could draw his conclusions from that. That appears in the transcript and will supplement the gentleman's statement.

Mr. STRATTON. That is true, but we in this body are not engineers and, as I said a moment ago, I think before we here embark upon a $45 million spending program or more likely $60 million or $70 million, I think we, as the people's representatives, ought to have reasons that would make sense to us and not merely those that would make sense just to professional engineers.

Second, Mr. Severud, who is the expert referred to by the gentleman from Illinois in his very eloquent presentation here several weeks ago before a hushed and spell-bound Chamber, also appeared at this hearing. He is associated with the architectural firm of Poor, and he was quite frank in admitting that he has not only been associated with them in connection with the preparation of the west front extension but had also been associated with them on the extension of the east front.

Frankly, I was impressed with him. He seems to be a competent engineer. He said himself that he made a study on his own and concluded that it would not be desirable to restore or to repair the west front but that extension would be better, but he himself agreed that this study of his had not been placed on paper. And when I said, "Well, we in the House and Senate would like to have your reasoning; could you not put it on paper for $250,000, since that is what the other body wants to spend for this study?" Very honestly and candidly he said, "I think you ought to have an independent engineer do that job. I have been too closely associated with the extension project."

Mr. YATES. Mr. Speaker, will the gentleman yield at that point?

Mr. STRATTON. I am glad to yield to the gentleman from Illinois.

Mr. YATES. As the gentleman knows, as a result of the conference, the study will be made by an independent firm.

Mr. STRATTON. I am going to get to all of those questions, I will say to my friend. I am trying to summarize what I take to be the results of our conference.

Mr. YATES. I was trying to help the gentleman.

Mr. STRATTON. The gentleman is always helpful.

Mr. Severud did not specifically say that the restoration or repair and renovation, which I would call it, was impossible. He said it could be done, but he said he felt himself such a job would require the emptying of certain rooms adjacent to the west front of the Capitol for a longer period than would be desirable and that he himself was in favor of an extension because it would supply

the necessary lateral support from the outside.

However, he also said—and I thought this was another rather frank admission—that we do not have to go 88 feet out from the old wall to get the necessary support, or even 44 feet. All we have to go is 15 feet.

He further said that in order to get the support he felt was necessary to keep the wall from falling down, we do not have to include all the escalators, restaurants, movie theaters, and lavatories that are included in extension plan No. 2, which has been before us for some time.

So on the basis of this rather frank statement, which I felt presented the situation more clearly than I had ever had it presented to me before, we have now before us the conference agreement which does provide for the study which many of us have been asking for, to examine exactly what needs to be done to repair and restore the building, and how much it would cost.

Mr. Severud's comments on repair versus extension to which I have already alluded, are of course his own. They do not represent a formal study. This is what we are now going to get: An independent study, as the gentleman from Illinois says, within a period of 6 months before the $2 million for plans and specifications of the familiar extension plan provided in the conference report will be available for spending.

The conference version also specifies certain steps which this restoration study has got to meet. Frankly, I think they are a little strict, but we cannot get everything, I guess, in a conference agreement. They provide, for example, that the cost of repair cannot exceed $15 million. That is only one-third of the expected cost of the extension. If we could get restoration for $30 million and save the taxpayers $15 million, I think it would still be very much warranted.

It also provides there should not be any more requirement to vacate spaces in the west side of the Capitol during restoration than would be required in extension. It requires further that the plan would have to put the building in as sound a condition for the foreseeable future as would extension.

As I say, I think some of these requirements are perhaps a little strict, but I would be prepared to live with them.

Mr. ANDREWS of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. Mr. Speaker, I think it might be well for the RECORD and for the Members of the House to point out these five specifics were not put in there by those who favor extension. The were suggested by the champion of restoration, the senior Senator from Wisconsin, in the conference, and we went along with his suggestion.

Mr. STRATTON. Mr. Speaker, not being a member of the conference, of course, I would have to yield to the Senator from Wisconsin as being the champion of restoration within the conference committee, and he, of course, has done a very effective job. I am well aware of the points the gentleman makes.

I still say, however, that I think they are a little strict, but they are a vast improvement over what we have had before.

The way this works out is that the study will have to be done within 6 months, and then it will be presented to the Commission on Extension of the Capitol, made up of the Speaker and the Majority Leader and the Vice President and the Architect of the Capitol, and the leaders from the other body. And they will have one thing first of all to determine: whether the study meets the stiff requirements set out in the conference report to which I have just alluded.

Very frankly, I wish we were not giving as much authority to the Commission on the Extension of the Capitol. I think this has been one of the problems in this whole matter of the extension of both the East Front and the West Front, the fact that previous Congresses have delegated too much authority to this commission, and as a result we have not had a chance to analyze their decisions.

Secondly, if this particular jury—which does have, as I understand it now, some members now who favor restoration, but a majority of them are still in favor of the extension plan No. 2—decides that the independent study does not meet all the requirements, the $15 million, for example, the vacating of space, the soundness structurally, and so on, then the Commission is free to begin immediately with extension plan No. 2. And they alone will be the judge.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ANDREWS of Alabama. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. STRATTON. Mr. Speaker, I want to be able to tell the House how fair the gentleman has been, and I hope to be able to do it in the time that has been yielded to me.

As I say, not only are the Commission members the ones to be the judge, but if they decide the restoration study does not meet the requirements, then the commission majority certainly leans strongly toward extension and they can then move immediately to plan No. 2 without any opportunity to come back to the House and say, "We have to extend but perhaps it would be better to extend by only 15 feet instead of going out 88 feet, as Mr. Severud, the engineer, indicated would be the minimum in requirements."

It does seem to me, regardless of whether the study does or does not meet the specifications set out, the matter still ought to come back to the House to see whether we can somehow get a cheaper, simpler, more austere kind of extension without all the frills which would turn the West Front of the Capitol, this sacred and historic shrine of democracy, into a kind of Washington version of Disneyland.

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

Mr. STRATTON. I am glad to yield to the gentleman from Illinois.

Mr. YATES. I wish to point out, as I am sure the gentleman knows, two Members of the Commission from the other body voted in favor of restoration and would be in a position, if they did not agree with the majority of the Members, to file minority views.

Mr. STRATTON. That is true. On the other hand, three still is bigger than two.

Let me say that while these two points disturb me and while I believe the House probably made a mistake in turning over as much power as it did to the Commission on the extension of the Capitol, in the first place, there are several practical remedies which will still be available to us.

In the first place, it is going to take 6 months for this study to be completed. By that time we will be well into calendar year 1970 and presumably, if we do better than we have done this year, we will also be well into the legislative appropriations bill for fiscal year 1971. Even if the members of the Commission do not believe that the study meets their requirements the text of the study would be a public document, available to all Members of the House. So I believe it would be possible for Members of the House, when the legislative branch appropriation bill for 1971 comes up, to override the recommendations of the Commission and to require that instead of proceeding with extension plan No. 2 we come up with some alternative and cheaper plan.

In view of this practical opportunity that is given by this conference report to Members of the House like myself and the other 164 Members who voted with me when we had this issue before us, we are probably protected better under this conference report than we have ever been protected before.

Since we will now have a study, an independent study, I do believe that it will now be possible to consider the question of whether we have to have this kind of Howard Johnson Restaurant on the west front of the Capitol, and whether we have to destroy the Olmsted Terraces, and whether we have to deface the present west front architecture and come up with a poor man's imitation of the east front. I believe we probably would have an opportunity to argue all these questions before the $2 million which is appropriated here will actually be obligated in 1971.

In the few minutes which remain I want to reiterate my expression of esteem for the gentleman from Alabama, as I promised to do. He has been eminently fair with me. I believe the record of the hearings will show I was perhaps a rather rough interrogator of some of the witnesses who appeared before his subcommittee. But we did have an opportunity, I believe, to explore some of the basic issues, and I do appreciate being included in those deliberations.

Considering our failure to win a majority in the House, I believe the conference report does represent a livable and viable alternative.

I want to thank the chairman and the other members of the Committee for coming up with the recommendation they have come up with.

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

Mr. STRATTON. I yield to the gentleman from Illinois.

Mr. YATES. I commend the gentle-

man for the fight he has put on in the House over the years to have a study made as to the possibility of having restoration. In great measure I believe the study authorized by this conference is attributable to the eloquence of the gentleman and his determination. And, I think that this committee had the gentleman very much in mind in coming to the conclusion that a study should be made.

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

The previous question was ordered.

The conference report was agreed to.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

Mr. ANDREWS of Alabama. Mr. Speaker, inasmuch as the amendments numbered 1 through 34 pertain solely to housekeeping operations of the other body and amendments 39 through 41 pertain to the other body, the longstanding practice has been that we leave those matters to the other body. Therefore, in order to save time, I ask unanimous consent that Senate amendments numbered 1 through 34 and Nos. 39 through 41 be considered en bloc.

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

There was no objection.

The Clerk read as follows:

SENATE

COMPENSATION OF THE VICE PRESIDENT AND SENATORS, MILEAGE OF THE PRESIDENT OF THE SENATE AND SENATORS, AND EXPENSE ALLOWANCES OF THE VICE PRESIDENT AND LEADERS OF THE SENATE

COMPENSATION OF THE VICE PRESIDENT AND SENATORS

For compensation of the Vice President and Senators of the United States, $4,685,530.

MILEAGE OF PRESIDENT OF THE SENATE AND OF SENATORS

For mileage of the President of the Senate and of Senators, $58,370.

EXPENSE ALLOWANCES OF THE VICE PRESIDENT, AND MAJORITY AND MINORITY LEADERS

For expense allowance of the Vice President, $10,000; Majority Leader of the Senate, $3,000; and Minority Leader of the Senate, $3,000; in all, $16,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, clerks to Senators, and others as authorized by law, including agency contributions and longevity compensation as authorized, which shall be paid from this appropriation without regard to the below limitations, as follows:

OFFICE OF THE VICE PRESIDENT

For clerical assistance to the Vice President, $281,187.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For offices of the majority leader and the minority leader, $106,930: *Provided,* That effective November 1, 1969, the respective leaders may each appoint and fix the compensation of an administrative assistant at not to exceed $31,317 per annum, a legislative assistant at not to exceed $28,908 per annum, an executive secretary at not to exceed $15,111 per annum, and a clerical assistant at not to exceed $12,921 per annum in lieu of the positions heretofore authorized by Senate Resolution 158, agreed to December 9, 1941, Public Law 86-30, approved May 20, 1959, and Senate Resolution 240, agreed to January 24, 1952.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For offices of the majority and minority whips, $68,730: *Provided,* That effective November 1, 1969, the whips may each appoint and fix the compensation of an administrative assistant at not to exceed $30,003 per annum, and an executive secretary at not to exceed $15,111 per annum.

OFFICE OF THE CHAPLAIN

For office of the Chaplain, $17,185: *Provided,* That effective November 1, 1969, the compensation of the Chaplain shall be $10,074 per annum and he shall be subject to election at the beginning of each Congress: *Provided further,* That the Chaplain may appoint and fix the compensation of a secretary at not to exceed $8,541 per annum.

OFFICE OF THE SECRETARY

For Office of the Secretary, $1,675,448, including $144,673 required for the purpose specified and authorized by section 74b of title 2, United States Code: *Provided,* That effective November 1, 1969, the Secretary may fix the compensation of the Assistant Secretary at not to exceed $11,826 per annum, employ and fix the compensation of a Special Assistant at not to exceed $10,293 per annum in lieu of an Assistant at $8,760 per annum, employ and fix the compensation of an Editor, Digest at not to exceed $21,024 per annum, an Assistant Editor, Digest at not to exceed $18,396 per annum, and a Clerk, Digest at not to exceed $8,541 per annum: *Provided further,* That, effective November 1, 1969, the Secretary is authorized to appoint a Comptroller of the Senate at a salary of $35,259 per annum, and a Secretary to the Comptroller at a salary of not to exceed $12,921 per annum, and the allowance for clerical assistance and readjustment of salaries in the disbursing office is hereby made available for personnel at such titles and per annum rates as may be necessary, at no time exceeding an aggregate of $249,660.

COMMITTEE EMPLOYEES

For professional and clerical assistance to standing committees and the Select Committee on Small Business, $4,017,014.

CONFERENCE COMMITTEES

For clerical assistance to the Conference of the Majority, at rates of compensation to be fixed by the chairman of said committee, $115,619.

For clerical assistance to the Conference of the Minority, at rates of compensation to be fixed by the chairman of said committee, $115,619.

ADMINISTRATIVE AND CLERICAL ASSISTANTS TO SENATORS

For administrative and clerical assistants to Senators, $24,656,608: *Provided,* That the clerk hire allowance of each Senator from the State of Connecticut shall be increased to that allowed Senators from States having a population of three million, the population of said State having exceeded three million inhabitants: *Provided further,* That, effective November 1, 1969, paragraph (1) of section 105(d) of the Legislative Branch Appropriation Act, 1968, as amended (2 U.S.C. 61-1(d)), is amended by increasing each of the amounts in the table therein relating to Senators' clerk hire allowances by $23,652, and paragraph (2)(i) of such section is amended to read as follows: "(i) the salary of two employees may be fixed at gross rates of not more than $23,652 per annum,".

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

For Office of Sergeant at Arms and Doorkeeper, $4,915,909: *Provided,* That effective November 1, 1969, the Sergeant at Arms is authorized to employ the following additional employees: A Systems Programer at $15,987 per annum, a Production Manager at $14,454 per annum, an Applications Programer at $13,797 per annum, an Operator at $10,074 per annum, an Operator at $9,417 per annum, and six plainclothesmen, Police Force, at $8,760 per annum each in lieu of six Privates at $8,322 per annum each.

OFFICES OF THE SECRETARY FOR THE MAJORITY AND MINORITY

For the offices of the Secretary for the Majority and the Secretary for the Minority, $196,612.

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the Office of the Legislative Counsel of the Senate, $374,100.

PAYMENT TO WIDOW OF DECEASED SENATOR

For payment to Louella Dirksen, widow of Everett McKinley Dirksen, late a Senator from the State of Illinois, $49,500.

CONTINGENT EXPENSES OF THE SENATE

SENATE POLICY COMMITTEES

For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, $236,720 for each such Committee; in all, $473,440.

AUTOMOBILES AND MAINTENANCE

For purchase, exchange, driving, maintenance, and operation of four automobiles, one for the Vice President, one for the President Pro Tempore, one for the Majority Leader, and one for the Minority Leader, $50,880.

FURNITURE

For service and materials in cleaning and repairing furniture, and for the purchase of furniture, $31,190: *Provided,* That the furniture purchased is not available from other agencies of the Government.

INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, including $431,775 for the Committee on Appropriations, to be available also for the purposes mentioned in Senate Resolution Numbered 193, agreed to October 14, 1943, $6,646,755, of which amount $6,000 is hereby made available for obligations incurred in fiscal year 1968.

FOLDING DOCUMENTS

For the employment of personnel for folding speeches and pamphlets at a gross rate of not exceeding $2.82 per hour per person, $46,355.

MAIL TRANSPORTATION

For maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, $16,560.

MISCELLANEOUS ITEMS

For Miscellaneous Items, exclusive of labor, $5,708,986 including $497,000 for payment to the Architect of the Capitol in accordance with section 4 of Public Law 87-82, approved July 6, 1961, and $15,000 for expenses of the Commission on Art and Antiques of the Senate.

For an additional amount for "Miscellaneous Items, fiscal year 1969", $300,000, to be derived by transfer from the appropriation "Salaries, officers and employees, Senate, fiscal year 1969".

POSTAGE STAMPS

For postage stamps for the Offices of the Secretaries for the Majority and Minority, $240; and for air mail and special delivery stamps for the Office of the Secretary, $350; Office of the Sergeant at Arms, $215; Senators and the President of the Senate, as authorized by law, $119,328: *Provided,* That

the maximum allowance per capita of $960 is increased to $1,056 for the fiscal year 1970 and thereafter: *Provided further*, That Senators from States partially or wholly west of the Mississippi River shall be allowed an additional $264 each fiscal year; in all, $120,133.

STATIONARY (REVOLVING FUND)

For stationery for Senators and the President of the Senate, $363,600; and for stationery for Committees and officers of the Senate, $14,250; in all, $377,850; *Provided*, That effective with the fiscal year 1970 and thereafter the allowance for stationery for each Senator and the President of the Senate shall be at the rate of $3,600 per annum; *Provided further*, That section 106 of the Legislative Branch Appropriation Act, 1969 (Public Law 90–417, approved July 23, 1968), is hereby made applicable to the President of the Senate.

COMMUNICATIONS

For an amount for communications which may be expended interchangeably, in accordance with such limitations and restrictions as may be prescribed by the Committee on Rules and Administration, for payment of charges on official telegrams and long-distance telephone calls made by or on behalf of Senators or the President of the Senate, in addition to those otherwise authorized, $15,150.

ADMINISTRATIVE PROVISIONS

Effective October 1, 1969, the third paragraph under the heading "Administrative Provisions" in the appropriations for the Senate in the Legislative Branch Appropriation Act, 1957, as amended (2 U.S.C. 53), is amended by striking out "$300" and inserting in lieu thereof "$400", and by inserting before the colon preceding the proviso therein a comma and the following: "or incurred for subscriptions to newspapers, magazines, periodicals, or clipping or similar services".

Effective July 1, 1969, the third paragraph under the heading "Administrative Provisions" in the appropriations for the Senate in the Legislative Branch Appropriation Act, 1959, as amended (2 U.S.C. 43b), is amended by striking out the portion thereof relating to payments from the Contingent Fund of the Senate and inserting in lieu thereof the following:

"The Contingent Fund of the Senate is hereafter made available for reimbursement of transportation expenses incurred by Senators in traveling, on official business, by the nearest usual route, between Washington, District of Columbia, and any point in their home States, for not to exceed twelve round trips (or the equivalent thereof in one-way trips) in each fiscal year,".

Section 6(c) of the District of Columbia Traffic Act, 1925 (D.C. Code, sec. 40–603(c)), is amended by inserting after "Senate and House of Representatives," the words "Comptroller of the Senate,".

The first sentence of the second paragraph under the heading "Administrative Provisions" in the Legislative Branch Appropriation Act, 1962, as amended (2 U.S.C. 127), is amended to read as follows: "The contingent fund of the Senate is hereafter made available for reimbursement of transportation expenses incurred in traveling by the nearest usual route between Washington, District of Columbia, and any point in the home State of the Senator involved, for not to exceed eight round trips made by employees in each Senator's office in any fiscal year, such payment to be made only upon vouchers approved by the Senator containing a certification by such Senator that such travel was performed in line of official duty." This provision shall take effect with respect to round trips commencing on or after the date of enactment of this Act.

No part of any appropriation disbursed by the Secretary of the Senate shall be available for payment of compensation to any person for any period for which such person is carried in a leave without pay status from a position in or under any department or agency of the Government.

SENATE OFFICE BUILDINGS

For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; for purchase of waterproof wearing apparel, and for personal and other services; including eight attendants at $1,800 each; for the care and operation of the Senate Office Buildings; including the subway and subway transportation systems connecting the Senate Office Buildings with the Capitol; uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902), to be expended under the control and supervision of the Architect of the Capitol; in all, $3,310,000, of which not to exceed $35,000 shall be available for expenditure without regard to section 3709 of the Revised Statutes as amended.

EXTENSION OF ADDITIONAL SENATE OFFICE BUILDING SITE

To enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to acquire on behalf of the United States, in addition to the real property heretofore acquired as a site for an additional office building for the United States Senate under the provisions of the Second Deficiency Appropriation Act, 1948, approved June 25, 1948 (62 Stat. 1028) and Public Law 85–591, approved August 6, 1958 (72 Stat. 495–496), by purchase, condemnation, transfer, or otherwise, for purposes of extension of such site, all publicly or privately owned property contained in lots 863, 864, 892, 893, 894, and 905 in Square 725 in the District of Columbia, and all alleys or parts of alleys and streets contained within the curblines surrounding said square, as such square appears on the records in the office of the surveyor of the District of Columbia as of the date of the approval of this Act: *Provided*, That any proceeding for condemnation brought under this Act shall be conducted in accordance with the Act of December 23, 1963 (16 D.C. Code, secs. 1351–1368): *Provided further*, That, notwithstanding any other provision of law, any real property owned by the United States and any alleys or parts of alleys and streets contained within the curblines surrounding Square 725 shall, upon request of the Architect of the Capitol, made with the approval of the Senate Office Building Commission, be transferred to the jurisdiction and control of the Architect of the Capitol, and any alleys or parts of alleys or streets contained within the curblines of said square shall be closed and vacated by the Commissioner of the District of Columbia, appointed pursuant to Part III of Reorganization Plan Numbered 3 of 1967, in accordance with any request therefor made by the Architect of the Capitol with the approval of such Commission: *Provided further*, That, upon acquisition of any real property pursuant to this Act, the Architect of the Capitol, when directed by the Senate Office Building Commission to so act, is authorized to provide for the demolition and/or removal of any buildings or other structures on, or constituting a part of, such property and, pending demolition, to use the property for Government purposes or to lease any or all of such property for such periods and under such terms and conditions as he may deem most advantageous to the United States and to incur any necessary expenses in connection therewith: *Provided further*, That the jurisdiction of the Capitol Police shall extend over any real property acquired under this Act and such property shall become a part of the United States Capitol Grounds; and the Architect of the Capitol, under the direction of the Senate Office Building Commission, is authorized to enter into contracts and to make such expenditures, including expenditures for personal and other services, as may be necessary to carry out the purposes of this appropriation: $1,250,000, to remain available until expended.

SENATE GARAGE

For maintenance, repairs, alterations, personal and other services, and all other necessary expenses, $76,000.

Mr. ANDREWS of Alabama (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the amendments be dispensed with and they be printed in the RECORD.

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

There was no objection.

MOTION OFFERED BY MR. ANDREWS OF ALABAMA

Mr. ANDREWS of Alabama. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ANDREWS of Alabama moves that the House recede from its disagreement to the amendments of the Senate numbered 1 through 34, and nos. 39 through 41, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment numbered 37: On page 28, line 1, strike out:

"EXTENSION OF THE CAPITOL

"For an additional amount for 'Extension of the Capitol', $2,000,000."

And insert the following:

"WEST FRONT OF THE CAPITOL

"For the conduct of studies to determine the feasibility and cost of restoring the west-central front of the Capitol, without regard to any other act, $250,000, which shall be transferred to the appropriation for 'Preservation of Historic Properties', National Park Service, Department of the Interior."

MOTION OFFERED BY MR. ANDREWS OF ALABAMA

Mr. ANDREWS of Alabama. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ANDREWS of Alabama moves that the House recede from its disagreement to the amendment of the Senate numbered 37 and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following:

"EXTENSION OF THE CAPITOL

"For an additional amount for 'Extension of the Capitol', $2,275,000, to be expended under the direction of the Commission for Extension of the United States Capitol as authorized by law: *Provided*, That such portion of the foregoing appropriation as may be necessary shall be used for emergency shoring and repairs of, and related work on, the west central front of the Capitol: *Provided further*, That not to exceed $250,000 of the foregoing appropriation shall be used for the employment of independent nongovernmental engineering and other necessary services for studying and reporting (within six months after the date of the employment contract) on the feasibility and cost of restoring such west central front under such terms and conditions as the Commission may determine: *Provided, however*, That pending the completion and consideration of such study and report, no further work toward extension of such west central front shall be carried on: *Provided further*, That after submission of such study and report and consideration thereof by the Commission, the Commission shall direct the preparation of final plans for extending such west central front in accord with Plan 2

(which said Commission has approved), unless such restoration study report establishes to the satisfaction of the Commission:

"(1) That through restoration, such west central front can, without undue hazard to safety of the structure and persons, be made safe, sound, durable, and beautiful for the foreseeable future;

"(2) That restoration can be accomplished with no more vacation of west central front space in the building proper (excluding the terrace structure) than would be required by the proposed extension Plan 2;

"(3) That the method or methods of accomplishing restoration can be so described or specified as to form the basis for performance of the restoration work by competitive, lumpsum, fixed price construction bid or bids;

"(4) That the cost of restoration would not exceed $15,000,000;

"(5) That the time schedule for accomplishing the restoration work will not exceed that heretofore projected for accomplishing the Plan 2 extension work: *Provided further*, That after consideration of the restoration study report, if the Commission concludes that all five of the conditions hereinbefore specified are met, the Commission shall then make recommendations to the Congress on the question of whether to extend or restore the west central front of the Capitol."

Mr. ANDREWS of Alabama (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the motion be dispensed with and it be printed in the RECORD.

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

There was no objection.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

## GENERAL LEAVE

Mr. ANDREWS 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. Is there objection to the request of the gentleman from Alabama?

There was no objection.

## PERMISSION FOR COMMITTEE ON BANKING AND CURRENCY TO HAVE UNTIL MIDNIGHT TONIGHT TO FILE CONFERENCE REPORT ON S. 2864, THE HOUSING ACT OF 1969

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a conference report on the Housing Act of 1969, S. 2864.

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

There was no objection.

## AUTHORIZING DISPOSAL OF CERTAIN REAL PROPERTY IN THE CHICKAMAUGA AND CHATTANOOGA NATIONAL MILITARY PARK, GA.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9163) to authorize the disposal of certain real property in the Chickamauga and Chattanooga National Military Park, Ga., under the Federal Property and Administrative Services Act of 1949, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "under that Act" and insert: "subject to the retention by the Department of the Interior of a reversionary interest in perpetuity with respect to any portion of such property not utilized for educational purposes under that Act,".

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

There was no objection.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, H.R. 9163 was considered by the House on October 20. At the same time that we discussed this legislation there was some concern with the prospects that the lands might be used for other than educational purposes. Since the purpose for this proposed disposal is to make presently unneeded park lands available for the development of a much needed educational complex, the enactment of H.R. 9163 is highly appropriate.

The other body has approved H.R. 9163 with an amendment providing that the Secretary of the Interior should retain a reversionary interest in the property in perpetuity. In the unlikely event that some or all of the property should not be needed or used for educational purposes at any time in the future, the amendment will assure that the property will revert to the United States for use for park purposes.

Mr. Speaker, I urge the House to concur in the Senate amendment to H.R. 9163.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

## EXTENSION OF VOTING RIGHTS ACT OF 1965

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 714, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 714

*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. 4249) to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices. 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 of the Judiciary, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider, without the intervention of any point of order, the text of the bill H.R. 12695 as an amendment to the bill. At the conclusion of the consideration of H.R. 4249 for amendment, the Committee shall rise and report the bill to the House with such amendments as may have 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 with or without instructions.

The SPEAKER pro tempore. The gentleman from Indiana (Mr. MADDEN) is recognized for 1 hour.

## CALL OF THE HOUSE

Mr. BOW. 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. MADDEN. 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. 313]

| | | |
|---|---|---|
| Addabbo | Fulton, Tenn. | Powell |
| Ashley | Fuqua | Price, Tex. |
| Barrett | Hagan | Reifel |
| Brooks | Hays | Riegle |
| Byrne, Pa. | Hogan | Ruppe |
| Cahill | Hosmer | Saylor |
| Clark | Hull | Scheuer |
| Collier | Kirwan | Tunney |
| Cowger | Kuykendall | Utt |
| Cramer | Kyl | Vander Jagt |
| Dawson | Landgrebe | Vigorito |
| Dingell | Landrum | Whalley |
| Eilberg | Lipscomb | Wilson, |
| Evins, Tenn. | Mailliard | Charles H. |
| Fascell | Passman | Wright |
| Frelinghuysen | Pollock | |

The SPEAKER pro tempore. On this rollcall 387 Members have answered to their names, a quorum.

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

## EXTENSION OF VOTING RIGHTS ACT OF 1965

The SPEAKER pro tempore. The gentleman from Indiana (Mr. MADDEN) is recognized for 1 hour.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. SMITH), pending which I yield myself such time as I may consume.

Mr. Speaker, H.R. 4249 calls for an extension of the pending Voting Rights Act of 1965 for an additional 5 years. The rule calls for 3 hours' general debate, open rule, with permission for substitute amendments. Points of order are waived due to the fact that H.R. 12695 may not be considered germane.

The purpose of the 1965 Voting Rights was to aid American citizens who previously had been disenfranchised under local laws or technicalities to enjoy the right of franchise given to them under the 15th amendment of the U.S. Constitution. Previous enactment of Federal laws to eliminate discrimination in voting procedures in certain areas, primarily in the South, had failed to carry out protection for these disenfranchised citizens. Certain States initiated laws and procedures designed to block provisions of legislation pending before the enactment of the 1965 Voting Rights Act. The most common among these procedures of denying citizens the franchise was the use of literacy tests. For ex-

ample, in one State in the southern area, registration increased only 2 percent from 1954 to 1964—a period of 10 years. In this particular State 70 percent of the white citizens of voting age were registered, as compared with only 6.4 percent figure for nonwhites. In certain other States in the southern locality the same meager registration existed prior to the enactment of the 1965 Voting Rights Act, which this bill calls for extending for a 5-year period.

When the 1965 Voting Rights Act was passed in the Senate 4 years ago the roll-call vote was 77 to 19. The House passed the same legislation by a landslide vote of 333 to 85 on July 9, 1965. The 1965 act has been a remarkable success in giving previously disenfranchised citizens their constitutional right to vote. As an example, Negro registration has jumped in these areas from 29 percent to 52 percent. In those States covered by the 1965 act more than 800,000 Negroes have been registered and the number of blacks elected to office has increased from 78 to nearly 500. Despite this success, Negro voting registration is still low in numerous counties within these States. The provisions of the 1965 act are due to expire in August 1970. If this catastrophe should occur that this legislation were not extended, no doubt there would be massive reregistration drives to deny thousands of American citizens voting rights already won, as well as depriving relief still denied thousands of citizens in States and localities now covered. Weakening this voting rights bill will bring about adidtional dissension and racial bitterness in areas of disenfranchisement.

Under this law the Attorney General, guided by standards set out in the act, can appoint Federal examiners and observers in areas covered by the legislation. The appointment of examiners is only to be made where there is evidence of violation of the 15th amendment, due to the manipulation of the registration system. The examiners prepare lists of eligible voter applicants whom State officials are required to register.

I understand that in considering this extension three major amendments are anticipated. One is the administration's substitute; second a change in coverage formula; and, third, a national ban on literacy tests.

Regional legislation helping the disenfranchised voter is necessary when regional problems exist. The U.S. Civil Rights Commission already has statutory authority to conduct investigations and make recommendations regarding voting fraud and irregularities.

An amendment will be offered to base the act's coverage formula on 1968 election voter participation rather than 1964 election voter participation. If this amendment were accepted, Mississippi, Alabama, Louisiana, and Virginia—all presently covered—would escape coverage.

States that have in good faith eliminated discrimination in voting—as evidenced in 1968 results, compared to those of 1964—should no longer be punished for past wrongs.

The improvement in nonwhite voter registration and participation is the result of the law and its enforcement more than so-called good faith efforts on the part of the States. Continued resistance and defiance of this law can be documented. For example, after passage of the 1965 Voting Rights Act, Mississippi made three amendments to the Mississippi statutes which would have had the effect of interfering with Negroes' access to public office. These changes were made without Federal preclearance, in direct defiance of the law.

Despite general improvement, disparities in white and nonwhite participation still exist in many localities.

I hope the House membership will vote to extend the present effective Voting Rights Act of 1965 by a large majority.

Mr. Speaker, today I received a letter from President Theodore M. Hesburgh, president of Notre Dame University, who President Eisenhower appointed as a member of the original Civil Rights Commission in 1957, and he is still serving and enthusiastically endorsed the continuance of the Voting Rights Act of 1965. I ask unanimous consent to include his letter with my remarks and ask for adoption of the rule to extend the 1965 Voting Rights Act for a period of 5 years.

The letter referred to is as follows:

U.S. COMMISSION ON CIVIL RIGHTS,
*Washington, D.C., December 8, 1969.*

HON. RAY J. MADDEN,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. MADDEN: This week the House of Representatives will vote on the extension of the Voting Rights Act of 1965 for another five years. The Commission on Civil Rights has amply documented the need for a simple extension of the Voting Rights Act with all of its protective provisions intact. The Administration's substitute is a much weaker bill. It is the judgment of the Commission that general electoral reforms should not be tied with the extension of the Voting Rights Act because the effect would be to dilute and confuse enforcement of Fifteenth Amendment rights with general reforms based on other considerations.

I have been a Member of the Commission on Civil Rights since 1957 when the original Commissioners were appointed by our late President Eisenhower. From my perspective of 12 years on the Commission, I think I can say that there has been no more effective piece of civil rights legislation than the Voting Rights Act of 1965. Prior to the passage of that statute, a succession of legislative and judicial pronouncements had proven totally ineffective to deal with historic and deep-rooted voting denials.

The Members of Congress of both parties who shaped and supported the 1965 Act can rightfully point with pride to one of the great legislative accomplishments of this decade. Their proof lies in the nearly two million newly enfranchised Negro voters in the South, in the 463 elected Negro office holders, and in the many changes which have taken place as a result of greater participation by Negroes in the political life of their communities, cities, States and Nation. The passage of that Act was one of political and moral correctness.

I do fear that many Members of Congress feel that the voting problems at which the 1965 Act was directed have been solved. They have not. The Fifteenth Amendment remains to be fully implemented. We cannot retreat on this front. If we do, we run the risk of endangering the faith of many of our people in the ability of our Government to meet the legitimate expectations of its citizens.

Sincerely yours,

THEODORE M. HESBURGH,
*Chairman.*

Mr. ANDREWS of Alabama. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Alabama.

Mr. ANDREWS of Alabama. Does the great State of Indiana have a literacy test for voting?

Mr. MADDEN. The State of Indiana allows its citizens over 21 years of age to vote, and every citizen who is qualified to vote, votes in the great State of Indiana.

Mr. ANDREWS of Alabama. My question is: Do you have a literacy test there? Can illiterates vote in Indiana?

Mr. MADDEN. What did you say?

Mr. ANDREWS of Alabama. Can illiterates vote in Indiana?

Mr. MADDEN. I say that everybody who votes in the State, qualified by age and citizenship, votes in the State of Indiana.

Mr. ANDREWS of Alabama. I do not think the gentleman has answered my question.

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

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

Mr. ROGERS of Colorado. May I state for the benefit of the gentleman from Alabama that the State of Indiana does not have a literacy test.

Mr. ANDREWS of Alabama. I thank the gentleman.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. SMITH) and reserve the balance of my time.

The SPEAKER pro tempore (Mr. ALBERT). The gentleman from California is recognized.

Mr. SMITH of California. Mr. Speaker, House Resolution 714 provides an open rule with 3 hours of debate for the consideration of H.R. 4249, extension of the Voting Rights Act of 1965. It also provides for the consideration of H.R. 12695 to amend the Voting Rights Act of 1965. The specific language in House Resolution 714 to make this possible is—

> It shall be in order to consider, without the intervention of any point of order, the text of the bill H.R. 12695 as an amendment to the bill.

Although the report states that the purpose of H.R. 4249 is to continue in full force and effect all the provisions of the Voting Rights Act of 1965 (79 Stat. 437) for an additional 5 years, it is noted that the title of the bill is to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices. It is further noted that the language refers specifically to section 4(a) and simply changes the word "five" to "ten" in three instances. Accordingly, some of us on the Rules Committee felt that some or possibly all of the provisions of H.R. 12695 might not be germane. This would be decided by the Chairman of the Committee of the Whole House. To avoid any question of germaneness, the "rule" was written as above indicated.

As of this moment, I am not absolutely certain whether H.R. 12695 will be offered in its entirety as an amendment, or by separate subjects. Nor am I definitely certain who will offer the same. But in any event, it is my understanding that all of the provisions offered will

also be subject to amendment. As I stated in the Rules Committee, it is not my intention to try to defeat H.R. 4249 by this rule. An opportunity will arise in due time to vote on the provisions of H.R. 4249 either in its entirety, or with any amendments that may be adopted. My intention is simply to permit the House to consider the language in the administration bill.

In view of the fact that we are now into December, and have considerable legislation to consider, particularly appropriation bills before adjournment, together with the fact that this act does not expire until August 1970, it would seem more practicable to me to defer this measure until we return next year.

And now, Mr. Speaker, I would like to review the two bills as I understand them to be.

H.R. 4249 extends for 5 years, until August 1975, those provisions of the Voting Rights Act of 1965 which are not permanent law. If not extended, such provisions would expire in August 1970.

Those provisions which will be extended include—

First, a suspension of any literacy test or device as a prerequisite for voter registration.

Second, this suspension is imposed on any State or political subdivision which on November 1, 1964, maintained such a test or device if in such State or political subdivision less than 50 percent of the residents of voting age were registered to vote or actually did vote in the 1964 presidential election.

Third. No new test or device could be enacted unless approved by the District Court of the District of Columbia or unless the proposed new test or device was submitted to the Attorney General who did not object to it within 60 days. Since passage of the act, over 225 voting laws have been submitted to the Attorney General for approval. Only four had been objected to as of July 1, 1969.

In 1966 the Supreme Court upheld the constitutionality of the 1965 act in *South Carolina* v. *Katzenback*, 383 U.S. 301.

States now covered by the act are: Louisiana, Mississippi, Georgia, Alabama, South Carolina, Virginia, 39 counties in North Carolina, one county in Arizona, and one in Hawaii.

The approach taken in H.R. 12695 is fundamentally different. No formula is used; the bill would apply equally to all jurisdictions; there is no "trigger." Basically, it would lessen the voter registration protection of the existing act while adding new provisions which are outside the scope of the act.

The differences are—

First. Section 5 of the Voting Rights Act requires a State or political subdivision covered by the act which seeks to change any voting law to first either obtain the approval of the Attorney General or sue for approval in the District Court of the District of Columbia. If there is no objection by the Attorney General within 60 days, such changes may be enforced. If he objects, such changes may not be enforced until the district court rules such changes are acceptable because they do not have the effect of denying any person the right to vote because of race or color. The burden of proof is clearly on the State to show no discrimination.

H.R. 12695 would repeal this section of the Act. For the existing procedure it would substitute statutory authority for the Attorney General to seek an injunction, in a three-judge Federal district court, against the enforcement of any voting qualification which has the purpose or effect of abridging the right to vote on account of race. This procedure would apply to all States and their political subdivisions, not just to those States covered by the 1965 act. This provision would place the burden of proof to show discrimination on the Government. The shift of the burden of proof is at least as significant as the removal of the triggering formula in favor of broadening coverage to all the States.

Second. The 1965 act contains a formula, or "trigger" which effectively limits the coverage of the act to a few States. The formula brings under the provisions of the act those States which on November 1, 1964, had a voter literacy test or other device if in such State or political subdivision less than 50 percent of the population of voting age were registered, or less than 50 percent of the population of voting age actually voted in the 1964 presidential election.

H.R. 12695 eliminates this provision from the act. In its place it provides a nationwide ban on all literacy tests until January 1, 1974.

Third. Section 6 of the Voting Rights Act authorizes the Attorney General to send Federal examiners into a State or political subdivision covered by the act if he has received 20 valid complaints alleging voter discrimination, or if he believes examiners are necessary to enforce the right to vote. These examiners prepare lists of voters whom State officials must register. Under section 8 of the act, Federal observers may be sent into areas previously designated to receive examiners in order to watch for irregularities.

H.R. 12695 broadens this authority to permit the Attorney General to send Federal examiners into any State or political subdivision if he has received 20 valid complaints or if he believes them necessary to enforce the right to vote; he is not limited to those areas covered by the 1965 act. Similarly, Federal observers may be sent to any State or political subdivision in the country if he believes it necessary to prevent discrimination. Examiners need not have been designated to be sent, as under the act, before observers go in.

Fourth. Present law and court decisions now permit States to condition the right to vote on literacy and other reasonable requirements not applied in a discriminatory manner. Some 20 States now have literacy tests. As indicated above, the 1965 act forbids the use of such tests if they were in effect on November 1, 1964, and if less than 50 percent of the voting age population was either registered on that date or actually voted in the 1964 presidential election.

H.R. 12695 would suspend all such literacy tests in all States until January 1, 1974. By that time the Congress would have received the report and recommendations of the new National Advisory Commission on Voting Rights which would presumably be used as a basis for further action.

Fifth. Under present law the U.S. Commission on Civil Rights is empowered to investigate complaints that citizens are being denied the right to vote by reason of their race, color, religion, or national origin.

H.R. 12695 would create a new, temporary, National Advisory Commission on Voting Rights composed of nine members, all Presidentially appointed, one of whom he would designate as Chairman. The Commission would be charged with the responsibility to make a study of the effects of laws restricting the right to vote, and of existing corrupt or fraudulent practices used to deny or abridge the right to vote. A report to the President and the Congress, including recommendations, is required by January 15, 1973, after which the Commission would cease to exist.

Sixth. H.R. 12695 deals with the existing problem of residency requirements in presidential elections. The bill provides that a newly arrived resident may vote in a presidential election in his new State of residence if he arrived there before September 1 of the election year. If he did not, then he could still vote at his former address in the State he left after September 1.

This subject is not included in the 1965 act.

EVALUATION OF THE TWO BILLS

The scope and thrust of the two bills, H.R. 4249 and H.R. 12695 are fundamentally different. The first extends existing law only. No change in the terms, provisions, or coverage of the Voting Rights Act of 1965 are included. The sum total of amendments to the 1965 Act is to strike the word "five" where it appears in three instances and substitute the word "ten" thus extending it for 5 additonal years, until August 6, 1975.

H.R. 12695 both strikes new ground and fundamentally amends the 1965 Act. It would: first, strike the formula and triggering device which now effectively limits coverage of the act to a few States; second, prohibit all States from using literacy tests until 1974; third, eliminate existing statutory requirements with respect to the manner in which a State covered by the 1965 act changes its voting laws and substitutes a new provision covering all States; fourth, with respect to such new provision, shifts the burden of proof from the States to show lack of discrimination over to the Attorney General who would have to assume the burden of affirmatively proving discrimination; and fifth, removes the existing problem with respect to residency requirements, a matter not touched by the 1965 act.

Mr. Speaker, I urge the adoption of the rule and reserve the balance of my time. I do have some requests for time.

Mr. MADDEN. Would the gentleman care to yield some of his time at this time?

Mr. SMITH of California. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I voted against the granting of

the rule in the Rules Committee because of my desire to indicate at the earliest possible opportunity my opposition to the offering of the substitute which has been adequately and, I think, very fairly described by the gentleman who preceded me in the well, the gentleman from California (Mr. SMITH).

Mr. Speaker, the substitute bill has been referred to as H.R. 12695. I shall not contest the granting or the adoption of the rule here this afternoon. I indeed think that today, due to the lateness of the hour, insofar as this session of Congress is concerned and the importance of this matter, we had best get on with the fundamental decision which confronts us.

There are some perhaps, but they are very few in number, who will not now concede that the Voting Rights Act of 1965 was not only necessary but that it has been a very effective instrument.

As I read the hearings on this bill, the figures I think were that something over 800,000 or 1 million persons had been added to the voting rolls since the adoption of this act on August 6, 1965.

Indeed, the Attorney General himself—and this appears at page 232 of the hearings—said his testimony was intended to convey the idea that the results that had been achieved under this legislation were truly tremendous.

There had been other voting rights statutes, 1957, 1960, and 1964—but there was still massive indication of discrimination in voting rights when this House in 1965 adopted this legislation.

Today, Mr. Speaker, we are going to be confronted with the argument that this is regional, that this is sectional legislation which should be abandoned in favor of a statute of more universal application. Let me say as for myself, and I think for the great majority of us who sit in this House, there was no intent by this enactment to humiliate our southern brethren, to press some crown of thorns to their brow or to in some manner mortify their flesh to gain some full expiation for past offenses which they had committed.

I believe charges of that kind belong to the George Wallace group, but it is not, I repeat, the spirit of this legislation. I think it was Will Rogers who once said "I have never met a man that I didn't like." Let me amend that statement to say I never met a southerner I did not like, and particularly those who serve, and serve honorably, in this body.

But this legislation was designed to focus on those jurisdictions where, unfortunately, there are those deeply ingrained patterns and practices of discrimination in the electoral process that have come over the years to be accepted as virtually a way of life, and this law was an effort to remedy ancient and legitimate grievances, and I think we have made progress toward that goal, and we ought to make further progress toward that goal, and to give it the impetus that it deserves by a straight extension of this act rather than perhaps running the danger, as I will point out for everybody this afternoon, of ensnaring this whole matter in the further toils of constitutional controversy to the point where we might indeed vitiate the very useful purpose of this act.

Now, it is true—it is true that under the substitute that I understand will be offered, the Attorney General could file suit and seek injunctive relief against those jurisdictions that seek to change their voting practices or their procedure in order to perpetuate discrimination or to return to the kind of discrimination that existed before by operation of local literacy tests which were suspended in those States.

But as my colleague from California has pointed out, there is a significant change in the burden of proof, and the Attorney General must not only use his vision to encompass the entire country with all of its thousands of voting districts all over the land, and make sure that there has not somewhere been a change in the law or in the procedure, but he must then go in and establish by a greater weight or a preponderance of the evidence that there is in fact discrimination.

Now, is it just an illusion that some of us cherish when we fear that perhaps there will be some who will seek to resort to new and sophisticated legal stratagems——

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ANDERSON of Illinois. Mr. Speaker, may I be granted additional time?

Mr. SMITH of California. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER pro tempore. The Chair will state the gentleman from California has 12 minutes remaining.

Mr. SMITH of California. Is it 12 minutes as of now?

The SPEAKER pro tempore. That is correct.

Mr. SMITH of California. Mr. Speaker, I yield 3 additional minutes to the gentleman from Illinois. I cannot yield more time, since I now have requests for additional time.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding me the additional time.

Mr. Speaker, is this mere illusion? I have in my hand the report of the U.S. Commission on Civil Rights for May of 1968, entitled "Political Participation." I do not have the time in 3 minutes to read the documented story of the very sophisticated efforts that have been made even since the passage of this act to subvert the provisions of the law, and to deny the rights granted to every citizen under the 15th amendment. I submit it is not merely an illusion when we fear that unless we have sections 4 and 5 retained in this law in their present form, that we may well see retreat and regression rather than the further progress that we would like to have.

Mr. Speaker, let me in the very brief time that I have remaining say to those who feel very sincerely that we ought to have universal application to all 50 States, we ought to have an absolute ban on literacy tests; let me say to them that in the last 2 or 3 days, after reading and rereading the unanimous opinion of the U.S. Supreme Court in *Lassiter* v. *Northampton County Board of Elections*, 360 U.S. 45—and, Mr. Speaker, this was the unanimous opinion of the Supreme Court 10 years ago—that on the basis of that opinion I think there is grave constitutional doubt as to whether or not you can simply ban these tests all over the country without any reference at all to whether or not they have ever been used as a matter of fact to attempt to discriminate against somebody in voting because of his race or because of his color.

I submit that the law of the land today at the very best places that question in very grave doubt.

Do we want to jeopardize the gains we have made under this statute and possibly risk its invalidation by a future court decision by adopting a provision that may not be consistent with the Constitution of the United States? Mr. Speaker, I would like to place in the RECORD at this time the Supreme Court's unanimous decision in Lassiter against Northampton County Board of Elections:

[360 U.S. 45]

LOUISE LASSITER, APPELLANT, v. NORTHAMPTON COUNTY BOARD OF ELECTIONS

(No. 584—Argued May 18, 19, 1959. Decided June 8, 1959)

Proceeding predicated upon denial by registrar of application of plaintiff for registration as a voter. The Superior Court, Northampton County, North Carolina, entered judgment adverse to plaintiff, and, preserving her federal question, plaintiff appealed. The Supreme Court of North Carolina, 248 N.C. 102, 102 S.E.2d 853, affirmed and plaintiff appealed. The Supreme Court, Mr. Justice Douglas, held that requirement of North Carolina statute and Constitution that a person as a prerequisite to registration as a voter be able to read and write any section of the Constitution of North Carolina in the English language, with such requirement applicable to members of all races, did not conflict with either the Fourteenth, Fifteenth or Seventeenth Amendments to the federal Constitution, and such requirements could not be condemned as unconstitutional on their face as a device unrelated to desire of the state to raise the standards for people of all races who cast the ballot.

Affirmed.

1. COURTS 399(1)

Where issue of discrimination in the actual operation of the ballot laws of North Carolina was not framed in issues presented for state court litigation over denial by registrar of application of registration of plaintiff as a voter because of her refusal to take a literacy test, question of such discrimination through granting of voting privileges to certain persons under a grandfather clause of the North Carolina Constitution, would not be discussed by the Supreme Court. Const. N.C. art. 6, § 4; G.S.N.C. §§ 163–28 to 163–28.3.

2. ELECTIONS 18

The states have broad powers to determine the conditions under which the right of suffrage may be exercised, in the absence of discrimination condemned by the Constitution.

3. ELECTIONS 18

While the right of suffrage is established and guaranteed by the federal Constitution, it is subject to the imposition of state standards which are not discriminatory and which do not contravene any restriction that Congress, acting pursuant to its constitutional powers, has imposed. U.S.C.A. Const. art. 1, § 2.

4. UNITED STATES 10

While the Fourteenth Amendment which provides for apportionment of representatives among the states according to their respective numbers counting the whole number of

persons in each state, except Indians not taxed, speaks of the "right to vote," the right protected refers to the right to vote as established by the laws and Constitution of the state. U.S.C.A. Const. Amend. 14, § 2.

5. ELECTIONS 18

Residence requirements, age, and a previous criminal record are examples indicating factors which a state may take into consideration in determining qualification of voters.

6. ELECTIONS 18

A literacy requirement may be set up as a prerequisite by a state to eligibility for voting without violation of the federal Constitution. U.S.C.A. Const. Amends. 14, 15, 17.

7. ELECTIONS 12

A literacy test as a prerequisite to eligibility for voting, even though fair on its face, may be employed to perpetuate discrimination which the Fifteenth Amendment was designed to uproot, and, also, a literacy test may be unconstitutional on its face where the legislative setting of the provision and the discretion vested in the registrar of voting make it clear that the requirement is merely a device to make racial discrimination easy. U.S.C.A. Const. Amend. 15.

8. CONSTITUTIONAL LAW 215—ELECTIONS 12

Requirement of North Carolina statute and Constitution that a person as a prerequisite to registration as a voter "be able to read and write any section of the Constitution of North Carolina in the English language" with such requirement applicable to members of all races, did not conflict with either the Fourteenth, Fifteenth or Seventeenth Amendments to the federal Constitution, and such requirements could not be condemned as unconstitutional on their face as a device unrelated to desire of the state to raise the standards for people of all races who cast the ballot. U.S.C.A. Const. Amends. 14, 15, 17; 28 U.S.C.A. § 1257(2); Const. N.C. art. 6, § 4; G.S. N.C. §§ 163–28 to 163–28.3.

Mr. Samuel S. Mitchell, Raleigh, N.C., for appellant.

Mr. I. Beverly Lake, Raleigh, N.C., for appellee.

Mr. Justice DOUGLAS delivered the opinion of the Court.

This controversy started in a Federal District Court. Appellant, a Negro citizen of North Carolina, sued to have the literacy test for voters prescribed by that State declared unconstitutional and void. A three-judge court was convened. That court noted that the literacy test was part of a provision of the North Carolina Constitution that also included a grandfather clause. It said that the grandfather clause plainly would be unconstitutional under Guinn v. United States, 238 U.S. 347, 35 S.Ct. 926, 59 L.Ed. 1340. It noted, however, that the North Carolina *statute* which enforced the registration requirements contained in the State Constitution had been superseded by a 1957 Act and that the 1957 Act does not contain the grandfather clause or any reference to it. But being uncertain as to the significance of the 1957 Act and deeming it wise to have all administrative remedies under that Act exhausted before the federal court acted, it stayed its action, retaining jurisdiction for a reasonable time to enable appellant to exhaust her administrative remedies and obtain from the state courts an interpretation of the statute in light of the State Constitution. Lassiter v. Taylor, D.C., 152 F.Supp. 295.

Thereupon the instant case was commenced. It started as an administrative proceeding. Appellant applied for registration as a voter. Her registration was denied by the registrar because she refused to submit to a literacy test as required by the North Carolina statute.[1] She appealed to the County Board of Elections. On the *de novo* hearing before that Board appellant again refused to take the literacy test and she was again denied registration for that reason. She appealed to the Superior Court which sustained the Board against the claim that the requirement of the literacy test violated the Fourteenth, Fifteenth, and Seventeenth Amendments of the Federal Constitution. Preserving her federal question, she appealed to the North Carolina Supreme Court which affirmed the lower court. 248 N.C. 102, 102 S.E.2d 853. The case came here by appeal, 28 U.S.C. § 1257(2), 28 U.S.C.A. § 1257(2), and we noted probable jurisdiction. 358 U.S. 916, 79 S.Ct. 294, 3 L.Ed. 2d 236.

The literacy test is a part of § 4 of Art. VI of the North Carolina Constitution. That test is contained in the first sentence of § 4. The second sentence contains a so-called grandfather clause. The entire § 4 reads as follows:

"Every person presenting himself for registration shall be able to read and write any section of the Constitution in the English language. But no male person who was, on January 1, 1867, or at any time prior thereto, entitled to vote under the laws of any state in the United States wherein he then resided, and no lineal descendant of any such person, shall be denied the right to register and vote at any election in this State by reason of his failure to possess the educational qualifications herein prescribed: Provided, he shall have registered in accordance with the terms of this section prior to December 1, 1908. The General Assembly shall provide for the registration of all persons, entitled to vote without the educational qualifications herein prescribed, and shall, on or before November 1, 1908, provide for the making of a permanent record of such registration, and all persons so registered shall forever thereafter have the right to vote in all elections by the people in this State, unless disqualified under section 2 of this article."

Originally Art. IV contained in § 5 the following provision:

"That this amendment to the Constitution is presented and adopted as one indivisible plan for the regulation of the suffrage, with the intent and purposes to so connect the different parts, and to make them so dependent upon each other, that the whole shall stand or fall together."

But the North Carolina Supreme Court in the instant case held that a 1945 amendment to Article VI freed it of the indivisibility clause. That amendment rephrased § 1 of Art. VI to read as follows:

"Every person born in the United States, and every person who has been naturalized, twenty-one years of age, and possessing the qualifications set out in this Article, shall be entitled to vote."

That court said that "one of those qualifications" was the literacy test contained in § 4 of Art. VI; and that the 1945 amendment "had the effect of incorporating and adopting anew the provisions as to the qualifications required of a voter as set out in Article VI, freed of the indivisibility clause of the 1902 amendment. And the way was made clear for the General Assembly to act." 248 N.C. at page 112, 102 S.E.2d at page 860.

In 1957 the Legislature rewrote General Statutes § 163–28 as we have noted.[2] Prior to that 1957 amendment § 163–28 perpetuated the grandfather clause contained in § 4 of Art. VI of the Constitution and § 163–32 established a procedure for registration to effectuate it.[3] But the 1957 amendment contained a provision that "All laws and clauses of laws in conflict with this Act are hereby repealed."[4] The federal three-judge court ruled that this 1957 amendment eliminated the grandfather clause from the statute. 152 F.Supp. at page 296.

"Every person claiming the benefit of section four of article six of the Constitution of North Carolina, as ratified at the general election on the second day of August, one thousand nine hundred, and who shall be entitled to register upon the permanent record for registration provided for under said section four, shall prior to December first, one thousand nine hundred and eight, apply for registration to the officer charged with the registration of voters as prescribed by law in each regular election to be held in the State for members of the General Assembly, and such persons shall take and subscribe before such officer an oath in the following form, viz:

"I am a citizen of the United States and of the State of North Carolina; I am — years of age. I was, on the first day of January, A. D. one thousand eight hundred and sixty-seven, or prior to said date, entitled to vote under the constitution and laws of the state of ———, in which I then resided (or, I am a lineal descendent of ———, who was, on January one, one thousand eight hundred and sixty-seven, or prior to that date, entitled to vote under the constitution and laws of the state of ———, wherein he then resided)."

The Attorney General of North Carolina, in an *amicus* brief, agrees that the grandfather clause contained in Art. VI is in conflict with the Fifteenth Amendment. Appellee maintains that the North Carolina Supreme Court ruled that the invalidity of that part of Art. VI does not impair the remainder of Art. VI since the 1945 amendment to Art. VI freed it of its indivisibility clause. Under that view Art. VI would impose the same literacy test as that imposed by the 1957 statute and neither would be linked with the grandfather clause which, though present in print, is separable from the rest and void. We so read the opinion of the North Carolina Supreme Court.

[1] Appellant argues that that is not the end of the problem presented by the grandfather clause. There is a provision in the General Statutes for permanent registration in some counties.[5] Appellant points out that although the cut-off date in the grandfather clause was December 1, 1908, those who registered before then might still be voting. If they were allowed to vote without taking a literacy test and if appellant were denied the right to vote unless she passed it, members of the white race would receive preferential privileges of the ballot contrary to the command of the Fifteenth Amendment. That would be analogous to the problem posed in the classic case of Yick Wo v. Hopkins, 118 U.S. 356, 6 S.Ct. 1064, 30 L.Ed. 220, where an ordinance unimpeachable on its face was applied in such a way as to violate the guarantee of equal protection contained in the

[1] This Act, passed in 1957, provides in § 163–28 as follows:

"Every person presenting himself for registration shall be able to read and write any section of the Constitution of North Carolina in the English language

It shall be the duty of each registrar to administer the provisions of this section."

Sections 163–28.1, 163–28.2, and 163–28.3 provide the administrative remedies pursued in this case.

[2] Note 1, supra.

[3] Section 163–32 provided:

[4] N.C.Laws 1957, c. 287, pp. 277, 278.

[5] Section 163–31.2 provides:

"In counties having one or more municipalities with a population in excess of 10,000 and in which a modern loose-leaf and visible registration system has been established as permitted by G.S. 163–43, with a full time registration as authorized by G.S. 163–31, such registration shall be a permanent public record of registration and qualification to vote, and the same shall not thereafter be cancelled and a new registration ordered, either by precinct or county-wide, unless such registration has been lost or destroyed by theft, fire or other hazard."

Fourteenth Amendment. But this issue of discrimination in the actual operation of the ballot laws of North Carolina has not been framed in the issues presented for the state court litigation. Cf. Williams v. State of Mississippi, 170 U.S. 213, 225, 18 S.Ct. 583, 588, 42 L.Ed. 1012. So we do not reach it. But we mention it in passing so that it may be clear that nothing we say or do here will prejudice appellant in tendering that issue in the federal proceedings which await the termination of this state court litigation.

We come then to the question whether a State may consistently with the Fourteenth and Seventeenth Amendments apply a literacy test to all voters irrespective of race or color. The Court in Guinn v. United States, supra, 238 U.S. 366, 35 S.Ct. 931, disposed of the question in a few words, "No time need be spent on the question of the validity of the literacy test, considered alone, since, as we have seen its establishment was but the exercise by the state of a lawful power vested in it not subject to our supervision, and indeed, its validity is admitted."

[2–4] The States have long been held to have broad powers to determine the conditions under which the right of suffrage may be exercised, Pope v. Williams, 193 U.S. 621, 633, 24 S.Ct. 573, 576, 48 L.Ed. 817; Mason v. State of Missouri, 179 U.S. 328, 335, 21 St.Ct. 125, 128, 45 L.Ed. 214, absent of course the discrimination which the Constitution condemns. Article I, § 2 of the Constitution in its provision for the election of members of the House of Representatives and the Seventeenth Amendment in its provision for the election of Senators provide that officials will be chosen "by the People." Each provision goes on to state that "the Electors in each State shall have the Qualifications requisite for Electors of the most numerous Branch of the State Legislature." So while the right of suffrage is established and guaranteed by the Constitution (Ex parte Yarbrough, 110 U.S. 651, 663–665, 4 S. Ct. 152, 158, 159, 28 L.Ed. 274; Smith v. Allwright, 321 U.S. 649, 661–662, 4 S.Ct. 757, 763–764, 88 L.Ed. 987) it is subject to the imposition of state standards which are not discriminatory and which do not contravene any restriction that Congress acting pursuant to its constitutional powers, has imposed. See United States v. Classic, 313 U.S. 299, 315, 61 S.Ct. 1031, 1037, 85 L.Ed. 1368. While § 2 of the Fourteenth Amendment, which provides for apportionment of Representatives among the States according to their respective numbers counting the whole number of persons in each State (except Indians not taxed), speaks of "the right to vote," the right protected "refers to the right to vote as established by the laws and constitution of the state." McPherson v. Blacker, 146 U.S. 1, 39, 13 S.Ct. 3, 12, 3b L.Ed. 869.

[5, 6] We do not suggest that any standards which a State desires to adopt may be required of voters. But there is wide scope for exercise of its jurisdiction. Residence requirements, age, previous criminal record (Davis v. Beason, 133 U.S. 333, 345–347, 10 S.Ct. 299, 301–302, 33 L.Ed. 637) are obvious examples indicating factors which a State may take into consideration in determining the qualifications of voters. The ability to read and write likewise has some relation to standards designed to promote intelligent use of the ballot. Literacy and illiteracy are neutral on race, creed, color, and sex, as reports around the world show.[6] Literacy and intelligence are obviously not synonymous. Illiterate people may be intelligent voters. Yet in our society where newspapers, periodicals, books, and other printed matter canvass and debate campaign issues, a State might conclude that only those who are literate should exercise the franchise. Cf. Franklin v. Harper, 205 Ga. 779, 55 S.Ed. 2d 221, appeal dismissed 339 U.S. 946, 70 S.Ct. 804, 94 L.Ed. 1361. It was said last century in Massachusetts that a literacy test was designed to insure an "independent and intelligent" exercise of the right of suffrage.[7] Stone v. Smith, 159 Mass. 413–414, 34 N.E. 521. North Carolina agrees. We do not sit in judgment on the wisdom of that policy. We cannot say, however, that it is not an allowable one measured by constitutional standards.

[7, 8] Of course a literacy test, fair on its face, may be employed to perpetuate that discrimination which the Fifteenth Amendment was designed to uproot. No such influence is charged here. On the other hand, a literacy test may be unconstitutional on its face. In *Davis* v. *Schnell*, D.C., 81 F.Supp. 872, 873, affirmed 336 U.S. 933, 69 S.Ct. 749, 93 L.Ed. 1093, the test was the citizen's ability to "understand and explain" an article of the Federal Constitution. The legislative setting of that provision and the great discretion it vested in the registrar made clear that a literacy requirement was merely a device to make racial discrimination easy. We cannot make the same inference here. The present requirement, applicable to members of all races, is that the prospective voter "be able to read and write any section of the Constitution of North Carolina in the English language." That seems to us to be one fair way of determining whether a person is literate, not a calculated scheme to lay springs for the citizen. Certainly we cannot condemn it on its face as a device unrelated to the desire of North Carolina to raise the standards for people of all races who cast the ballot.

Affirmed.

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[6] World Illiteracy at Mid-Century, Unesco (1957).

[7] Nineteen States including North Carolina, have some sort of literacy requirement as a prerequisite to eligibility for voting. Five require that the voter be able to read a section of the State or Federal Constitution and write his own name. Arizona Rev. Stat. § 10–101; West's Ann. Cal. Election Code § 220; Del. Code Ann. Tit. 15, § 1701; Mc.Rev. Stat. c. 3, § 2; Mass-Gen.L.Ann., c. 51, § 1. Five require that the elector be able to read and write a section of the Federal or State Constitution. Ala.Code, 1940, Tit. 17, § 32; N.H.Rev. Stat. Ann. §§ 55:10 to 55:12; N.C.Gen.Stat. § 163–28; Okla.Stat.Ann.,Tit. 26, § 61; S.C. Code § 23–62. Alabama also requires that the voter be of "good character" and "embraces the duties and obligations of citizenship" under the Federal and State Constitution. Ala.Code. Tit. 17 § 32 (1955 Supp.).

Two States require that the voter be able to read and write English. N.Y. Election Law § 150; Ore.Rev.Stat. § 247.131. Wyoming (Wyo. Comp.Stat.Ann. § 31–113) and Connecticut (Conn.Gen.Stat. § 9–12) require that the voter read a constitutional provision in English, while Virginia (Va.Code § 24–68) requires that the voting application be written in the applicant's land before the registrar and without aid, suggestion of memoranda. Washington (Wash.Rev. Code § 29.07.-070) has the requirement that the voter be able to read and speak the English language.

Georgia requires that the voter read intelligently and write legibly a section of the State or Federal Constitution. If he is physically unable to do so, he may qualify if he can give a reasonable interpretation of a section read to him. An alternative means of qualifying is provided: if one has good character and understands the duties and obligations of citizenship under a republican government, and he can answer correctly 20 of 30 questions listed in the statute (e.g., How does the Constitution of Georgia provide that a county site may be changed?, what is treason against the State of Georgia?, who are the solicitor general and the judge of the State Judicial Circuit in which you live?) he is eligible to vote. Ga.Code Ann. §§ 34–117, 34–120.

In Louisiana one qualifies if he can read and write English or his mother tongue, is of good character, and understands the duties and obligations of citizenship under a republican form of government. If he cannot read and write, he can qualify if he can give a reasonable interpretation of a section of the State or Federal Constitution when read to him, and if he is attached to the principles of the Federal and State Constitutions. LSA–R,.S. Tit. 18, § 31.

In Mississippi the applicant must be able to read and write a section of the State Constitution and give a reasonable interpretation of it. He must also demonstrate to the registrar a reasonable understanding of the duties and obligations of citizenship under a constitutional form of government. Miss.Code Ann. § 3213.

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Let me say in conclusion that today we are caught in a vortex of change, between the apostles of revolution and discord and dissent and those forces who say "Yes, this will possibly work within the system to do the things that will make American democracy meaningful to those who feel deprived in our society."

I submit, Mr. Speaker, we should make sure today and tomorrow as we debate and consider this legislation that we do nothing by way of amendment—by way of debilitating and weakening amendments—that will detract from the kind of progress that has clearly been made under the 1965 voting rights act.

I hope, therefore, when that decision is made and when the vote comes that it will be once again the overwhelming decision of this House to support the Committee on the Judiciary and to extend for another 5 years the provisions of this act.

The SPEAKER pro tempore. The time of the gentleman from Illinois (Mr. ANDERSON) has expired.

Mr. SMITH of California. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia (Mr. THOMPSON).

Mr. THOMPSON of Georgia. Mr. Speaker, I thank the gentleman from California for giving me this time.

I must profess, Mr. Speaker, my absolute astoundment and amazement at the actions of the committee, and particularly of such a learned gentleman as the one who just preceded me in the well, who are attempting to make this body feel that only the civil rights of those in the South should be protected and that there is no need to protect the voting rights of those throughout the entire country.

Of course, there has been discrimination in the South. We do not deny this, but this is something in the past. Under the voting rights act, there has been great progress made in registering Negroes in the South.

According to the statement by Vernon Jordan who is the head of a Negro voting rights organization, more than 62 percent of all eligible Negroes in the South are now registered to vote. This compares with some 70-odd percent of whites registered to vote.

It is very interesting to me that the tack taken is not that we are just going to protect voting rights—but we are only going to protect voting rights in the South.

Can it be that some of the big city machines do not want to see Federal examiners come in and watch the elec-

tive process? Could it be that in some of the cities such as Chicago, Ill., and Detroit, Mich., and New York that they do not want voting rights protection in those areas?

What is the objection to protecting the rights of every citizen in the United States regardless of where they may live? Why should not the rights of every citizen in the North be protected as well as the rights of citizens in the South? There is no valid reason for this.

Five years ago when the bill was passed, in effect, a contract was made by this Congress which stated that certain provisions were going to apply in those States, and once they met those qualifications, they would then be exempt from the act. That was that more than half of the people had to be voting. These were the triggering provisions.

The statistics used, of course, for this were the figures of the 1964 presidential election.

In 1968 we had another election.

Now we hear people coming back and saying—Oh, let us forget all about the progress that has been made—let us forget about the fact that we set these standards at that time—let us not consider those standards—because if we do consider those standards, then that is going to eliminate all but two of the Southern States, if we consider those standards.

I think the Congress should, in effect, honor this contract that it made at that particular time and make this law apply uniformly throughout the entire Nation.

You know I was interested in reading the hearings that were held before the Committee on the Judiciary, and particularly some of the comments made by the Attorney General. He stated that a higher percentage of voting-age Negroes went to the polls in the Deep South than in Watts or Washington—a higher percentage of voting-age Negroes went to the polls in the Deep South than in Watts or right here Washington.

Furthermore, it is interesting to note that a little more than one-third of voting-age Negroes cast ballots in 1968 in New York City, including Manhattan, Bronx, and Brooklyn, and this amounted to less than one-half of the white turnout. So when you cite figures and statistics and say that there are fewer Negroes registered in the South than in the North, I submit to you that there may well be fewer Negroes registered percentagewise in the North than whites registered percentagewise in the North.

Today we have an opportunity. I understand a substitute will be offered which is basically the administration's bill, a bill which seeks to do one thing: treat each American citizen equally, not dependent upon his place of origin, not dependent upon what State he comes from, but if he is an American citizen, then he shall be treated the same, whether he happens to be a citizen from the State of Georgia or a citizen from the State of Massachusetts. That is the plea I make to you today, that when this rule is adopted—and I feel certain that it will be adopted—when we get into the amendment process I hope you will give serious consideration and study to the proposal that will be offered at that time, basically the administration proposal, which is one which seeks to provide justice and equity for all American citizens regardless of point of origin.

Mr. MADDEN. Mr. Speaker, I yield 5 minutes to the gentleman from New York, the chairman of the Judiciary Committee.

Mr. CELLER. Mr. Speaker, and Members of the House, I am very glad to embrace all the remarks made by the distinguished gentleman from Illinois (Mr. ANDERSON). Indeed, he put his finger upon the very important aspects of the so-called Mitchell substitute, which substitute, as I understand, will be offered by the gentleman from Michigan (Mr. FORD).

There is a sickness in certain parts of the country, a malaise, where certain groups of our citizens have been, for many, many decades, disenfranchised. We adopted the act of 1965 by way of, shall I say, bitter medicine to cure that illness. Much progress has been made, but the fever of depriving many of the citizens in particular areas continues. It has not completely vanished. And the reports of Father Hesburgh's commission indicate clearly it is very essential that we continue the Voting Rights Act of 1965 so as to obliterate that evil. That is why we are here today, to consider the extension of that act.

The effort of the Attorney General, Mr. Mitchell, as he put it, is to make the remedies apply all over the country.

I asked him, "What evidence have you got, for example, of any disenfranchisement through the application of any literacy tests in my own State of New York on the basis of race or color, what complaints have there been that anyone in New York is denied the right to vote because of the application of a test because of color?"

He had no answer. All he said is that he had heard from certain people about discrimination.

I said, "Name me the people."

He could not name the people. He said he would supply information subsequently. And what was the information he subsequently supplied? He said it was based upon psychological facts which were based upon political potentiality.

How in thunder can we legislate on potential psychological factors? You tell me.

The administration substitute is very much like building a dam in Idaho to control a flood in Mississippi. That is about what this means.

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

Mr. CELLER. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Mr. Speaker, if the gentleman is not concerned about the law as applicable to his own area and what it would do there, why does the gentleman object to the act being applicable to the area represented by the gentleman?

Mr. CELLER. I have no objection. All I say is that in my own area we do not have this malaise, we do not have this disease, we do not have this sickness. We must, therefore, apply a cure to the sickness where it exists.

Mr. ABERNETHY. If the gentleman does not object to it, why does he vote against it?

Mr. CELLER. I do not vote against it. Vote against what? I do not vote against anything. I am going to vote for the extension of the Voting Rights Act of 1965.

Mr. Speaker, I am afraid I cannot yield further. I will be glad to yield under the general debate or the 5-minute rule.

Mr. Speaker, I would say that the administration seems to be making much ado about this so-called Mitchell substitute. They are bringing up their heaviest battalions. Speeches have been written in the White House and distributed to certain Members of this House for delivery here—which is rather an unusual practice. They are tickling toes and twisting arms to get this Mitchell amendment through.

We have to beware of this. This Mitchell amendment is a part of a campaign to placate and appease. I am afraid that the Attorney General, who stubbed his toes heretofore on the question of desegregation of education, when he went against certain decisions of the judiciary and was reprimanded, and directed to support desegregation of schools at a certain date, will find he is stubbing his toes again. The administration is going to have for its work a failure in this regard.

I will say finally that this amendment is nothing but a sham and a subterfuge and misleading—and we must be very careful to reject the administration substitute.

Mr. MADDEN. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi.

Mr. ABERNETHY. Mr. Speaker, I oppose the rule and the bill.

If there was any necessity for the so-called Voting Rights Act of 1965, then, indeed, it has served its purpose and should be allowed to expire. If there is need for its further continuance, then certainly it should be made applicable to the entire United States.

Mr. Speaker, I have great respect for the Congress of the United States. It was designed as a representative body of the people, a forum where all could be heard and all treated equally. It was anticipated that the Congress would treat in similar fashion all sections of the country. It was anticipated that in this body there would be no discrimination and no prejudice against any section of the country.

And while I am proud of the Congress and its actions as a whole, the facts are that it occasionally exhibits shameful mistreatment of one section of the country or another, the most flagrant instance of such being the 1965 act now before us for extension.

Our liberal friends, many of whom thrive politically on bloc-voting groups, strongly contend that the regionally applied Voting Rights Act is a very great thing. While glorifying its accomplishments and virtues, most of them are unwilling to make the act applicable to themselves. I can think of no better test of the value of a proposed Federal law than the willingness of the author to make it applicable to himself and to his own people. But the chairman of the

Judiciary Committee and his Republican counterpart decline to do this. Instead they insist on their right to continue their discrimination against certain Southern States while insisting on the exemption of their own States. This is a shameful double standard of representative government, which can hardly be of credit to the fairness of the Congress of the United States.

The so-called Voting Rights Act is patently wrong in three respects: First, it does not accord equal treatment to each and every State with respect to voting qualifications; second, it is regionally rather than nationally applicable; and, third, it voids the fundamental presumption of innocence of the accused.

While I feel that the act should be allowed to expire, I think the least we should do is adopt the substitute proposal which corrects the three evils I have just mentioned.

Mr. Speaker, according to the criteria laid down in the 1965 act, several States should now be completely exempted from the act. The act clearly states that when a State performs in certain ways, when it meets specific criteria, when 50 percent or more of the minority adults are registered, then the State is exempted from the act.

But, true to form, the sponsors of the legislation put another construction on the formula. In fact, they clearly change the rules. In spite of the fact that several States, including my own, have met the formula, have complied with the criteria, these proponents of double-standard views insist we must do 5 more years of peonage and continue to be treated as second-class unequals.

Also, Mr. Speaker, the statistics reveal that we have a higher percentage of registered minority citizens in several Southern States, including my own, than numerous northern areas, including, if you please, the area represented by the gentleman from New York who is handling this bill. Although he and his Republican counterpart think this act is great and enthusiastically recommend its continuation, neither of them are willing to make the act applicable to their own areas or to the Nation as a whole.

Mr. Speaker, it is also true that we have a higher percentage of minorities participating in our elections than is the case in many northern areas, including the great metropolitan area from which the Judiciary Committee chairman comes. Yet, he looks us in the face with the expression of an innocent babe, and contends that his and all States outside of the South are so holy and clean while we are guilty of threats, abuse, and discriminations that keep down the voting activities of the minorities. If this be the case, then why are the minorities in other areas voting in lower percentages than in my own State?

Under the 1965 act, a southern city cannot even expand its corporate limits without coming to Washington on bended knee and begging permission of the Attorney General, the theory being that such might discriminate against minority voting blocs. We cannot even change the date of our primary elections, nor the dates when candidates must qualify in the primary elections. In Mississippi we were even denied the right to make uniform the last date candidates may be selected to run as Democrats, Republicans, or Independents. Voting precinct boundaries cannot be changed even though there may be shifts in population.

This act is fraught with mischief which tends to void or lead to voiding every election in certain Southern States; and this is the case no matter how open, how clean or how fair the elections may have been.

Furthermore, Mr. Speaker, the Congress should be ashamed of the double standard this act applies as regards voting qualifications. Numerous sections of this country have voter literacy tests laws. Some may be more strict than others; others may not be strict enough. But voter literacy tests have their place in our suffrage system and in the selection of our officials.

But, Mr. Speaker, while States beyond the southern area may continue to have literacy tests, and some do, the 1965 act we are discussing denies such to my State and others in the southern region. Mr. Speaker, under this law, the only qualifications one must have to vote in Mississippi is to be alive, breathing, and at least 21 years of age. Even though one is completely mentally incompetent, he is eligible to vote under the Voting Rights Act of 1965. What a law.

Mr. Speaker, I began my statement by saying I was proud of the Congress. I am also proud of our system of government. It was intended that all areas and all States should be treated equally, and that all should share equally in the fruits of our Government. I am not always proud of every act of the Congress. I have been here many years and on occasion I have seen it dilute its record of fairness with acts of discrimination against some States, some areas, or some people; and the act of 1965 is one of those instances.

If we are to have a continuation of this act—and I contend it is not at all necessary, nor will it contribute anything to better government—then do the fair thing by making it applicable to everyone, from north to south and from east to west. Do not allow yourselves to be guilty of that which you contend you are trying to eliminate—unequal treatment.

Mr. SMITH of California. Mr. Speaker, I yield to the gentleman from Minnesota for a parliamentary inquiry.

PARLIAMENTARY INQUIRY

Mr. MACGREGOR. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MACGREGOR. Mr. Speaker, under the resolution (H. Res. 714), if adopted, should the bill, H.R. 12695, be considered and rejected, would it then be in order, following rejection of H.R. 12695, should that occur, to offer a portion or portions of H.R. 12695 as amendments to H.R. 4249?

The SPEAKER pro tempore. The Chair will state that would be in order subject to the rule of germaneness, if germane to the bill H.R. 4249.

Mr. MACGREGOR. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MACGREGOR. Mr. Speaker, should a portion of H.R. 12695 be offered under the conditions set forth in my previous inquiry and should it not be germane, a motion to that effect, to rule it out of order, would be then in order and be sustained, I gather?

The SPEAKER pro tempore. That, of course, would be a matter for the Chairman of the Committee of the Whole to consider when it is before him.

Mr. MACGREGOR. Mr. Speaker, I have one additional parliamentary inquiry. Under House Resolution 714, if adopted, would it be in order to include in the motion to recommit a portion or portions of H.R. 12695 which might otherwise be subject to a point of order on the point of germaneness?

The SPEAKER pro tempore. The Chair would not want to pass upon that hypothetically. At the time the occasion arises the Chair would pass upon it.

Mr. MACGREGOR. I thank the Speaker.

Mr. MADDEN. 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. CELLER. 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. 4249) to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices.

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

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. 4249, with Mr. BOLLING 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 New York (Mr. CELLER) will be recognized for 1½ hours, and the gentleman from Ohio (Mr. MCCULLOCH) will be recognized for 1½ hours.

The Chair recognizes the gentleman from New York.

Mr. CELLER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, why did we pass the Voting Rights Act of 1965? It was necessary to bring about enfranchisements of a vast group of people in certain areas of our land who were denied that basic right for too long a time and also prevent the further erosion of that right.

This was not my judgment alone. The bill was passed in the House 328 to 74 and in the Senate 79 to 18—407 Members of the House and Senate agreed with me.

It was not comfortable for me and the preponderating Members of the Senate and the House to pass the act of 1965. It was not pleasant for me to touch the tender nerves of the Members from the States affected, but duty called. Ours was

a Hobson's choice. It was a choice of remaining apathetic and disregarding the evil and thus allowing our image of the land of freedom to become dim or taking steps to eliminate further wrong.

As I said a few moments ago, when the body is sick ofttimes bitter medicine is necessary. The medicine; namely, the act of 1965, has helped materially. The sickness has somewhat abated, but the fever of disenfranchisement has not vanished. The cure is not complete. The medicine, unfortunately, must be continued. That indeed is regrettable.

The act of 1965 has accomplished a great deal. It has done far more good than anticipated. As was said by the U.S. Commission on Civil Rights, "The gains have great potential but are fragile."

The act created administrative remedies that became automatically applicable under a statutory coverage formula to certain jurisdictions without the delays occasioned by prolonged litigation.

This approach has indeed worked impressively. Indeed many consider the Voting Rights Act the most effective of all civil rights enactments.

In the past 4 years over 1 million Negro applicants have been registered to vote in areas where literacy tests had formerly operated as "engines of discrimination."

I am informed that over 400 Negroes have been elected to public office in the areas covered as a result of the remedies of the act.

When the act was approved in 1965, it was hoped that within a 5-year period Negroes would have gained sufficient voting power and access to political processes in the States which were affected so that special Federal protection would no longer be needed. But reports of the U.S. Commission on Civil Rights, as well as the history of litigation over the past 4 years, all of which is set forth in the record of hearings held before our committee, has convinced the Judiciary Committee that it is essential to continue this act for an additional 5 years. It is necessary to do so not only to safeguard the gains thus far achieved but also to prevent future infringements of voting rights based on race or color.

Under the act, there are three central remedies which apply to those areas covered by the statutory formula. These include:

First, suspension of literacy tests and similar devices;

Second, prohibition against enforcing new voting rules or practices pending Federal review to determine whether their use would perpetuate voting discrimination, and

Third, assignment of Federal examiners to list qualified applicants to vote and assignment of Federal observers to monitor the casting and counting of ballots.

In order to obtain exemption from these remedies, a State or subdivision which is covered by the act must obtain a declaratory judgment to the effect that no literacy tests or similar devices have been used during the preceding 5 years for the purpose or with the effect of denying the right to vote because of race or color. Under this procedure several jurisdictions have been released from the prohibitions of the act. They include the State of Alaska, three counties in Arizona, one county in Idaho, and one county in North Carolina. Jurisdictions now subject to suspension of literacy tests and the other remedies of the act will be able to obtain exemption beginning in August 1970—5 years after the passage of the act. H.R. 1249 would continue the coverage of these remedies for 5 years—until August 1975.

We have seen dramatic progress in voter registration in the past 4 years. But it should not obscure significant disparities which continue between white and nonwhite registration. For example: Alabama—less than 50 percent of the Negroes of voting age are registered in 27 of 67 counties; in five counties Negro registration is less than 35 percent. Georgia—less than 50 percent of the Negroes of voting age are registered in 68 of 152 counties; in 27 counties it is less than 35 percent. Mississippi—less than 50 percent of Negroes of voting age were registered in 24 of 82 counties; in six counties it is less than 35 percent. South Carolina—less than 50 percent of the Negroes of voting age are registered in 23 of the 46 counties; in three counties it is less than 35 percent.

Mr. Chairman, although Negro registration has risen from approximately 29 percent to 52 percent of the Negro voting age population in Alabama, Georgia, Louisiana, Mississippi, and South Carolina, the percentage of Negroes registered still does not approach that of white persons registered; namely, 82 percent.

If the Voting Rights Act is not extended, resumption of unfair literacy tests and similar devices could occur. A wholesale reregistration of voters could be attempted, which would erase completely the gains thus far realized.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Georgia.

Mr. THOMPSON of Georgia. The gentleman states that if this bill is not enacted that unfair literacy tests and so forth could be enforced once more.

I am sure that the gentleman is aware of the 1967 Civil Rights Act which places a criminal penalty on any person in any State who attempts to prevent a person from registering to vote or from voting because of race, creed, or color. That is something which preceded the 1965 act.

Mr. CELLER. I do not think that provision would apply here. So far as I know there has been very little if any enforcement of that provision.

Mr. THOMPSON of Georgia. Mr. Chairman, if the gentleman will yield further, if there is any attempt—and I believe the terminology of the 1967 Civil Rights Act which happens to be an act I voted for and supported, provides if there is any intimidation or threat or attempt to prevent a person from registering to vote or prevent a person from voting he is subject to a criminal penalty. That surely would prevent any efforts of the type which the gentleman from New York has described.

Mr. CELLER. It is undoubtedly true that one could go into court in such circumstance, but that is an entirely different matter. That statute refers to forcible or physical interference with the right to vote.

Mr. McCLORY. Mr. Chairman, will the gentleman yield to me?

Mr. CELLER. I yield to the gentleman from Illinois.

Mr. McCLORY. I have the 1968 Civil Rights Act in front of me. It provides penalties for anyone who "by force or threat of force willfully injures, intimidates, or interferes with" a person exercising the right to vote. It does not apply, for example, to a State that tries the many clever ways of discriminating now in vogue down South—as reported in "Political Participation," a report of the Civil Rights Commission.

Mr. CELLER. It is quite different. I do not think it is relevant here at all. Furthermore, as I said, there could be a wholesale reregistration of voters if we do not pass the extension of this Voting Rights Act that would cause very dire consequences. It would probably place the Negro population in the position they were prior to the passage of the Voting Rights Act of 1965.

The State legislatures in some of these States could very easily enact a statute requiring everyone who had been registered heretofore, to reregister. And then there would be an obliteration of all the benefits that had occurred under the 1965 act.

The Attorney General would be denied authority, if we do not approve the extension of the act, to appoint Federal examiners to register voters, and to assign Federal observers to monitor the conduct of elections. If the act were not extended, the existing protections against manipulative changes in voting laws would be eliminated.

Section 5 of the act requiring Federal review would no longer be a condition precedent to enforcing election law changes.

It has become very clear that various devices are being used in these States now covered by the act to dilute the newly gained voting strength of Negroes. The devices which have been resorted to include: Switching to at-large elections when Negro voting strength is concentrated in particular districts; extending the term of incumbent white officials, substituting appointment for election. In other words, they pass bills providing that offices previously elective shall be selective so that those who are now enfranchised will not be given the opportunity to vote for candidates to fill those offices.

Some of these devices also provide for increasing filing fees for candidates. In one of the counties—I think it was in Lowndes County in Alabama—they provided suddenly that a filing fee of $500 had to be exacted from a candidate for sheriff, whereas the annual income of a Negro in that county was only $525. In other words, they took away from him almost all his annual income if he wanted to run for sheriff.

That is only one of the many devices that has been used.

Under section 5 of the act, the enforcement of voting qualifications or pro-

cedures different from those in force and effect in November 1964——

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CELLER. In just one moment—is prohibited unless and until judicial approval or acquiescence of the Attorney General of the United States is obtained——

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield at that point?

Mr. CELLER. In just a moment.

In other words, if they want to make these changes in the election laws under the Voting Rights Act of 1965, they have to submit these changes to the Attorney General and he may approve. If he refuses to approve, the municipality or the State can go to court. In most instances there has been approval, there has been general acceptance of routine election law changes. But approximately 20 have been disapproved. But the fact that that provision is in the law is a significant deterrent to prevent enforcement of these rather unusual devices that are being used to deprive the Negro of his right to vote.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CELLER. In just a moment I will yield to the gentleman.

Thus, Federal review places the burden of proof on the covered jurisdiction.

Another significant advantage of this procedure is that private persons, not merely the Attorney General, have the authority to challenge implementation of new voting practices or election laws on the grounds that such changes have not been subjected to Federal review. This is a highly important remedy. It gives the individual an opportunity to test what he feels is an injustice and to police local authorities himself, without having to rely on the Attorney General to institute actions.

These provisions of the Voting Rights Act, similar to the authority to send examiners and observers assures a continuing Federal presence, and provides an essential safeguard that new subterfuges will be promptly discouraged and enjoined.

Now in the course of the subcommittee hearings on the bill, H.R. 4249, and similar measures, an alternative to simple extension of the Voting Rights Act was submitted by Attorney General Mitchell.

The Department of Justice recommendations, however, were not adopted. The committee preferred a simple extension of the provisions of the Voting Rights Act as presently constituted. The Attorney General wanted, as it were, to hold an umbrella of restraint over the whole country, even if the sun might be shining in most of the areas of the North where there has been no voting discrimination.

I tried to pin the Attorney General down to tell us where we could find the voting discrimination that required these drastic remedies outside of the particular areas where there had been the appointment of examiners and observers, and so forth.

But, he woefully failed to tell us or to convince us of the need for his amendment. But, as I said before, when speaking on the rule, there is something unusual about the administration proposal. There is something political about it—and politics often pollutes and poisons logic.

There is nothing logical about this amendment—it is all political. It is done by way of appeasement—appeasement of certain areas—and I fear me that that appeasement will not be successful.

I might use an old term in describing this Mitchell substitute. It is called the apple of Sodom—the apple of Sodom grew on a branch that flourished in the days of old on the shores of the Dead Sea. This fruit was fragrant and colorful on sight. But when it was torn from the branch and the so-called apple was plucked, it turned into smoke and ashes. So I call this Mitchell substitute the apple of Sodom—it is just ashes and smoke—and of no value. It will be of no value, if we adopt it.

I urge that when the time comes that we reject it.

During executive deliberations, the committee separately considered and rejected, first, an amendment providing a nationwide ban on literacy tests and devices until August 6, 1975, and second, an amendment establishing restrictions on residency requirements for voting for President and Vice President of the United States.

Outside of the seven Southern States which are covered in whole or in part by the act—Alabama, Georgia, Louisiana, Mississippi, South Carolina, and Virginia; Yuma County, Arizona; Honolulu County, Hawaii; and 39 counties in the State of North Carolina—there are 12 other States—Alaska, Arizona, California, Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New York, Oregon, Washington, and Wyoming—which today have constitutional or statutory provisions requiring a showing of literacy as a precondition to voting. But there has been no evidence nor any complaint to support the conclusion that the right to vote has been abridged in these areas on the basis of race or color by the application of literacy tests. No lawsuits have been instituted by individuals, civil rights groups, or the Federal Government alleging a discriminatory purpose or effect of such tests in these States. It should be borne in mind, moreover, that the act already provides that in any action brought by the Attorney General to enforce the 15th amendment anywhere in the country, the court is empowered to suspend tests or devices, authorize appointment of Federal examiners and Federal observers and determine the validity of any new voting law or procedure. In other words, the act already contains provisions which permit the application of the three central remedies of the statute to any State or to any political subdivision in the Nation. In the circumstances, the committee concluded that a nationwide literacy ban was not justified at the present time.

The committee also considered and overwhelmingly rejected the amendment to establish restrictions on State residency requirements for voting in presidential elections. This rejection resulted from the serious doubts of many Members as to the authority of Congress—absent a constitutional amendment—to legislate a minimum residency requirement for voting for President and Vice President. In addition, grave reservations were expressed concerning the practical operation of such an amendment in view of the wide variety of existing State election laws. The amendment affects not only residency requirements, but also provisions relating to absentee voting and absentee registration. One of its byproducts would appear to be to override the law in 13 States which at present do not permit absentee registration. In sum, the committee concluded that the proposed minimum residency requirement raises complex constitutional questions and requires additional study.

I should make clear that in rejecting these amendments to the Voting Rights Act we did not foreclose future consideration of any voting reform for which a sufficient need is demonstrated. However, the committee's approval of H.R. 4249, without amendment, indicates our studied judgment that all of the provisions of the act of 1965 are of proven effectiveness and their continuation without change is of highest national priority.

Mr. Chairman, the right to vote has an evanescent quality. Once an election has passed, interference with the right is irremediable. Unless the right to vote is made secure and free from racial discrimination, all other rights are insecure and subject to denial for all our citizens. Every American must have an equal right to vote. No duty weighs upon the Congress more heavily than the duty to assure that right.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Michigan.

Mr. O'HARA. I would like to direct an inquiry to the chairman.

I would like to ask if during the committee consideration of the extension of the voting rights act there was any consideration given by the chairman of the committee to the proposal to suspend literacy tests everywhere they are found—not in substitution for the provisions of the existing law—not as an apple of Sodom—but as an addition to the existing law? Did you give consideration to that?

Mr. CELLER. Yes. The problem you raise is a real problem and it was specifically considered in the course of the executive sessions of the committee. What I am here saying, I am sure has the approval of my very distinguished counterpart, the minority leader of the Committee on the Judiciary, the distinguished gentleman from Ohio (Mr. McCULLOCH). I have very carefully prepared this colloquy so there could be no misapprehension as to what was in the minds of most of the members on the Committee on the Judiciary, and the gentleman from Ohio (Mr. McCULLOCH) I am sure will bear me out in this regard.

Mr. McCULLOCH. Mr. Chairman, will the gentleman from New York, my chairman, yield for a brief statement?

Mr. CELLER. I yield to my colleague.

Mr. McCULLOCH. Mr. Chairman, I join in every statement that the chairman of our committee has made.

In addition, I said at the White House that we of the minority were ready, willing, and anxious to introduce legislation which would embody vote reform in its widest aspects and that the chairman had said to me that he would give it prompt hearings so that we could delve into corrupt exercise of the voting power, that we could have voting legislation in national elections that would be above reproach so that when the votes were counted, the people of this country would know that the man who had received the most votes was declared elected.

Mr. CELLER. Further answering the gentleman from Michigan, I say the problem of a nationwide literacy ban was specifically considered in the course of the executive sessions of the committee. It was considered and the nationwide literacy ban proposal was rejected. The committee concluded that whatever merits there may be to a nationwide literacy ban, the Voting Rights Act of 1965 should be extended in its present form.

The entire notion of a nationwide ban especially in jurisdictions where no evidence or claim of voting discrimination on the basis of race or color has been raised, presents difficult constitutional questions. As the gentleman knows, the Supreme Court in *Lassiter* v. *Northampton County Board of Elections*, 360 U.S. 45 (1959) held that literacy tests per se did not violate constitutional rights. Before the Congress extends a test suspension throughout the land, certainly a demonstration of the impact of such tests should be obtained and studied.

Mr. O'HARA. If the gentleman will yield further at that point. As the gentleman knows, having discussed this privately with him before, I am very reluctant to offer or support any amendment that will in any way delay the enactment of a simple and direct extension of the Voting Rights Act of 1965 because I think it is terribly important that we act and that we act quickly. However, I believe very strongly that literacy tests, wherever they are found, are devices of discrimination—perhaps not discrimination on the basis of race, but economic discrimination or ethnic discrimination. I want very much to get rid of them.

The gentleman from Ohio, the ranking minority member, mentioned that he wants to proceed with a study of this matter. Can the chairman tell me if he is ready to go ahead and begin work on this?

Mr. CELLER. Yes, we are indeed ready, and will—I emphasize "will"—come the first of the year, go into this matter of literacy tests, and their discriminatory impact on economic grounds or on any other grounds.

I will say to the gentleman that I personally share your views in this regard.

Mr. O'HARA. I thank the chairman.

Mr. CELLER. I want also to add the following:

I recognize the dilemma which the gentleman describes. Many of us may have philosophical objection to literacy requirements as such. I am pleased to inform the gentleman that the Committee on the Judiciary plans to hold hearings early in the next session of this Congress to consider the validity of and need for proposals to suspend literacy tests throughout the Nation and consider such proposals as separate legislation. In addition, there is need to consider other election reform measures, such as restrictions on residency requirements, and questions of election fraud and irregularities in voting tabulation.

Mr. O'HARA. If the gentleman will yield for just one more question——

Mr. CELLER. I yield.

Mr. O'HARA. I thank the gentleman for his comments.

Under the circumstances, I do not intend to offer or to support any amendment which would add a nationwide literacy test ban to the pending bill. I look forward to the early reporting of such legislation by your committee, because I want very much to have an opportunity to vote for such legislation during this Congress.

Mr. CELLER. The gentleman shall not be disappointed.

Mr. O'HARA. I thank the chairman.

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

Mr. CELLER. I yield to the gentleman from Ohio.

Mr. McCULLOCH. Mr. Chairman, I am very pleased to say I join in the statement of the very able gentleman from Michigan (Mr. O'HARA).

I am proud to say the great State of Ohio, since the day it was admitted to the Union in 1803, has never had a literacy test.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Georgia.

Mr. THOMPSON of Georgia. Mr. Chairman, allow me to say I think when the gentleman is talking about discrimination in voting he is overlooking one of the greatest instances in which discrimination takes place, and it is an area that my State of Georgia is not discriminating in, but it is an area in which I know the gentleman, because I have seen him on television, is very much opposed, and that is not allowing the 18-year-olds and 19-year-olds to vote. Will the chairman have hearings in the first part of the year to allow this disfranchised group of Americans to vote?

Mr. CELLER. I shall not enter into any discussion at this time on the question of teenage voting. That is separate and distinct and has no relation to this bill.

Mr. THOMPSON of Georgia. It has a distinct and direct relation.

Mr. McCULLOCH. Mr. Chairman, I now yield 20 minutes to the gentleman from Michigan (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Chairman, there are several points upon which I hope we can all agree as we begin this debate.

First, we can surely agree with the statement of the distinguished chairman of the Committee on the Judiciary that—

> Every American must have an equal right to vote; no duty weighs upon the Congress more heavily than the duty to assure that right.

The gentleman from New York's eloquence was echoed by my friend from Ohio who is the ranking minority member on the committee, who said:

> The elective franchise is the cornerstone of our representative Republic.

We must agree with that, also.

The Voting Rights Act of 1965 was enacted to implement the guarantee of the Constitution that no American's right to vote should be abridged because of his race or color. At the time Congress took this action, it was apparent that the right to vote of many Americans, mainly black Americans, was being abridged on account of color; the remedy was compounded to fit the situation then prevailing. A formula was devised, based upon the registration and voting pattern of the 1964 presidential election. This formula was very carefully fashioned so as to include certain Southern States and exclude others.

Leaping over all the debate of 4 years ago, it was generally accepted then by the Congress that the unprecedented intervention of Federal authority, represented by the Voting Rights Act of 1965, into the constitutional power of States to determine the qualification of voters, would only be temporary. It was felt, quite properly, that the extension of the right to vote would, in time, be self-sustaining for those previously denied the franchise because of racial discrimination. Once they could vote they would, through the power of the ballot box, make certain that they were never disenfranchised again—this is the theory to which most of us subscribe. Therefore, the key provisions of the 1965 act were supposed to become unnecessary and to expire in August 1970—although there would still be a probationary period under the law.

It is these key provisions, which single out six Southern States and portions of several others, which the committee bill would have us continue unchanged for another 5 years. We are told we must not even change the existing law so much as to update its triggering formula from 1964 to the 1968 election statistics. Why not?

The answer is incredible, but here it is: The 1964 formula should not be changed because a 1968 formula would permit most, if not all, of those six or seven Southern States to escape further discrimination from the Federal Government. This is because they have now registered or now allow more than half their voting-age citizens to vote—because they have successfully passed the test Congress set in 1965.

I am highly gratified that 800,000—perhaps as many as 1 million black Americans in the seven specially covered States have been registered since the 89th Congress passed the 1965 Voting Rights Act. I believe the 91st Congress should not stop there but should go forward to protect and expand this fundamental right for all citizens, whatever their race, creed, or color, wherever they reside.

But I believe there are other fundamental rights that are equally precious to Americans—the right of equal justice under law, which surely applies to the 50

States of the Union as well as to individuals—the presumption of innocence which puts the burden of proof on the accuser—the principle that there is one law in this land for black and for white, for rich and for poor, for Georgian and for Californian.

If it is agreed we have a duty to implement the voting rights guaranteed by the 15th amendment and elsewhere in the Constitution, if we agree that substantial progress has been made under the 1965 act but that much room for improvement remains, and if we are honest enough to admit that the present law, for all its commendable results, is discriminatory in spirit and in practice against one part of our country, then let us get on with a nationwide standard in the spirit of 1970 rather than 1964.

To do this, President Nixon and his administration have proposed, and I have introduced—with my distinguished colleagues—H.R. 12695, the nationwide voting rights bill which will be before us as a substitute for the committee bill.

Mr. Chairman, I have in my possession a letter dated December 10 from President Nixon which I will not read at this point. I will insert it at this point in the RECORD as a part of my remarks:

THE WHITE HOUSE,
*Washington, December 10, 1969.*

HON. GERALD R. FORD,
*Minority Leader of the U.S. House of Representatives, Washington, D.C.*

DEAR JERRY: I am aware that the House is considering a five-year extension of the Voting Rights Act of 1965, and alternatively, as an amendment, the Administration-proposed nationwide voting rights bill, H.R. 12695.

I strongly believe that the nationwide bill is superior because it is more comprehensive and equitable. Therefore, I believe every effort must be made to see that its essence, at least, prevails.

I would stress two critical points:

1. Instead of simply extending until 1975 the present Voting Rights Act, which bans literacy tests in only seven states, as the Committee bill would do, the nationwide bill would apply to all states until January 1, 1974. It would extend protection to millions of citizens not now covered and not covered under the Committee bill.

2. H.R. 12695 assures that otherwise qualified voters would not be denied the right to vote for President merely because they changed their state of residence shortly before a national election.

In short, the nationwide bill would go a long way toward insuring a vote for all our citizens in every state. Under it those millions who have been voteless in the past and thus voiceless in our government would have the legal tools they need to obtain and secure the franchise. Justice requires no less.

For certainly an enlightened national legislature must admit that justice is diminished for any citizen who does not have the right to vote for those who govern him. There is no way for the disenfranchised to consider themselves equal partners in our society.

This is true regardless of state or geographical location.

I urge that this message be brought to your colleagues, and I hope they will join in our efforts to grant equal voting rights to all citizens of the United States.

Sincerely,

RICHARD NIXON.

Mr. Chairman, I will also ask unanimous consent to insert in the RECORD a copy of the nationwide voting rights bill of 1970:

H.R. 12695

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act shall be known as the "Voting Rights Act Amendments of 1969."

SEC. 2. Section 4 of the Voting Rights Act of 1965 (79 Stat. 438; 42 U.S.C. 1973b) is amended as follows:

(a) Strike subsection (a) and substitute the following:

"(a) (1) Prior to January 1, 1974, no citizen shall be denied the right to vote in any Federal, State, or local election because of his failure to comply with any test or device."

(b) Strike subsection (b) and designate present subsection (c) as (a) (2).

(c) Strike subsections (d) and (e) and add the following as subsection (b):

"(b) (1) No citizen of the United States who is otherwise qualified to vote in any State or political subdivision in any election for President and Vice President of the United States shall be denied the right to vote in any such election for failure to comply with a residence or registration requirement if he has resided in that State or political subdivision since the 1st day of September next preceding the election and has complied with the requirements of registration to the extent that they provide for registration after that date.

"(2) If such citizen has begun residence in a State or political subdivision after the 1st day of September next preceding an election for President and Vice President of the United States and does not satisfy the residence requirements of that State or political subdivision, he shall be allowed to vote in such election: (A) in person in the State or political subdivision in which he resided on the last day of August of that year if he had satisfied, as of the date of his change of residence, the requirements to vote in that State or political subdivision; or (B) by absentee ballot in the State or political subdivision in which he resided on the last day of August of that year if he satisfies, but for his nonresident status and the reason for his absence, the requirements for absentee voting in that State or political subdivision.

"(3) No citizen of the United States who is otherwise qualified to vote by absentee ballot in any State or political subdivision in any election for President and Vice President of the United States shall be denied the right to vote in such election because of any requirement of registration that does not include a provision for absentee registration.

"(4) 'State' as used in this subsection includes the District of Columbia."

SEC. 3. Section 5 of the Voting Rights Act of 1965 (79 Stat. 439; 42 U.S.C. 1973c) is amended to read as follows:

"SEC. 5. (a) Whenever the Attorney General has reason to believe that a State or political subdivision has enacted or is seeking to administer any voting qualification or prerequisite to voting, or standard, practice or procedure with respect to voting which has the purpose or effect of denying or abridging the right to vote on account of race or color, he may institute for the United States, or in the name of the United States, an action in a district court of the United States, in accordance with sections 1391 through 1393 of title 28, United States Code, for a restraining order of a preliminary or permanent injunction, or such other order as he deems appropriate.

"(b) An action under this section shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28 of the United States Code and any appeal shall be to the Supreme Court."

SEC. 4. Section 6 of the Voting Rights Act of 1965 (79 Stat. 439; 42 U.S.C. 1973d) is amended by striking the words "unless a declaratory judgment has been rendered under section 4(a)" and by striking, immediately after the words "political subdivision," the words "named in, or included within the scope of, determinations made under section 4(b)"

SEC. 5. Section 8 of the Voting Rights Act of 1965 (79 Stat. 441; 42 U.S.C. 1973f) is amended by striking the words "Whenever an examiner is serving under this Act in any political subdivision the Civil Service Commission may" and substituting the following:

"Whenever the Attorney General determines with respect to any political subdivision that in his judgment the designation of observers is necessary or appropriate to enforce the guarantees of the fifteenth amendment, the Civil Service Commission shall"

Section 8 is further amended by adding the following sentence at the end thereof:

"A determination of the Attorney General under this section shall not be reviewable in any court."

SEC. 6. Section 14 of the Voting Rights Act of 1965 (79 Stat. 445; 42 U.S.C. 1973l) is amended by striking subsections (b) and (d) and designating subsection (c) as (b).

SEC. 7. The Voting Rights Act of 1965 (79 Stat. 437; 42 U.S.C. 1973) is amended by redesignating sections 17, 18, and 19 as sections 18, 19, and 20, respectively, and inserting the following new section:

"SEC. 17. (a) There is hereby created a temporary Commission, to be known as the National Advisory Commission on Voting Rights (hereafter called the Commission), which shall be composed of not more than nine members who shall be appointed by the President. The President shall designate one member to serve as Chairman.

"(b) The Commission shall undertake to make a study of the effects upon voting and voter registration of laws restricting or abridging the right to vote, including laws making residence, economic status or passage of literacy tests and other tests or devices a prerequisite to voting. The Commission shall also study the impact of fraudulent and corrupt practices upon voting rights. The Commission shall conduct such hearings as it deems appropriate and shall consult with the Attorney General, the Secretary of Commerce, and the Civil Rights Commission, and with such other persons and agencies as it deems appropriate. The Commission shall report to the President and the Congress, not later than January 15, 1973, the results of its study and make its recommendations for legislative or other action to protect the right to vote. The Commission shall cease to exist thirty days following the submission of its report.

"(c) As soon as practicable following enactment of this statute and after consultation with the Attorney General and the Civil Rights Commission, the Secretary of Commerce shall make special surveys, in States which utilize literacy and other tests or devices, and in other States, to collect data regarding voting in presidential and other elections, by race, national origin, and income groups. The Secretary of Commerce shall transmit this data, together with other pertinent data from the Nineteenth Decennial Census, to the Commission.

"(d) The Commission is authorized to request from any executive department or agency any information and assistance deemed necessary to carry out its functions under this section. Each department or agency is authorized, to the extent permitted by law and within the limits of available funds, to cooperate with the Commission and to furnish information and assistance to the Commission.

"(e) Members of the Commission who are Members of Congress or in the executive branch of the Government shall serve without additional compensation, but shall be permitted travel expenses, including per

diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons intermittently employed. Other members of the Commission shall be entitled to receive compensation at the rate now or hereafter provided for GS–18 of the General Schedule for employees for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Commission. While traveling on official business in performance of services for the Commission, members of the Commission shall be allowed expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons intermittently employed. The Commission shall have an Executive Director who shall be designated by the President and shall receive such compensation as he may determine, not in excess of the maximum rate now or hereafter provided for GS–18 of the General Schedule under section 5332 of title 5, United States Code. The Commission is authorized to appoint and fix the compensation of such other personnel as may be necessary to perform its functions. The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code."

SEC. 8. The provisions of this Act shall become effective on August 6, 1970, except that Section 7 shall become effective immediately.

Mr. Chairman, I am motivated not only by the idea of relieving the citizens and authorities of a few States from unjust discrimination, but also by a firm conviction that the laws of the United States, which we write here, ought to be the same for all 50 States; that the benefits of good laws should benefit citizens everywhere; that the penalties for defiance or evasion should be the same North, South, East, and West; and that the right to vote may be—and often is—abridged in many ways and for many reasons in addition to race or color.

The right to vote for President and Vice President, and for other Federal elective offices, is a nationwide right entitled to nationwide protection. Our nationwide voting rights bill, to summarize it briefly, is nationwide in all of its parts. Specifically:

First. It would suspend, nationwide, all literacy tests in all 50 States until January 1, 1974.

Second. It would provide, nationwide, a uniform residence requirement for all Americans who want to vote in presidential elections.

Third. It would grant, nationwide, statutory authority to the Attorney General to station voting examiners and observers in any jurisdiction in all 50 States to enforce the right to register and to vote.

Fourth. It would provide, nationwide, statutory authority for the Attorney General to start voting rights lawsuits in Federal courts to prevent discriminatory practices and suspend discriminatory voting laws in all 50 States.

Fifth. It would launch a nationwide study of the use of literacy tests or devices and other corrupt practices which may abridge voting rights in all 50 States. A national voting advisory commission would be created to report its findings prior to the expiring of the nationwide literacy test suspension in 1974.

I cannot see anything among these five nationwide proposals to which any reasonable person could disagree except, perhaps, the temporary ban on all literacy tests for 4 years. Literacy tests are not wrong or unconstitutional in themselves; what is illegal is their misuse to deny the right to vote not for illiteracy but on account of race or color. Even the present act does not prohibit literacy tests in some 20 States that have them; it temporarily suspends them in six or seven States under certain conditions.

Our nationwide voting rights bill says, in effect, if any State is to be temporarily denied the right to have a literacy test of any kind, let us temporarily deny this right to all States; let us see what effect this has on registration of minority groups and upon voting patterns in all 50 States, and then let us decide what to do about such tests and other devices for the Nation as whole. What could be fairer?

There is one provision of my nationwide voting rights bill which the proponents of a simple 5-year extension do not, so far as I know, openly oppose; that is the provision nationalizing residency requirements for presidential elections. This simply recognizes the facts of life in the superhighway and jet age; Americans are the most mobile people in the world; more than 5½ million of them were prevented from voting in 1968 because they had recently moved. They lost their vote in their place of previous residence too late to reacquire it in their new home.

With all deference to my Vice President's reservations, the news media keep transient Americans just as well—or just as badly—informed of national issues and national candidates as they do voters who stay in one precinct all their lives. It makes no sense to deny anyone his right to vote because his employer, or his child's health, or whatever, transfers him abruptly to another part of the United States. The main argument against this overdue remedy seems to be that it has nothing to do with race or color—although population movements in recent years clearly have included both black and white citizens in large numbers.

Congress should not be precluded from doing anything to the legislation before us simply because it has no racial or color ramifications. Voting rights are voting rights and I have always believed we should be colorblind—nondiscriminatory if you will—about them.

The President is the representative of all the people and all the people should have a reasonable opportunity to vote for him.

Perhaps the most significant change which my nationwide voting rights bill would effect in comparison which the existing 1965 statute is found in the spirit of it. Today, any State or county which is under the shadow of the 1964 formula cannot make any change in its election laws without coming to Washington for permission. Under the 1965 act it is assumed that any such change is intended to cheat the law and circumvent the Constitution.

The fundamental presumption of innocence is denied these six or seven States, under an arbitrary, outmoded, mathematical formula. They are presumed guilty and prevented—though 43 Federal court—not their own district courts but in the District of Columbia.

Maybe, I do not concede it, but maybe, other States are not so prevented—from managing their own electoral affairs until they prove themselves innocent in past sins justified such severity in past legislation. But this is not the Reconstruction Era and neither is this 1965. Four eventful years have passed; evils and errors of another time have yielded. Now, today, it is wrong and it is shameful for this House to perpetuate a punitive and discriminatory provision for another 5 years beyond the point where the original authors of the act intended it to expire.

My nationwide voting rights bill shifts the burden of proof back where it ought to be—to the Attorney General—and empowers him to go after any State which does, in fact, discriminate against voters on racial grounds or which might backslide in the future. Just as we do not want any second class citizens in this country, neither do we want any second-class States.

My friends, the choices before us here are usually difficult choices.

I do not believe they are at all difficult today.

We have before us two proposals—one to continue unchanged for 5 more years a measure intended as strong temporary medicine to treat racial discrimination in one part of the country, which, in working a commendable cure, has itself discriminated in unnecessary ways. The alternative in my nationwide voting rights bill which builds upon the lessons of the 1965 act, continues its Federal oversight but eliminates its serious shortcomings.

This administration with this bill intends to protect all the gains in voting rights in one section of the country which have been made in the past 4 years. More than that, we intend to extend these gains to all States and all Americans who may still be denied their full franchise. The very fact we have made such spectacular gains rules out any notion of standing still, or of singling out a few scapegoat States. We mean to step up and broaden the Federal concern for voting rights anywhere and everywhere in America.

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

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

Mr. McCLORY. Mr. Chairman, first of all I want to say that I do not want to get into a debate or discussion with the gentleman. I also want to emphasize that I do not impugn the motives or objectives of the Attorney General or of the gentleman in the well with regard to the substitute bill.

However, I must say this: Great progress has been made under existing legislation. But I do not think that the objective has been fulfilled. In the testimony before the committee, in a letter which came from former Assistant Attorney General Stephen J. Pollak, it was brought out that the original term of the bill was for 10 years. It was contemplated when the legislation was introduced that a 10-year period would be required in order to fulfill this objective.

So far as I am concerned, maybe a 10-year period is too long. But I do think that the objective has not been fulfilled at the present time. Thus, the act should be extended possibly 3 or 4 or 5 years, as the bill now provides. That is the point I want to make.

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

Mr. McCULLOCH. Mr. Chairman, I yield 1 additional minute to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Chairman, I appreciate the opportunity to answer the gentleman's question.

In 5 years, if my recollection is correct, five of the seven States that were under the automatic trigger provision of the 1965 act have made sufficient progress so that they, under the criteria of the original act, would no longer be covered by it in certain important respects.

I think that is substantial progress. In one State, I think it is the State of Mississippi, it went from about 6 percent to about 53 percent. That is very commendable progress and if they were starting from scratch under the original act would not now be covered by the triggering provision.

Under the existing formula, they would be in a different situation. I do not think you have to keep States in perpetuity as second-class States, as some people would like apparently, even though they have made substantial progress. I do not believe that keeping seven States under a special kind of servitude is fair, when you can accomplish the voting rights objective that we all want by having all States being treated the same under the substitute bill. I think that is the right approach for us to take.

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

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

Mr. McCLORY. I would like to make this additional comment.

As I understand it, the only reason that the period was reduced from 10 years to 5 years was to secure a vote of cloture in the other body, and there was no showing that the 5-year period would be adequate. It was thought that a 10-year period would be needed.

It is the feeling of the majority of the committee, including the majority of our party, that unless the act is extended there is going to be retrogression and that we are going to lose some of the benefits that have been gained. We do not want to see this backward step taken.

Mr. GERALD R. FORD. May I respond by pointing out that under the substitute bill, the Attorney General has the authority to go in and prevent retrogression on his own initiative. I am sure that the Attorney General would take such action if there were such retrogression. He could go in and he could assume the burden of proof, with the facts at hand and he could prove his case for remedial action. I am certain Attorney General Mitchell would take such action.

Therefore, I do not see any possibility of any retrogression under the substitute bill and it would be far more equitable.

Mr. RIEGLE. Mr. Chairman, today I wish to speak in favor of the 5-year extension of the Voting Rights Act of 1965.—I urge this course on both moral and practical grounds. In my judgment, the number one moral imperative in America now is the need to finally insure the full and equal rights of each and every citizen.

In America today, while most of our people are free, many are not. The ugly realities of racial discrimination and racial denial continue as a bleeding wound on the soul of America, and America bleeds today for the racially disenfranchised.

This is wrong and must be changed. All our people must be free—equally, fully, and now.

And those among us who would promote or allow the transgression of the birthrights of other Americans, do more to destroy our Nation than any foreign aggressor.

Our national honor derives from our national meaning—a meaning centered in our unique view of man. That view is that each person born in America is born free—is born into freedom. And the human rights associated with freedom are God given and are not subject to the temporal whims of men or governments.

Thus, no one in this country can set aside the human rights of another man: neither elected officials nor nightriders; neither angry men blocking schoolhouse doorways nor silent men too timid to oppose injustice.

Nor can human rights be set aside by harsh demands to move to the back of the bus—or by subtle rationalizations that school desegregation deadlines be further delayed.

Nor can they be compromised by freedom-of-choice schools, separate-but-equal doctrines, voting restrictions, or "southern strategies."

Today the issue concerns voting rights—the right to self-government based on free and open elections—a practical issue of achieving a true democracy. Surely, men must be able to vote if they are to be free.

Failure to extend the Voting Rights Act of 1965 in its present form, and/or passage of amendments which would extend coverage to all 50 States, would, in effect, serve to dilute the corrective force of the act. It would do this in two ways:

First. The great bulk of the low voter registration problem is regional and is concentrated in the States of the Deep South. I feel that the proposed changes to this bill would so diffuse the Justice Department's efforts nationwide, but the recent gains in the Deep South would likely be lost or seriously eroded. We must not lose the corrective momentum we now have in the areas of our country with the greatest racial disenfranchisement. Any backsliding in this area would be disastrous.

Second. Should the provision be dropped to require Federal certification of election law modifications, clearly endless ways will be found to exclude certain minority groups from equal participation.

As President Nixon said 2 nights ago:

> I believe that sometimes it is necessary to draw the line clearly . . . to make it clear that there can be no compromise where such great issues as self-determination and freedom . . . are involved.

We can draw that clear line today by extending the Voting Rights Act of 1965 in its present form, and I urge that we do so.

Mr. McCULLOCH. Mr. Chairman, it is my great pleasure now to yield 6 minutes to the Governor-elect of the State of New Jersey, a member of the Committee on the Judiciary (Mr. CAHILL).

Mr. CAHILL. Mr. Chairman, let me first of all express my very deep appreciation not only for that generous welcome but for the generosity of all Members of the House as expressed to me personally so many times since the election. I am very grateful, and I hope that in the 4 years ahead I can, in New Jersey, bring into practice many of the lessons I have learned in this great House of Representatives, and I hope that the work in New Jersey will redound to the credit of the Congress of the United States.

Mr. Chairman, we and the civil rights movement are at an important crossroads today—a crossroads which, in my judgment, will serve as a test of the conscience of this great legislative body. The vehicle for that test is the proposed Voting Rights Act extension now before us. The measure, by which history will judge us, will be what we do here this week.

The issue is quite clear.

On the one hand we have an opportunity to move ahead with a renewed sense of hope, pride, and reaffirmation, an opportunity to breathe new life into the civil rights movement at a time in our Nation's history when it is needed most desperately, and in an area where the wrongs to our black citizens have historically been the most grievous. I am speaking of the constitutionally guaranteed right of franchise, which has been wrongly denied for too long to a large segment of our population.

Or, on the other hand, we can reject this opportunity and turn back from responsibility just at the moment when light is appearing at the end of what has been a tunnel of darkness. I say we can do this, but we surely must not.

There is little doubt that the Voting Rights Act of 1965 has been the most successful and effective civil rights legislation ever passed by the Congress. In the 5 years since its enactment, it has been directly responsible for insuring the voting privileges of nearly 1 million blacks in a seven-State region in the South—most of whom had never before voted.

This is an accomplishment of which all of us, particularly those of us on the committee, who worked so hard for its passage, can be proud. But we must now recognize that our task is by no means complete. Not only must we continue toward the goal of maximum voter registration, and toward redress of regrettable long-term deprivations, but we must now insure that we hold on to that which we have gained. That is why I urge the membership to lend its full support to a simple 5-year extension of the Voting Rights Act as drafted, and to reject any substitute proposals.

As the distinguished ranking minority member of the Judiciary Committee,

the gentleman from Ohio (Mr. McCULLOCH) has pointed out, when this act was first passed it was estimated that it would take at least 10 years "to overcome the effects of centuries of discrimination." Thus, while the gains during the first 5 years have been great, we cannot close our eyes to the fact that many in the South have not yet opened wide their arms to the new black voters. A 5-year extension holds out a hope of making today's gains permanent.

The substitute measure represents a retreat and a dilution of the force of the present legislation. It presumes to expand remedies to regions of the country where ample machinery already exists, in order to right wrongs which have not been shown to exist. The substitute measure deals only with the banning of literacy tests, and thus paves the way for expanded use of numerous other devices directed at depriving black citizens of the South of their constitutional right to vote.

I would like to read from a letter received by me today from Father Theodore Hesburgh, Chairman of the U.S. Commission on Civil Rights. In part, he said:

> The Members of Congress of both parties who shaped and supported the 1965 Act can rightfully point with pride to one of the great legislative accomplishments of this decade. Their proof lies in the nearly two million newly enfranchised Negro voters in the South, in the 463 elected Negro office holders, and in the many changes which have taken place as a result of greater participation by Negroes in the political life of their communities, cities, States and Nation. The passage of that Act was one of political and moral correctness.
>
> I do fear that many Members of Congress feel that the voting problems at which the 1965 Act was directed have been solved. They have not. The Fifteenth Amendment remains to be fully implemented. We cannot retreat on this front. If we do, we run the risk of endangering the faith of many of our people in the ability of our Government to meet the legitimate expectations of its citizens.

As I look back over my years in the House of Representatives I am most proud of the role I have been permitted to play in advancing the cause of civil rights. I entered the Congress at a time when America's conscience just seemed to be wakening. It is unfortunate that we are required to pass laws at all in order to protect rights that we all theoretically share. Nevertheless all of these laws have accomplished a great deal.

I regard the Voting Rights Act, however, as the greatest of all civil rights laws, since it deals with one of our most basic rights. With this right assured our citizens can seek redress of their own grievances peaceably at the polls. Without it, those denied often find themselves compelled to resort to other means, not always so lawful.

I said earlier that we now have a great opportunity. Let us not pass it up. Let us seize upon it and so advance the cause of civil rights for all our fellow citizens. At a time when there are so many divisions among our people, and the need to bring them together is so great, we cannot afford not to support an extension of the Voting Rights Act of 1965.

Mr. CELLER. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey (Mr. RODINO).

Mr. RODINO. Mr. Chairman, I rise to express my support of H.R. 4249, a bill to extend for an additional 5 years provisions of the Voting Rights Act of 1965 relating to the discriminatory use of literacy tests and similar devices.

The record indicates that a substantial need remains to eradicate past evil effects and to prevent future repetition of discriminatory voting practices which are deeply ingrained in the laws, policies and traditions of certain areas of this Nation. The Voting Rights Act of 1965 constituted a national commitment to end the hypocrisy of a Nation which called itself a democracy but denied certain citizens the right to vote because of their color.

In brief, the act automatically suspends literacy tests and similar devices which had been used as prerequisites for registering or voting in States or political subdivisions which maintained them and in which fewer than 50 percent of the voting age population were registered for or voted in the 1964 presidential election. It also authorizes the assignment of Federal examiners to register eligible voters and Federal observers to monitor the casting and counting of ballots in areas where tests have been suspended. Further, the act prohibits the covered States and counties from enforcing changed voting qualifications without first obtaining the approval of the district court of the District of Columbia or the acquiescence of the U.S. Attorney General. These remedies were temporary. The act permits jurisdictions subject to these automatic provisions to obtain a release by petitioning the district court in the District of Columbia and establishing that tests or devices have not been used discriminatorily in the preceding 5 years. Since six States have been forbidden since 1965 from using any literacy tests or devices, they will be automatically exempted from these temporary remedies beginning in 1970 unless the Congress votes to extend coverage beyond the present 5-year period.

In determining whether or not to extend the provisions of the Voting Rights Act for an additional period of time, the Committee on the Judiciary examined in detail the record of accomplishment of the past 4 years. That record is impressive in terms of the vast numbers of Negro citizens who have been placed on voter rolls for the first time. Negro registration in many counties of Alabama, Georgia, Mississippi, North Carolina, South Carolina, Virginia, and parishes of Louisiana has more than doubled since the passage of the act. Through the patential and actual assignment of Federal observers on election day, many Negro citizens have felt secure enough to vote freely without fear and confident that their votes would be counted.

A large share of the credit for the outstanding accomplishments under the act must be given to responsible officials of these States and counties who may have been reluctant or recalcitrant at first, but have carried out their responsibilities in an exemplary manner.

While approximately 158,000 nonwhites have been registered by Federal examiners under the act, well over 500,000 Negroes have been registered by local officials since 1965. Moreover, we are beginning to see active participation by Negro citizens in the politics of the Southern States for the first time since Reconstruction. So the act has worked impressively. It has put large numbers of Negroes on the voting rolls in a short space of time. It has also resulted in the election of Negro officials where few, if any, such officials served 4 years ago.

On the basis of these accomplishments it may be urged by some that the act need not be extended. Some may say use 1968 presidential election figures rather than 1964 figures. Or leave the act alone altogether. Such proposals, I fear, do not take into account the true facts that exist in the areas covered today. The Judiciary Committee, after extensive hearings and on the basis of reports of the Commission on Civil Rights, and reviewing the approximately 20 lawsuits involving voting discrimination which have been decided in the last 4 years, has concluded that coverage for an additional period of time is essential to dissipate the long-established political atmosphere and tradition of voting discrimination.

Here is what the U.S. Commission on Civil Rights has concluded:

> The gains that have been made have great potential—but they are fragile. If the gains are augmented and strengthened by firm action to deal with the remaining barriers, Negroes may secure enough influence and representation in the political process that the need for Federal intervention will end. If, on the other hand, new barriers are not attacked, the progress made thus far may not be translated into effective political representation, the current Federal presence may be of diminishing effectiveness, and the gains may be destroyed entirely if and when the Federal Government decides to end its intervention and restore to the States control over the registration process and determination of the qualifications of electors. (*Political Participation*, p. 178)

To permit 1968 presidential election results to determine the application of the remedies of the Voting Rights Act would be to use the fruits of the act to release those areas where voting discrimination has been most persistent. Use of 1968 figures would result in releasing the States of Alabama, Louisiana, Mississippi, and Virginia. To use such figures would be to disregard the entire premise of the act itself; namely, that literacy tests and low voter registration or turnout go hand in hand with voter discrimination. The 1964 election was the last presidential election in which such tests and devices were used as engines of discriminations. The Voting Rights Act suspended their use during the 1968 election; Federal examiners listed new voters and Federal observers monitored the balloting itself. The circumstances in 1968 were entirely different from those in 1964. It would not be rational to permit 1968 results to determine where tests and devices should be suspended.

In 1965 the Congress hoped that a 5-year period would be a sufficient time within which Negroes could gain voting power in the affected States so that spe-

cial Federal protection would no longer be needed. But the job begun in 1965 is not yet complete. If the statutory automatic coverage of the act were to terminate, States and counties now covered would be in a position to reimpose those voting and registration requirements that made the law necessary.

The States involved have not repealed those requirements. They still remain on the statute books. Moreover, there is no assurance at the present time that voters who have been declared eligible by Federal examiners would be protected from a reregistration requirement or other attempts to reimpose the pre-1965 status quo. While such attempts or efforts would be challenged in court litigation, nonwhites would be required to prove that such efforts had the purpose or effect of discriminating on account of race or color. While those proceedings went on, elections would be held and results determined while the right to vote free of discrimination would have to wait for future vindication. We have been down that road. The Voting Rights Act of 1965 was designed to overcome the delays and frustrations to which the case-by-case approach gave rise. The statutory coverage formula of the present act focuses on those jurisdictions which have used tests and devices to discriminate, and which also have maintained dual school systems that have reinforced the discriminatory impact of literacy requirements. A continuation of the automatic suspension of tests and devices in these areas, therefore, is clearly indicated.

A similar conclusion is justified with respect to the authority to appoint Federal examiners and observers. This authority has proven invaluable not only in promoting increased Negro voter registration, but also in assuring that the franchise could be exercised free of fear and intimidation. An effort to expand the Attorney General's authority to assign examiners and observers throughout the Nation may be made in the course of our debate. However reasonable that proposal may appear, no need or justification for such expanded authority has been presented. The danger with such a proposal is that it will dissipate the effort in the areas where the need for Federal protection against voting discrimination is the greatest.

In addition to automatic test suspension and the appointment of Federal examiners and observers, the Voting Rights Act prohibits covered areas from enforcing any new election law or practice which would perpetuate discrimination. The record is replete with efforts, dedicated and ingenious, to evade the guarantees of the 15th amendment. Between 1957 and 1964 State and local circumvention of court orders and congressional enactments was common. Section 5 of the act was designed to protect against subterfuges which might be attempted to escape the act's purposes. The record of the past 4 years indicates that as Negro voter registration increased, several jurisdictions have attempted new and unlawful ways to diminish the Negroes' franchise and to defeat Negro or Negro-supported candidates for reason of their race. It thus remains essential to continue the requirement that covered jurisdictions submit new voting laws or regulations for Federal review. This requirement keeps the burden where it belongs, namely, on the covered jurisdiction to show that any given change does not violate the 15th amendment.

The requirement of Federal preclearance also enables private parties to institute their own actions to protect the right to vote without having to rely on the Attorney General. Private relief is facilitated in that in order to enjoin enenforcement it is only necessary to show that the changed voting rule or law has not been submitted for Federal review. Section 5 procedures are an integral part of the rights afforded by the 1965 act. The bulk of voting law changes which have been submitted to the Attorney General have been routinely approved. However, 11 changes have been objected to.

Those who propose, as the administration apparently does, to scrap section 5 and return instead to case-by-case litigation, would turn the clock back 4 years. The case-by-case, county-by-county approach through the courts with all its delays was one of the reasons for the 1965 act. Authority presently exists for the Attorney General to institute such court proceedings to challenge discriminatory voting laws or procedures. So nothing would be gained and much would be lost if preclearance of new voting laws as required in section 5 of the act were eliminated.

Mr. Chairman, I have dwelt at some length on the so-called automatic or administrative remedies of the Voting Rights Act. They are temporary and require the attention of the Congress today. Other provisions of the act, of course, are permanent. They include authority for the Attorney General to institute suits to enforce the guarantees of the 15th amendment anywhere in the country. Under these permanent provisions the Federal courts are authorized to suspend literacy tests and similar devices; to authorize the appointment of Federal examiners and Federal observers; and to prohibit the endorsement of new election laws or election requirements pending review by the Attorney General of the United States. In other words, the permanent provisions of the Voting Rights Act parallel the temporary provisions but require a court order to bring them into effect.

It is important to stress that the permanent provisions apply nationwide. Let those who urge a nationwide ban on literacy tests or nationwide authority to assign Federal observers or examiners, study section 3 of the act. All these remedies can be made applicable by a court proceeding. The difference is that the automatic or temporary provisions apply without a prior court proceeding. That was a deliberate and considered judgment of the Congress. The automatic or temporary provisions of the act apply to those areas where there is evidence of voting discrimination. If denial of the franchise on account of race or color exists in areas not covered by the temporary remedies of the act, ample authority presently exists for the Federal Government to challenge such practices and to enjoin them through court proceedings. I submit, Mr. Chairman, that the distinction between automatic administrative remedies and remedies imposed only after a judicial proceeding not only reflects the wisdom of Congress in protecting the federal system, but is in accordance with the true needs of the Nation.

In 1965, when the Voting Rights Act was being debated in this House, opponents challenged the validity of the act on constitutional grounds. That issue has been fully litigated and decided in favor of the act. The issue today, it appears, is regionalism. Lest anyone be misled by this label, let me make the issue plain. To adopt proposals in the guise of nationalizing voting rights protection instead of extending the coverage of the existing act in its present form, will undermine the voting rights program of the past 4 years and threaten a repetition of the practices of the past.

I urge my colleagues to support H.R. 4249 without amendment.

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

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

Mr. ROGERS of Colorado. Mr. Chairman, I rise in support of H.R. 4249.

After a century of almost total disfranchisement of the Negro population of the South the Voting Rights Act was passed in 1965, representing a new approach to the problem of discrimination in the political process. Let me briefly review the history that led up to that enactment.

The 15th amendment was ratified in 1870. It has two sections. The first declares that—

> The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

The second section gives Congress power to enforce the amendment "by appropriate legislation."

Yet through a long series of devices, ranging from "grandfather clauses" to literacy tests to requirements of "good moral character," the Southern States continued to deny the vote to their Negro citizens. In 1956 in the 11 Southern States, only 25 percent of the 5 million Negroes of voting age were registered.

In 1957, Congress made its first attempt since the post-Civil War era to end the unconstitutional disfranchisement of the Negro. The Civil Rights Act of that year, as well as those of 1960 and 1964, included provisions attempting to make State officials fairly apply their restrictive voting standards to both white and black people. But many State and local voting officials continued to ignore the Constitution, and the slow and painful process of case-by-case litigation achieved almost nothing. Even when the courts finally held a State law or practice invalid, the State remained free to adopt other devices to continue the disfranchisement of its Negro citizens.

The Department of Justice brought

approximately 50 lawsuits between 1957 and 1964 to enjoin discriminatory practices by registration officials. Only 36,000 Negroes were registered as a result of these lawsuits. In 1964, only 23 percent of voting-age Negroes were registered in Alabama; 32 percent in Louisiana; 6.7 percent in Mississippi. And of the approximately 5,000,000 voting-age Negroes in the South, less than half were registered in 1964.

In 1965, Congress, with strong bipartisan support, passed the Voting Rights Act. The act, in the words of the Supreme Court, "was designed by Congress to banish the blight of racial discrimination in voting, which has infected the electoral processes in parts of our country for nearly a century." *South Carolina* v. *Katzenbach,* 383 U.S. 301, 308 (1966).

By any standard the Voting Rights Act of 1965, has been a successful piece of legislation. Between 1965 and 1968, an estimated 800,000 additional Negroes in the South have been able to exercise the franchise guaranteed them by the Constitution. This is an approximate doubling of southern Negro voter registration.

Let me explain briefly some of the major reasons why the extension of the Voting Rights Act is so important.

First of all, the work of the act is far from accomplished. Although there have been dramatic increases in Negro voter registration throughout the South, Negro registration remains significantly below white in all of the States primarily affected by the act. In many individual counties, moreover, Negro registration is under 35 percent, a situation which shows that the Voting Rights Act's beneficial effects have not reached the local level uniformly. For such areas it is crucial that Federal examiners can be made available to list the remaining thousands of unregistered Negroes of voting age and that those tests and devices that have in the past been used with a discriminatory purpose and effect continued to be banned.

Second, there exists a justified fear that much backsliding will occur if the Voting Rights Act is not extended. If the act is not extended, resumption of literacy tests and similar devices could occur. For example, complete reregistration of voters would be probable which would erase all gains thus far realized. The Attorney General would be unable to appoint Federal examiners to register voters and to assign Federal observers to monitor the conduct of elections. To deal with such contingencies the Attorney General must have the stand-by power to dispatch examiners or observers if needed.

Third, the vital protection of rights afforded by section 5 of the Voting Rights Act must be continued. It insures that, with no discrimination in registration and at the polls possible, no State or county can use changes in legislation or administrative practices, to deprive Negroes of their recently won franchise.

In conclusion, let me state that this history of low Negro registration in the South before the passage of the Voting Rights Act and of considerable but uneven progress since the passage shows the effectiveness of this act as a means to overcome discrimination and the need to extend its operation for another period of years. It also shows that the problems that it is designed to deal with are different in nature from whatever voting problems may exist in the rest of the Nation, and that proposals for general voting reform should await separate consideration after they receive the necessary study and committee consideration.

Mr. MIZELL. Mr. Chairman, one of the tenets of democracy is that all men are created equal and have equal rights under the law.

Yet the voting rights bill of 1965 denies that. It says specifically that only those men shall have equal voting rights who live in certain States and certain counties.

Behind this alleged reasoning is the fact that in those States and counties it appears that more people are denied their voting rights than in other States and counties.

But, Mr. Chairman, that is a twisted kind of reasoning far removed from our belief in the rights of individuals not as members of groups or residents of areas but as individual American citizens.

If one man is denied his vote in the North and we do nothing about it we have denied him his rights just as surely as we have denied the rights of 1,000 men who may be prevented from voting in the South.

It is hard for me to understand those who call for equality in the South but ignore inequality in the North and East and West.

Mr. Chairman, the nationwide voting rights substitute measure introduced by the gentleman from Michigan (Mr. GERALD R. FORD) will provide voting equality throughout our Nation. How can we settle for less?

Mr. ANDERSON of California. Mr. Chairman, I rise in support of H.R. 4249, to extend the Voting Rights Act of 1965.

The success of the 1965 act in bringing many of our disenfranchised citizens into the political process has been tremendous. By this act alone, over 800,000 black applicants have been registered to vote in areas where literacy tests and other factors had formerly discouraged or prevented them from registering.

But discrimination still exists. The Voting Rights Act of 1965 suspended literacy tests—literacy tests that are still on the books—literacy tests that in some instances could again be used to frustrate and bar voter participation. If this law is not extended, those areas which are still advocating segregation and discrimination, some 15 years after the landmark Brown against Board of Education case, may revert to the old strategy of discouraging the black citizen from voting.

The Attorney General advocates a nationwide system of voter registration that has equal application for all 50 States. I believe that if there is discrimination in any form in any State, it must be stopped. But discriminatory voting practices have been found to exist only in a few selected areas. There is little to be gained by placing Federal observers in States where discrimination in voter registration is not evident.

Also, I might refer the advocates of the nationwide system to the Assistant Attorney General, Jerris Leonard, Chief of the Civil Rights Division, who cannot even muster enough "bodies" to enforce school desegregation. Could he muster enough "bodies" to insure voting rights on a nationwide basis?

Mr. CELLER. 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. BOLLING, 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. 4249) to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices, had come to no resolution thereon.

## HOUR OF MEETING TOMORROW

Mr. CELLER. Mr. Speaker, I ask unanimous consent that when the House adjourns today that it adjourn to meet tomorrow at 10 o'clock a.m.

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

Mr. ARENDS. Mr. Speaker, reserving the right to object, it seems strange to me that in order to accommodate one person here tonight, if this unanimous-consent request is agreed to, we will disaccommodate other people tomorrow night and the next night.

I see no reason in the world why we should not complete the general debate on this bill tonight and then come in tomorrow at noon and expedite the consideration of this legislation.

Mr. CELLER. The gentleman from Illinois has only to object to the request.

Mr. ARENDS. I am sure that is right.

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

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

Mr. GROSS. Well, Mr. Speaker, I think there ought to be some understanding that if we do come in at 10 o'clock tomorrow morning that we will not be here at 10 o'clock tomorrow night. I just do not see any reason, in light of what happened last week, for a session beginning that early in the morning and then going into the bowels of tomorrow night. I would like to have some assurance from someone that we will not be here tomorrow night until a late hour.

Mr. CELLER. There is nothing I can do in that respect.

Mr. GROSS. Oh, I think there is a good deal the gentleman could do.

Mr. CELLER. I hope we will be able to finish the bill long before 10 o'clock tomorrow night.

Mr. GROSS. I think with the persuasive powers the gentleman has with the leadership that he could very well do something about giving us some assurance that we would not be here.

Mr. CELLER. I think the gentleman exaggerates my powers with the leadership.

Mr. GROSS. I do not think I do.

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

There was no objection.

## REGARDING THE HOUR OF MEETING TOMORROW

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

Mr. ARENDS. Mr. Speaker, I hope that on tomorrow night no one will ask this House to remain in session longer than 6:20 p.m., or the next night, or the next night.

## NEW CONCEPTS FOR MISSION BASED AUDIT ACTIVITIES OF AID

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

Mr. MOSS. Mr. Speaker, I would like to call the attention of my colleagues to an impressive, forward-looking change recently made by Dr. John A. Hannah, Administrator of the Agency for International Development, in the field of auditing and investigations. For the first time there has now been created within AID an independent internal audit activity along lines long advocated by the subcommittee on Foreign Operations and Government Information.

I want to congratulate Dr. Hannah on taking steps to elevate and consolidate the audit, investigative, and security activities into a single integrated Auditor General operation reporting direct to the Administrator. In doing this, he has taken a very far-reaching management improvement step and detached all audit personnel, whether in Washington or abroad, from the supervisory control of the operating officials. All members of the subcommittee, on both sides of the aisle, feel very strongly about the independence of the audit function. Our reports on various programs in Vietnam and Latin America frequently called attention to the fact that mission-based auditors were being inhibited by the unhealthy organizational arrangements abroad, where auditors were working for, and being rated by, the very people whom they were auditing. We also indicated that the audit function had not been receiving the top management attention necessary to assure an adequate impact on operational effectiveness.

Here in Congress we have often observed how difficult it is for new management to effectively change the entrenched ways of "bureaucracy." By this far-reaching change early in his administration, Dr. Hannah has shown that he is determined to manage the foreign aid program effectively and that he will listen to both the good and the bad news. He has now established an internal audit system which when fully and properly implemented will meet the requirements of the Congress as expressed in the Budget and Accounting Procedures Act of 1950. We wish him the best of success in implementing this new approach.

DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT,
*Washington, D.C., October 30, 1969.*

Memorandum for: The Executive Staff and Mission Directors.

Subject: New Concepts for Mission-Based Audit Activities.

On June 16, 1969, we announced the establishment of a single integrated organization for all auditing, inspection and security offices under an Auditor General reporting directly to the Administrator. A series of steps have been taken, and additional ones are underway, to revitalize and improve AID/W based review operations. We are now ready to move forward an improved overseas audit arrangements.

I want to again emphasize that the Auditor General operation is an internal review activity. It is a vital part of our overall team effort to improve the management effectiveness of the Agency. In my judgment, AID will be advantaged by a detached "in-house" group regularly checking on slippages and possible deficiencies. This group should emphasize working wherever weaknesses may appear in the Agency's operations. It is understood there will be no desire to embarrass or discredit in any way those who are honestly doing their best to carry out the Agency's mission. The goal will be to encourage prompt recognition of any weaknesses that may exist in our joint ventures with cooperating countries. It is expected that everyone in AID with operating responsibility will continue to do his best to correct these weaknesses so that we can continue to improve our operating effectiveness and our reputation in the eyes of the public and the Congress.

In this context, I am approving the integration of all mission-based audit activities into a single unified audit operation. This new arrangement will be implemented in accordance with the following concepts:

1. There will be established, at overseas locations to be approved by the Administrator, a series of "area audit offices." The locations of each office will be the subject of studies by the Auditor General and consultations with the respective bureaus. These efforts will be started immediately with the goal of having all offices operating by the end of the fiscal year.

2. On a phased-basis, the overseas audit function and personnel will be detached from mission operations and transferred to the Auditor General's direct control. Specific AID/W airgram instructions for functional transfers will be issued by region or area.

3. Wherever practical, overseas auditor personnel will be stationed in area offices to encourage greater independence, efficiency, and economy of operations. Where justified by workload or audit demands, resident auditors (American and Locals) may be retained at specific missions but under the supervisory control of the area audit offices.

4. Area audit offices will audit mission activities under a client-type relationship. Every effort will be made to be fully responsive to mission audit needs. The auditor-in-charge will consult with the mission director or his representative prior to commencing audits in his mission. The auditor will be guided by the director's assessment of cooperating country or other relationship problems. Scheduled audits which are unduly delayed or curtailed for such reasons will be reported to the Auditor General together with an explanation of the circumstances.

5. The auditor-in-charge will review the draft audit report with the mission director or his representative before finalization of the report and before it is given any distribution. This discussion will afford a full opportunity for an exchange of views, final verification of accuracy, and a presentation of any substantive conflicts of opinion by the mission. The auditor will give full consideration to mission comments and will report the mission views where substantive differences of opinion exist.

6. The area audit office will issue the official audit report under the authority of the Chief of the Area Audit Office. The report will be transmitted by the issuing office direct to the mission director for action. Distribution of the report within the mission or cooperating country will be as determined by the mission director. The area audit office will send copies of reports to AID/W as specified by Washington instructions.

7. During the course of each audit, the auditor-in-charge will discuss significant issues with senior mission officials on a preliminary or interim basis. The mission director will act promptly on critical findings to the extent he deems appropriate, consistent with his responsibilities for effective program and project management.

8. Periodically, the area audit office will develop a forward work plan consistent with professional audit approaches and technical guidance from the Auditor General. In developing these plans the area auditor will (a) consider mission and bureau suggestions and needs, (b) emphasize concurrent audits of on-going activities so that audit findings can be acted upon as a part of on-going activities and (c) build into his plan some unallotted time to handle emergency requests by client missions.

9. Audits will be conducted on a professional basis pursuant to generally accepted standards for internal auditing. Client missions are expected to make all records, files, etc., available to the auditor-in-charge and to cooperate with the audit teams in providing required information, and appropriate administrative support to visiting audit teams and to resident audit personnel.

10. Personnel ceiling and funding allocations for the overseas audit function will be made directly to the Auditor General. Over the next few months, steps will be taken to segregate the ceilings and funds from regular mission allotments so transfers can be made to the Auditor General. All personnel actions covering area auditor staffing will be approved by the Auditor General or his designee.

This separation of the audit function from the mission controller's jurisdiction is not intended to diminish in any way the importance of the mission controller's financial management activities. His role is vital to good program planning and effective program implementation. We need the very best efforts on budgeting, accounting, financial analysis, and related financial management activities. I've asked the Assistant Administrator for Administration to be sure that the resources provided for this function are adequate and to fill in any gaps (based on actual workload needs) that he or the missions may see occurring incident to the separation of the audit function.

The achievement of our overall agency goal for a fully-integrated, effective Auditor General operation will require an accelerated effort to meet my targets. It may involve some difficult problems of transition. I am asking the Auditor General to proceed as rapidly as possible. He will need your cooperation and assistance. With your help and support there should be many benefits from this new approach.

JOHN A. HANNAH,
*Administrator.*

DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT,
*Washington, D.C., June 16, 1969.*

Memorandum for: The Executive Staff and Mission Directors.

Subject: Activation of Auditor General Operation.

The President has announced in his Foreign Aid Message that we will establish "better means of continuous management inspection" in A.I.D. I am today establishing the

Auditor General operation referred to by the President. Mr. Edward F. Tennant is hereby named Auditor General reporting directly to the Administrator.

This innovation in the management of A.I.D.'s programs reflects this Administration's desire to assure that the Agency manage its business in the most effective way possible. All of us in this Agency have a great responsibility with respect to the handling of the public funds, and all of us want to discharge that responsibility properly and effectively. I am convinced a wide-ranging, independent internal review activity will help provide me, and all of our managers, the necessary protective and constructive services absolutely essential to good management.

The attached statement amplifies this new concept and sets out the mandate given to the Auditor General. The establishment of this new operation *does not* detract from the fundamental program and operating authorities and responsibilities of the Assistant Administrators, Mission Directors, and other operating executives throughout the Agency. They are the ones who, working with cooperating countries and others, must assure the success of technical assistance and development programs. They are the ones who must direct careful planning, balanced programming, and effective program and project management. The Auditor General function will supplement these programming and operating activities with audits, inspections, investigations, and reviews which will be useful tools to them in accomplishing their mission.

Our future emphasis should be teamwork and improved management effectiveness. We must detect problems and issues at the earliest possible stages and promptly effect corrective action. To help accomplish this, the Auditor General operation will be structured to meet both the needs of top management and subordinate levels. Thus, the Auditor General and his staff will be fully responsive to requests of operating managers for audits and investigations to help them discharge their basic operating responsibilities.

In establishing this single integrated organization for all auditing and investigating forces, I recognize that many of the Agency's auditors are stationed abroad either under Mission Directors or under varying regional arrangements. I am asking the Auditor General to review each of these decentralized arrangements to assure that the Agency's total system of audit control is organized in a way that best achieves our basic management improvement objectives. If we decide to continue the conduct of certain audits by decentralized audit entities, I want to be sure that any such arrangement is appropriate under our new concept and that any such decentralized auditing activity receives proper guidance from and provides reports to the Auditor General.

Effective with this announcement, the functions, records, positions, funding and personnel of the following AID/W organizational elements will be transferred to the Auditor General:

Organization and symbol:

Compliance and management effectiveness staff, A/CME.

Inspections and investigations staff, A/IIS.

Office of Security, A/SEC.

Audit Division (Office of Controller), C/AUD.

Pending completion of the Auditor General's review of present overseas audit activities, auditor personnel stationed abroad will continue to operate under existing overseas organizational arrangements with the understanding that (a) future technical audit guidance from Headquarters will be provided by the Auditor General and (b) copies of all new reports will be promptly furnished to him.

JOHN A. HANNAH,
*Administrator.*

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AUDITOR GENERAL CONCEPTS AND RESPONSIBILITIES

This Office establishes a new dimension within AID to maximize the quality, coverage, and coordination of the audit, investigation, inspection and security services of the Agency. It will stress the protective and constructive aspects of these services as a tool of management within a comprehensive Agency effort to attain improved management effectiveness.

The Auditor General reports direct to the Administrator. He operates a Headquarters Office and such Field Offices as are necessary to carry out his responsibilities. He has full access to all phases of the Agency's operations to carry out a management oriented comprehensive plan of selected audits, investigations, inspections, surveys, reviews and security services of sufficient coverage to provide reasonable protection for Agency management.

Within this broad framework the Auditor General has responsibility for the following principal functions:

1. Develops and maintains effective working relationships and appropriate cooperation with audit, investigation, and inspection forces outside of the Agency. Establishes and maintains appropriate relationships with operating management within AID.

2. Plans and directs the execution of a long-range, comprehensive internal audit program covering all phases of Agency operations including audits of (a) missions or other decentralized operations, (b) AID/W Headquarters activities, (c) functional and regional activities, (d) programs and projects, and (e) contractors and other external entities. Where appropriate, arranges for audits by other agencies and public accounting firms to supplement direct-hire audit activities.

3. Performs investigations with respect to alleged fraud, criminality, impropriety, dereliction, or malfeasance on the part of AID employees or persons or organizations doing business directly or indirectly with AID. Conducts inspections to uncover, deter, or prevent irregularities and deficiencies relating to compliance and integrity of operations.

4. Develops and directs a comprehensive Agency security program with respect to suitability, integrity, and loyalty of AID employees, prospective employees, AID financed contractors and contractor employees. Coordinates an agency-wide program to protect classified material against compromise.

5. Monitors replies to and actions taken by Agency management in response to all types of audits, inspections, investigations and related reports, both internal and external. Takes initiative in dealing with significant criticisms and, where necessary, particularly on external criticisms, mobilizes forces to respond to or correct deficiencies.

6. Organizes and digests the results of findings and observations of audit, inspection, and review activities, providing independent reports to various levels of management for use as a tool of management.

7. Proposes policy determinations, regulatory issuances, legislation and sanctions in the area of compliance and integrity of operations. Probes standards and performance with respect to compliance, integrity of operations, and management effectiveness.

8. Provides "bridge" between operating management and technical audit, inspection and investigatory work by interpreting the impact of findings in relation to the Agency's mission, its program targets, and its management effectiveness goals. Works with managers at all levels to assure effective use of internal and external findings, criticisms and recommendations.

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## MR. AGNEW MAY BE RIGHT—THE NEWS ON THE NEW YORK NAVY YARD IS MISLEADING

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

Mr. CAREY. Mr. Speaker, the majority members of the New York delegation today seek clarification of the aims of the Nixon-AGNEW administration with regard to the transfer of the surplus New York Naval Shipyard to the city of New York.

Representative HUGH L. CAREY briefed the delegation on the details of the transfer as follows:

In order to develop the yard for industrial purposes the city of New York sought to purchase the yard in the best possible terms to facilitate development.

The plan was endorsed by the administration and Vice President AGNEW held a news conference on January 24, 1969, to record his support for a plan to convey the yard as something below market value at "an even lower price."

The Washington Evening Star in its issue of January 24 reported as follows:

U.S. LAND USE PLANNED BY NIXON TO AID CITIES

Vice President Spiro T. Agnew today announced President Nixon will soon propose legislation that the Federal Government divest itself of properties such as the Brooklyn Navy Yard to pave the way for private development to help the cities. "Agnew met the press with New York Mayor John V. Lindsay in front of the White House. The Vice President said the Nixon administration hoped to create 15,000 to 20,000 new jobs in New York's predominantly Negro Bedford-Stuyvesant area by turning over the Brooklyn Navy Yard—closed since 1965—at less than market value."

Mr. AGNEW stated further that transfer of surplus properties at less than market value would be a policy of the new administration and that the Brooklyn Navy Yard transfer would "set a practice" for similar actions to spur developments aiding slum areas across the country.

Similar reports of Mr. AGNEW's announcement made in connection with Mayor Lindsay's appeared in the New York Times and the New York Daily News.

The New York Times account in its page 1 subheadlines of January 24 stated "Nixon hopes to get a lower price through Congress, AGNEW assures Lindsay."

Today the delegation was informed the transfer to the city will be completed in a ceremonial at the General Services Administration.

The terms of the transfer, however, represent no bargain nor concession to the city of New York.

Represenative CAREY disclosed that the terms under which the yard is being transferred actually represent the full fair market value of the property and included no provision for extended pay-

ment, forgiveness of interest, or reduction in price such as Mr. AGNEW had promised.

He exhibited the terms of the city's offer pending in February and the details of the agreement finally accepted by the administration.

The only difference between the asking price of $23.5 million and the AGNEW price of $22,482,965 reflected the fact that a review of the land map by a congressional committee showed that the city was being asked to pay for some land which had never been acquired by the Federal Government from the city and State originally. For this we are grateful to Mr. BROOKS of Texas and the members of his subcommittee.

We are glad to get the transfer accomplished said the delegation but let it be clear—this deal represents no bargain, no windfall, no giveaway to the city of New York.

To indicate otherwise would be inaccurate and unfair in reporting the attitude of Mr. Nixon and Mr. AGNEW toward the city of New York.

The members of the New York delegation further reported none of them had been contacted by the administration or the Vice President with regard to sponsoring any of the legislation to implement the policy set forth by Mr. Agnew on January 24 in his news conference.

We really wish Mr. AGNEW loved us in December as he did in January but something must have happened.

The members of the New York delegation, therefore, seek the clarification of Federal policy in the future in order to have a feeling of confidence when purchasing used Federal property from Mr. Nixon and Mr. AGNEW.

Mr. Speaker, I include pertinent information, as follows:

EXHIBIT A

NEW YORK NAVAL SHIPYARD, BROOKLYN, N.Y.

CITY OFFER TO PURCHASE, DATED FEBRUARY 6, 1969

Price: $23,500,000.

Down Payment: None.

Date of Closing: 6 months after acceptance of offer.

Terms: Two separate amortization periods totaling 40 years from date of closing.

*First Period:* 30 years; interest at 5½% per annum compounded annually, commencing three years from date of closing; equal annual installments to principal and interest so as to liquidate 75% of the principal balance.

*Second Period:* 10 years beginning immediately after the 30-year period; with interest rate to be that in effect at that time, but no less than 5½% per annum, equal annual installments to principal and interest so as to liquidate the principal balance by the end of the tenth year.

A moratorium on annual payments of principal and interest is granted the purchaser during the first six years from the date of closing; no interest is charged during the first three years; interest starts to accrue and is compounded annually commencing three years from date of closing, with provision that if the city pays one-half or more of the purchase price plus interest during the six-year period, the interest to be charged commencing three years from date of closing will be at the rate of 3% per annum on the amount paid during the six-year period.

CITY DRAFT OF PROPOSED REVISED OFFER AS ACCEPTED BY FEDERAL GOVERNMENT

Price: $22,482,965.

Down Payment: A minimum of 10% ($2,248,296.50) evidently to take the form of payment in full for a portion of the property.

Date of Closing: 6 months after acceptance of offer.

Terms: Complete payout within two years from the date of closing as follows: At the option of the city either (a) payment in full one year after date of closing with no interest, or (b) payment in full within two years from the date of closing with interest at 5½% for one year.

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[From the New York Daily News, Jan. 25, 1969]

LINDSAY MAKES DEAL FOR NAVY YARD—SAYS TRANSFER MIGHT BE MADE FOR FREE

(By Gene Spagnoli)

Mayor Lindsay, who had haggled with the Johnson administration for months over the city's move to acquire the idle Brooklyn Navy Yard, announced yesterday that the Nixon administration was moving to transfer the yard to the city, possibly for free.

Lindsay met with Vice President Agnew at the White House to work out plans for the legislation necessary for the transfer.

After the session, Lindsay declared that the city hoped to get the 265-acre yard, for which he had agreed to pay $23.5 million last April, for free. But Agnew said the extent of "forgiveness"—or how much the $23.5 million "fair market price will be cut"—has not been worked out.

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[From the New York Daily News, Jan. 25, 1969]

JAVITS WOULD OFFER REQUIRED LEGISLATION

(By Owen Fitzgerald)

Sen. Jacob K. Javits cheered the Nixon administration's decision to give the Brooklyn Navy Yard to the city and volunteered to sponsor legislation to make the gift legal.

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[From the New York Times, Jan. 25, 1969]

UNITED STATES MOVES TO SELL NAVY YARD FOR $22.5 MILLION—NIXON HOPES TO GET A LOWER PRICE THROUGH CONGRESS, AGNEW ASSURES LINDSAY

(By Martin Tolchin)

WASHINGTON, January 24.—The Federal Government has agreed to sell the Brooklyn Navy Yard to New York City for $22.5-million, $1-million below a previous tentative agreement that the Government had rejected as too low.

Furthermore, Vice President Agnew said today, the Nixon Administration has promised to help the Lindsay administration get the property at an even lower price.

How much lower is still a question, the Vice President said, but Mayor Lindsay said his hope was that the city could get the Navy Yard for nothing.

The Vice President and Mayor Lindsay made the announcement at a White House news conference. They said the 265-acre property would be developed as an industrial site with the help of a "sizable" loan from the Economic Development Administration.

SEEKS NATIONAL PATTERN

"This is a pattern we hope to establish on a nationwide basis," Mr. Agnew said, standing beside Mr. Lindsay outside the White House west wing.

The city will acquire the property for $22.5-million under a 40-year loan with a six-year moratorium on principal and interest payments, Mr. Lindsay said. A previous agreement to purchase the property for $23.5-million was ultimately vetoed last fall by the General Services Administration, which considered the price below the fair market value.

In addition, the city will pay the state $2-million for its land on the Navy Yard site.

"There's a developer who's ready to go, who's prepared to install facilities that will provide 3,000 jobs," Mr. Lindsay said.

SEES MANY NEW JOBS

He declined to identify the developer, but said that the prospect intended to invest $41-million, and receive a loan of more than $10-million from the E.D.A.

Mr. Agnew said that "both of us are encouraged about the possibility of developing this area to provide 15,000 new jobs."

If Congress approves, the city could take possession within 30 days. Approval of any deal is required by the Committee on Government Operations of both houses. The New York City Board of Estimate already has approved the purchase of the yard, and additional approval is not required, Mr. Lindsay said.

A navy yard since 1801—its official name was the New York Naval Shipyard—the Brooklyn site was officially closed in June, 1966, 10,000 men lost their jobs. A few days later, Mayor Lindsay began tortuous negotiations leading toward a city take-over.

The Vice President, whose nomination at the Miami convention was seconded by Mr. Lindsay, said that the Nixon Administration would introduce legislation enabling the Federal Government to sell former military installations to cities for less than market value.

This is an investment, not an expenditure," Mr. Agnew said. "I find that one of the most neglected areas in the war against poverty was in the job area."

Mr. Agnew said the President was "extremely interested in this legislation."

Under existing law, the Federal Government can sell its property only for fair market value, except when the property will be used for parks or recreation.

"Fair market value is unworkable," Mr. Agnew said.

In response to questions, the Vice President said that the extent of the reduction from fair market value had not yet been determined.

CITY TO LEASE PROPERTY

The city, plans to lease the property to CLICK, a local nonprofit development corporation, that stands for Commerce, Labor, Industry Corporation of Kings (Brooklyn).

CLICK will then lease the property to developers, Mr. Lindsay said.

Richard Lewisohn, the administrator of the Economic Development Administration, said that the initial $41-million development would involve both sea and land. He noted that the yard's 265 acres include 72 under water, plus 14 acres of drydocks and 10 acres of piers.

Mr. Lindsay, who left New York at 7:30 this morning, also conferred with Commerce Secretary Maurice J. Stans and Daniel P. Moynihan, the President's adviser on urban affairs.

He will return to Washington on Monday for a conference with Mr. Agnew, Governor Rockefeller, Senator Jacob K. Javits, Senator Charles E. Goodell, Representative Emanuel Celler and Representative John J. Rooney, in whose district the Navy Yard is situated.

Rep. Shirley Chisholm, a Brooklyn Democrat, said:

"All New York members of Congress I am sure were delighted at today's announcement by Vice President Agnew and Mayor Lindsay that the Brooklyn Navy Yard will be turned over to the City of New York for industrial development.

"Early next week I hope to introduce the legislation needed to make the transfer. I am particularly delighted because I have been working with CLICK, a coalition of commerce, labor, industry and community leaders which was formed to promote exactly this development.

"The Bedford-Stuyvesant-Williamsburg-Greenpoint area of Brooklyn which I represent has one of the highest unemployment

rates in the country and the new jobs that will be created are desperately needed."

Representative Hugh L. Corey, a Brooklyn Democrat who has been one of the chief advocates of Federal transfer of the yard to the city, said, "If they were able to do it their way, I say hurrah for them."

Senator Javits cheered the agreement and volunteered to sponsor any needed legislation.

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[From the Washington (D.C) Evening Star, Jan. 24, 1969]

U.S. LAND USE PLANNED BY NIXON TO AID CITIES

Vice President Spiro T. Agnew today announced President Nixon will soon propose legislation that the federal government divest itself of properties such as the Brooklyn Navy Yard to pave the way for private development to help the cities.

Agnew met the press with New York Mayor John V. Lindsay in front of the White House. The vice president said the Nixon administration hoped to create 15,000 to 20,000 new jobs in New York's predominantly Negro Bedford-Stuyvesant area by turning over the Brooklyn Navy Yard—closed since 1965—at less than market value.

Lindsay said New York City had been negotiating with the General Services Administration which had agreed to sell the property for $23.5 million. Asked if he hoped the goal under the legislation would be to get the property for nothing, Lindsay replied, "That's the general idea."

Agnew said he hoped the Brooklyn Navy Yard property transfer to New York City would set a pattern for similar actions to spur development aiding slum areas across the country.

"This is an investment, not an expenditure," Agnew said. "The more the better. That's the way I feel."

Agnew said further study would be needed to determine how many federal properties where facilities have been shut down could be given—or sold below market value—to the cities for development.

Lindsay said that after several years of negotiating for the property, "Now, thanks to the vice president, the transfer will be expedited." Lindsay foresaw Nixon's proposed legislation coupled with loans and grants to "private developers who are ready to move" as having a major impact on slum-area development.

Agnew said he and Lindsay will meet formally Monday to wrap up the final details.

Even without legislation, Lindsay said, New York will be able to start projects immediately on the Brooklyn property. He said one $41 million project will create 3,000 jobs immediately and utilize the facilities of both land and sea frontage.

Lindsay said, "We can move ahead immediately. It's feasible to get the yard and start with the projects."

Agnew said, "This is the pattern we hope to get on a nationwide basis."

* * * properties has been "one of the most neglected areas in the war against poverty," Agnew said, adding that Nixon's proposal would be in line with his philosophy to have private enterprise do what it can do with the federal government then going in and picking up the slack.

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## AIRCRAFT HIJACKING

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

Mr. STAGGERS. Mr. Speaker, we have come a long way since the House Interstate and Foreign Commerce Committee held hearings last February on the problem of aircraft hijacking. At the time, it did not appear that any solution was in sight. But the Federal Aviation Administration of the Department of Transportation formed a Task Force on the Deterrence of Air Piracy and went to work immediately on the problem. A system was devised combining knowledge of the behavioral traits of hijackers with a weapons screening device. In addition, signs were posted warning of the penalties attendant with hijacking. The system was given field trials in nine cities, including San Juan, before it was placed in operation by Eastern Air Lines in mid-October.

I would like to take note of encouraging progress in the operational stage. Although Eastern Air Lines is the first U.S. air carrier utilizing this system, there are current indications that others will join soon.

There is no claim that this system is the final answer to hijacking, but there is no doubt it can be a powerful deterrent. There have been other developments which can be considered deterrents too:

The voluntary return of six U.S. hijackers from Cuba;

The prosecution of more than 20 persons, with at least a dozen more awaiting trial, including the six recent returnees;

A Cuban decree calling for the reciprocal extradition of hijackers, which caused conflicting interpretations;

International pressure to have countries either prosecute hijackers or return them to the country of origin for prosecution;

Threats by international pilots organizations to boycott countries which do not return hijackers, or do not take steps to insure the safety of aircraft, passengers and crew.

It is disturbing to note however, that some hijackings have been romanticized. Hijackers are not romantic highwaymen; they are desperate people who are creating a situation when a monumental tragedy can easily take place.

Hijacking is not just a joy ride. There have been many close calls. For example, on the recent hijacking of a TWA plane to Italy, a sympathetic picture was painted of the hijacker, a young AWOL marine. There is no question but that he was ready to use his weapons—and he was well armed. The fact that he fired a shot in the cockpit while the plane was refueling at Kennedy Airport in New York is evidence enough that he meant business. That situation came within a hair's breadth of becoming a full scale shootout, and who knows how many lives it could have cost.

Another example is the airliner hijacked in 1968 out of Miami. The hijacker stood in the cockpit with his gun at the ready. The first officer—or copilot—reached to his flight bag for a map, but the hijacker apparently thought he was reaching for a gun. The hijacker—who could not or would not speak English—cocked his gun and pointed it at the head of the first officer. The captain reacted instantaneously by shouting "stop." Only then did the hijacker lower his gun, thus narrowly averting a tragedy.

While there are other examples, the point is that hijackings are not to be treated lightly. Apparently there are those who do not have a full grasp of the seriousness and danger involved in these incidents. The flight crews do, and they should be congratulated for the calm courage they have displayed. On one occasion, one passenger said he was willing to take on the armed hijacker singlehanded. The crew had to literally shove him back into his seat.

Being forced to fly to a foreign country at gunpoint is unnerving to say the least, and it certainly takes tremendous courage to complete the flight without incident. We must not lose sight of the gravity of the situation. That point cannot be overemphasized. Meanwhile, we must push forward with the FAA's interim system until a permanent deterrent can be found.

Perhaps the FAA's system is being misunderstood. A recent newspaper article and remarks by a member placed too great an emphasis on technology. The weapons screening device used is a part of the detection system and was referred to as a "gadget." If the common connotation of "gadget" is applied, then it is wrong, for the device is not some frivolous contrivance. The magnetometry system in use is an advance in the state of the art. It is an adaptation of an existing device which has proved workable in its original context for sereval decades. As a matter of fact, the FAA is continuing its research and development into weapons screening devices to make them more discriminatory.

However, I would like to emphasize that the FAA's antihijacking system is based overwhelmingly on observed behavioral characteristics. Details regarding those characteristics have not been made public, thus it is not possible for a would-be hijacker to be able to disguise these traits. It is their behavior that triggers suspicion of a potential hijacking; the weapons screening device merely is the final and least important step in the system. Thus, emphasis on the "gadget" is misleading.

I must repeat that the FAA system is helping to deter hijackers. Hopefully, efforts in the international area will result in the return of hijackers promptly for punishment. However, we must realize that any permanent solution is going to involve all types of deterrents—interim and long range, domestic and international.

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## HEALTH CONSEQUENCES OF THE USE OF MARIHUANA

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

Mr. MINSHALL. Mr. Speaker, we have heard estimates that as many as 40 percent of our high school and college students have experimented with marihuana. The habit is spreading to junior high and grade schools. Arguments regarding the perils—or lack of peril—of indulging in "pot" are rampant.

In fact, virtually nothing is known about the nature and effect of this drug. No one knows what the long-term effects

are, either on the user's mental and physical health or on the health of any future offspring. We need to know how large a factor marihuana is in leading to the use of hard drugs. And we need to have some information as to why marihuana produces severe psychotic reactions in some users.

We hear much speculation and opinion, but we need facts. Before any changes are made in present law, competent research should establish health related aspects of the use of marihuana.

Therefore, I am today introducing legislation to require the Secretary of Health, Education, and Welfare, after consultation with the Surgeon General, to issue yearly reports on research developments concerning health consequence of marihuana use. The reports would be of the same nature as the famed report on tobacco smoking issued by the Government a few years ago.

My bill calls for a preliminary report to be made to the Congress within 120 days of its enactment and for a full report to be filed by January 31, 1971. I would hope that any other legislation, particularly that aimed at a softening of present law, be held in abeyance until a comprehensive study can be made by the Secretary of Health, Education, and Welfare in consultation with the Surgeon General and their findings, based on solid scientific research, have been evaluated by Congress.

I wish to call attention to the cautionary statement issued by the National Institute of Mental Health just this year:

> Statements being reported by students that the use of marijuana is "medically safe" are not supported by scientific evidence. It is hoped that research now underway may add to the little currently known about the effects of the use of marijuana . . . To be honest, scientists still don't know everything about the specific effects of marijuana . . . Today, research scientists are studying marijuana's effects on the brain, the nervous system, on chromosomes, and on various organs of the body. They're trying to find out why different people have different reactions to it . . . Maybe it will turn out that there's no reason for it to be illegal. But nobody can be sure until all the facts are in. And until they are, it's a pretty bum risk.

I sincerely hope that my legislation will be on the agenda early in the second session of this Congress. This is an important matter, affecting millions of young lives, and demands prompt action on our part.

## IS THE FCC DOING AN ADEQUATE JOB?

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

Mr. TIERNAN. Mr. Speaker, as a member of the Communications and Power Subcommittee, I have endeavored to study communications in America and determine whether it is being regulated in the interest of the people. In the year that I have been on the subcommittee, more and more facets of this intriguing field have come to light.

What is distressing is that the Federal Communications Commission, at times, has been quite negligent in protecting the public in this vital area. The Commission has consistently failed to revoke licenses of those broadcasters who are not acting according to the dictates of the 1934 Communications Act. In October of this year, a case came into the limelight serving as ample proof that the FCC has been derelict in its duty.

We are aware of the WIFE case. There are other cases as preposterous. Can you imagine a station committing 122 violations? Is it conceivable that a station which failed to comply with FCC reporting requirements would be allowed to continue in operation for 10 years? What would you think of a licensee who failed to respond to FCC correspondence? What should be done if a franchisee failed to file timely statements? Should the Commission renew the license of a station which operated a transmitter site without FCC authorization? Is it possible that the FCC considered the actions of this station so much in the public interest that it should continue on the air?

It is amazing to consider that the franchise to broadcast is seemingly treated so lightly when one realizes how valuable it is to the community. There are hundreds of people throughout this country who would like a chance to use this broadcast franchise for a 3-year period, but they are unable to because the spectrum is so limited. There is room for only a small number of stations in each area, and they should be given to those who will best serve the public. We must ask if fraud, deception and 122 rule violations are services to the public, or if they are self-serving and selfish?

The Supreme Court has said in the Red Lion case that "It is the right of the viewers and listeners, not the right of the broadcasters, which is paramount."

Justice Warren Burger, in a 1966 U.S. court of appeals decision, went a step further and said:

> The theory that the Commission can effectively represent the listener's interests in a renewal proceeding . . . is no longer a valid assumption which stands up under the realities of actual experience. After nearly five decades of operation the broadcast industry does not seem to have grasped the simple fact a broadcast license is a public trust subject to termination for breach of duty.

This is quite an indictment, but it seems valid when we realize what the Commission has done in the WIFE case. Now and in the future, the public will be watching to determine whether the FCC is protecting them and their airwaves.

I fear the FCC is not doing its job adequately. If the last 6 months has produced flagrant examples of malfeasance, we must wonder what has been going on since 1937 when the Commission was established. Is there any connection between these types of cases and the fact that the FCC has rarely revoked a broadcast license?

I hope that we in Congress will begin to realize that communications is not a matter to be dealt with lightly. If we do not begin to vigilantly and constructively deal with communications, we will have failed the public. Communications is one of the most vital backbones of a democracy. Let us make certain we treat it commensurately.

## REPEAL OF TITLE II GAINS SUPPORT OF NEW YORK TIMES AND WASHINGTON STAR

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

Mr. MATSUNAGA. Mr. Speaker, there is growing evidence of deep concern among responsible Americans throughout this country over the presence in our Federal statute books of a law which permits the detention in concentration camps of persons who would probably commit acts of espionage or sabotage in a national emergency.

Newspapers throughout the country are rallying to support the immediate repeal of title II of the Internal Security Act of 1950. Recently the New York Times in an editorial entitled "Freedom Under Law," and the Washington Sunday Star, in an editorial captioned "Repeal Overdue," joined in this growing support for the legislation, which more than one-fourth of the House Members and a substantial number of Senators have cosponsored. I include the two editorials in the RECORD at this point:

[From the New York Times, Dec. 4, 1969]

FREEDOM UNDER LAW

The Nixon Administration, in urging repeal of the McCarran Act's provision for detention camps for potential saboteurs, has given Congress an opportunity to eliminate one of the truly un-American sections of a generally bad piece of legislation. Although none of the six camps established in 1951 was ever used, two still remain as a reminder of an era of national shame and hysteria.

Assistant Attorney General Richard G. Kleindienst linked his announcement of the Government's request for the camps' abolition with a denial that he had ever advocated the detention of anti-war protesters. It may be true, as the Administration's recommendation to the Senate Judiciary Committee said, that the repeal is needed to put an end to false rumors about intended repression. But an even more basic reason for Congress to act is to do away with a provision that subverts the principle of freedom under law.

[From the Washington, Sunday Star, Dec. 7, 1969]

REPEAL OVERDUE

For nearly two decades, a national disgrace has been written into the laws of the United States: Title II of the 1950 Internal Security Act. This last major legislative vestige of the McCarthy paranoia provides that suspected subversives can be placed in detention camps—without trial and for an indefinite period.

The law was improper in the context of 1950. Today, it is an abomination. It is, in addition, a source of ammunition for those who peddle the fiction that ours is a Fascist society, with concentration camps ready for members of minority groups and for those who hold unpopular beliefs.

The law has never been applied, and never will be applied. But the fact is that the law and the detention camps exist.

The Justice Department has asked that the detention provisions be repealed. In a letter to the chairman of the Senate Judiciary Committee, Deputy Attorney General Richard G. Kleindienst in effect labeled the

provision as worthless, except as a tool for the New Left to spread fear and unrest.

Senator James O. Eastland, the Judiciary Committee chairman, is the author of a new internal security bill that includes a provision to repeal Title II. But there is no reason to wait for the prolonged debate that will inevitably accompany the complete rewriting of the Internal Security Act.

Senator Daniel K. Inouye has introduced a bill to repeal the detention section of the 1950 act. He has now asked Eastland to move his bill, independently of the over-all revision of the act, for immediate action by the Senate.

It is a request that should be granted. Nineteen years of legislative disgrace is enough.

## WASHINGTON METROPOLITAN SUBWAY SYSTEM

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

Mr. EDWARDS of Alabama. Mr. Speaker, a gentleman of the other body said yesterday that the Washington Metropolitan Subway System was the greatest public works project in the history of the country, that the system would aid numerous people in Washington, Maryland, and Virginia. I will agree with the gentleman that the project is beneficial to many persons in the area, and a subway will no doubt help solve many of the transportation problems of Metropolitan Washington.

However, there is a public works project elsewhere that is of equal, if not greater merit. While the subway may have been on the planning boards for 17 years, this other project has been in the minds and hearts of men since the early 1800's and before this body since the 1940's. This major public works project is the Tennessee-Tombigbee Waterway.

Like the Washington subway, this transportation project will benefit many people. Rather than just a one city area, the Tennessee-Tombigbee will directly benefit 23 States.

The Tennessee-Tombigbee Waterway will run through one of the most economically depressed areas of the country. Like the subway for the District, which Mayor Walter Washington said would bring jobs to the unemployed, the Tennessee-Tombigbee project when completed will provide the economic impetus to shift thousands of persons now on welfare rolls over to payrolls.

The Metro subway was lauded as being a catalyst for urban renewal and for new business. Similarly the Tennessee-Tombigbee Waterway would not only be a new business in itself, but would prove a catalyst for rural renewal in the southern Appalachian region and attract new business to this poverty-stricken area.

The two projects have many similarities, but one major difference. The subway project was located in an urban area and its need is directly felt by many in this Congress. The Tennessee-Tombigbee Waterway would be located in frequently forgotten rural America far removed from this Congress.

I have sat here many a day and listened to the indignant cries against poverty and malnutrition, against too little and too much welfare, against the plight of rural America, and the lack of concern for the farmer. But it is all so much worthless rhetoric unless those airy words are turned into concrete deeds.

In this case the concrete is for dams and locks, powerplants and industrial sites—the wherewithall to build a transportation link from the Tombigbee River in Alabama to the Tennessee River in Tennessee. When completed—and in fact, while being built—the Tennessee-Tombigbee Waterway will be in there fighting poverty and malnutrion, welfare, and the plight of rural America. The fight will not, however, be one of governmental subsidy to growing welfare rolls, but one of paychecks into the hands of the poor for honest work—work resulting from the countless jobs created by one of the great public works project in our history—The Tennessee-Tombigbee Waterway project.

## DEVELOPMENT OF UNITY

The SPEAKER pro tempore (Mr. ST. ONGE). Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 60 minutes.

Mr. FINDLEY. Mr. Speaker, the recent Hague meeting has focused our attention and the attention of the Western European nations on the concept and development of European unity. Fortunately, the concept of an expanded community was accepted, if with some mental reservations, by all of the member countries of the EEC and there is reasonable hope that the long stalled negotiations about British membership in the community will commence early next year.

At this juncture it is good for us to reflect on the trends of Western European integration efforts and their possible effects on the United States and our relationship with Europe. Five of our Presidents have, in the past, backed European efforts to create greater political, economic, and military units among the states of Western Europe and put our troops and our prestige on the line in the defense of the free part of this divided continent. We have accepted economic developments in the agrarian and even in the industrial sectors which seemed to be disadvantageous in order to promote the overall political goal: a strong and democratic Europe which speaks with one voice in international affairs and which is united with the United States in the goal of common defense and search for a durable peace.

An analysis of the present status of European integration and Atlantic partnership, two concepts closely interrelated, formed the main topic of the conference of a new scholastic group, organized in 1968 largely through the efforts of Prof. Z. Michael Szaz, called the American Institute on Problems of European Unity. The group specializes in research works and conferences on both Western and East Central Europe, but their conference at Georgetown University between October 17–19, 1969 was focused on the Concept of Atlantic Partnership alone.

Five panels discussed the various American, British, French, German, and Mediterranean approaches to the concept and in doing so, the scholars who came from the United States, Britain, Germany, and France, expanded their discussion into dealing with the domestic, political, and strategic problems of their countries as well. As a result, five reports and a background report were published by the institute and they are worthy of consideration as we face the problems of cooperation and integration in the coming 5 years.

The U.S. panel was chaired by our former representative to the NATO mission, now a professor at the School of Advanced International Studies of Johns Hopkins University, Dr. Timothy W. Stanley, author of several books on NATO and the United States. Members of the panel included such well-known experts as Dr. James E. King from the Institute for Defense Analyses, Dr. Ben T. Moore, formerly with 20th Century Fund, now the head of his own foundation, and one of the intellectual fathers of the Marshall plan, Gen. Robert Wood, U.S. Army, retired, from the Research Analysis Corp., the well-known international law specialist, Prof. William H. Roberts from the Catholic University of America, and many others.

Professor Szaz prepared the background report for the panel chairmen. The institute is planning a second conference on the subject, but with a topical rather than a geographic problem approach, in the first part of June in Paris, France, with the cosponsorship of the Centre d'Etude de Politique Etrangere and negotiations will be soon concluded.

I ask for unanimous consent for insertion into the RECORD the background paper by Professor Szaz and the report of the U.S. panel of the conference on the Concept of Atlantic Partnership held by the American Institute on Problems of European Unity.

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

THE CONCEPT OF ATLANTIC PARTNERSHIP

(By Dr. Z. Michael Szaz)

1. Outline of the Issues: It is assumed that there exists a political and cultural heritage common to the countries of Europe and the United States and also a philosophical-religious tradition which underlies the politico-social order and the economic systems of the states of Europe and the United States.

(a) A modification of this assumption is, however, that geography, historical development and politico-economic structure set the United States sufficiently apart from the European states so that mutual relationships must be based on cooperation and partnership, rather than on integration and/or confederation.

(b) In reverse, the historical, political and economic bonds among the states of Europe, reared for most of their history in the Greco-Roman tradition, Christianity and humanism, form a stable basis for reintegration in the economic and political spheres. It is also realized that the present demarcation line between Western Europe and the Soviet influence sphere in Central and Eastern Europe fail to coincide with the cultural frontiers of Western Europe and the large sections of Central Europe behind the "Iron Curtain" form part and parcel of Western European civilization.

2. Desirability of European Integration: If we assume that the common bonds of history, culture and economics render the creation of an integrated, or at least confederated, Europe intrinsically possible, we must ask:

is such a development desirable? It will be assumed that some form of confederation and integration is not only desirable but necessary for future development in Western Europe, for several reasons to wit:

(a) Militarily, European armed forces are sandwiched between the overwhelming powers of the Soviet Union and the United States and are inefficient in regard to cost efficiency because of the separate national defense efforts resulting in a full spectrum of national armed forces.

(b) Economically, the advances of American inventive and applied technology renders national efforts in Europe to complete an impossible task. This observation is valid despite the availability of capital and brainpower in Europe on a regional level and because of the necessity to create an integrated market with a free flow of goods for 250–300 million people in order to assure the needed rate of industrial expansion and increased living standards.

(c) Politically, only the emergence of common institutions can prevent either a return to isolationism, and/or ethnic nationalism, the scourge of Europe for 200 years, and can counteract Soviet Russian subversion and pressures.

3. Concepts of Europe: What kind of Europe would be suitable for integration purposes and would be in European regional and U.S. interest as well? For there are several concepts of Europe in the minds of politicians and the peoples.

(a) To Dr. Konrad Adenauer and Robert Schuman in the 1950s Europe was to consist basically of the Community of the Six, based upon a Bonn-Paris axis. Despite the inclusion of Mediterranean Italy with its different social, economic and technological structure, the above community possessed and continues to possess, several cohesive elements in the fields of industrialization, common cultural heritage, living standards, compact geography and mutual economic dependence. The successes of the European Economic Community, creating a well integrated market in twelve years, proves that for this subregional unit integration was feasible and that EEC will form the nucleus of European integration despite the *Sondersprünge* of France during the Gaullist regime.

(b) The former President of the French Republic, Charles deGaulle provided a different definition of Europe. He understood it less as a social-economic unit, and more as an ideology based upon common cultural and historical experience of all European nations, a result of their absorption of Christianity and humanism and their past struggles against eastern invaders. He strove to give political content to this concept of all-European community, but its realization would have necessitated a disintegration of the Soviet colonial empire in Asia and Russia's reintegration into Europe which are unlikely events for the next decade.

(c) The most common concept, however, remains that of the Community of the Six, plus Great Britain and Scandinavia, usually omitting Spain despite its 1500 years long struggle to preserve its Western and Christian culture against invaders. This solution would unite all European countries with similar socio-economic structures and significant industrial power. Its weakness lies in the different historical and political development of its parts resulting in divergent economic and political interests of Great Britain and Scandinavia from the Community of the Six and the difficulties in resolving such problems within an integrated economy and future political confederation.

4. Concepts of Relationship with the United States: Various approaches exist also on the relationship concepts of Europe with the United States. At first, we must eliminate for the next decade the possibility of a genuine European federal union. Thus we are left with the options of a confederated Europe with integrated economies and a partially integrated defense system, or a Europe of national states and an imperfectly integrated economy of the Community of the Six as it exists today.

As we trust that during the next decade progress will be made in Western Europe toward realizing the first option, with the concept of relationship with the United States will be dealt with from a regional point of view.

The most immediate relationship existing between the United States and Western Europe is a military one. For Western Europe is at the present defenseless against the aggregate military power of the Soviet Union unless reinforced by substantial components of American military power. This fact finds its concrete expression in the NATO alliance which attempts to integrate military planning and introduce some standardization into weaponry and command systems of the United States, Western Europe and Canada. In the economic field, too, the United States remains the most active trading partner of Great Britain and the EEC and through its subsidiary companies created an intermeshing of European and American economies which could not be dissolved without grave dangers to U.S. economy, or without a probable collapse of the present fabric of European economy.

Three different models are possible in the military fields: (1) the theory of the two weights within NATO by the creation of an integrated European military group (perhaps an extended WEU) within NATO. The advantages of such a solution are evident both for Europe (more effective representation in planning and decision-making in NATO and more defense for less cost through an integration and standardization of military equipment and forces by a regional division of labor) and the United States (more effective defense of Europe by the Europeans enabling reduction of American forces in Europe and creating a potent counterweight to Soviet aggression). However, the main difficulty remains that it presupposes great progress in European defense integration approaching the degree of integration proposed by the EDC which was rejected by the French Parliament in 1954. There is even the Gaullist concept of independent European defense which means a disengagement from American political and military concepts while building up a modest, but up-to-date nuclear deterrent by the European states. At the present, the costs for such a course have proven prohibitive even for Gaullist France and any attempt to do so on a regional level (British-French deterrent with German economic and technological participation) would negate the Gaullist concept of keeping military sovereignty with the individual states. The third concept of NATO-wide integration failed in the past less because of European but because of American refusal to subordinate vital components of American military power to NATO decision-making, especially with fifteen fingers on the trigger. There is no reason to believe that this solution is feasible without a much greater degree of economic and political integration between Western Europe and the United States as it is possible at this time.

In the economic field the relationship between the United States and Western Europe is based on clearer concepts. Integration is out of the question and is not desired on either shore. The United States is interested in freer trade and so is Western Europe. The difficulties arise from protectionist tendencies in certain industrial fields on both sides. The Kennedy round has removed some of the irritants, but the presence of an EEC which is now building its tariff and indirect subsidy fences against the areas outside of its jurisdiction raises problems as does the pressure groups in regard to agricultural and textile products in the United States. There is, however, general agreement that only through an expansion of trade volumina can cooperation and a certain division of labor be created.

In the political field, the relationship of the European states and the United States are not expected to undergo great changes in case of further progress in European integration. The creation of any consultative organ in NATO and/or outside NATO by the countries of Western Europe could create slightly divergent policies, but at least the divergencies would be coordinated rather than on a national level where the actions of one country can easily wipe out or neutralize the effects of the actions of others. Political consultation on an institutionalized basis or even a political confederation would strengthen the hand of Western Europe vis-a-vis the Soviet sphere of influence and permit it to influence developments toward a reforging of ties with Western Europe.

5. The Feasibility of European Integration: The feasibility of European integration is still being debated as ethnic nationalism slowly returns to some of the countries' politics.

It can be assumed that economic integration has created its own momentum not only among the idealists, but also the vested economic interest of the states of Western Europe and will continue on a slower, or faster, pace in the medium-range. There are certainly enough feasible measures which could be taken to establish a common agricultural market, labor legislation, social security legislation, and convergence of indirect economic subsidies to promote a true integration of the labor, industrial and economic system. Thus, further economic integration is a feasible proposition without underestimating the dangers of parochial nationalism displayed by enterprises and pressure groups and the danger of political slowdown of integrative trends.

Political integration over and beyond the consultative level is the *least* feasible proposition today, though without progress in this field the entire complex of economic and military integration remains tenuous and provisional. The feasible aims in the medium-range should be a direct election of the Parliament of the EEC, and its expansion to include Great Britain and some of the Scandinavian countries. Even such a development will need an additional three to five years.

Military integration on a continental European-British basis remains a feasible, though difficult, task and will determine the future of all integrative efforts. Europe desperately needs a drastic reform of its defense which cannot forever be based on American manpower and nuclear power. The only avenue open is the integration of the European armed forces and the creation of a modest European deterrent in the nuclear field. This cannot be done without the inclusion of Great Britain. Thus, the entry of Great Britain into Europe is not only important for economic and political, but also for military reasons, but the entry must be wholehearted and must include the military field.

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AMERICAN INSTITUTE ON PROBLEMS OF EUROPEAN UNITY, CONFERENCE ON THE CONCEPT OF ATLANTIC PARTNERSHIP, GEORGETOWN UNIVERSITY, WASHINGTON, D.C., OCTOBER 17–19, 1969

(NOTE.—This summary is based upon the Chairman's report to the plenary session of the Conference and does not purport to be a full reflection of the views of the panel, individually or collectively.)

U.S. PANEL CHAIRMAN'S REPORT

Panel Members:

Professor Timothy W. Stanley, SAIS, Johns Hopkins University.

Professor James D. Atkinson, Georgetown University.

Professor Louis Gerson, University of Connecticut.

Dr. Robert Gessert, Research Analysis Corporation.

Dr. James E. King, Institute for Defense Analysis.

Dr. Ben T. Moore, Twentieth Century Fund.

Professor William H. Roberts, Catholic University of America.

Darnell Whitt, SAIS, Johns Hopkins University.

General Robert Wood USA (Ret.), Research Analysis Corporation.

In attempting to assess American interests with respect to Europe in the coming decade, the panel found it necessary to consider a broader geo-political context than the term "Atlantic" normally implies. The key centers of power of the developed nations are linked not by the Atlantic Ocean but by the *Arctic* Ocean (and in the jet age, the polar linkage is the closest).

This "arctic arc" includes not only North America and Europe, but also Japan, as well as Russia—and perhaps China. The panel placed considerable emphasis on the future importance of Japan, which may soon emerge from the politically "low posture" adopted after World War II, and which has experienced an "economic miracle" surpassing even those in Euorpe. Japan may also be developing a "generation gap" which will dwarf that being observed in Europe and America. Thus, the importance of Japan to both America and Europe raises questions about the utility of an exclusively "Atlantic" focus.

The panel also took note of the Soviet emphasis on sea-power and mobility. This has, in effect, put Soviet power "out in the world," which means an increasing ability to pose challenges elsewhere than in the traditional European area of potential conflict.

In particular, Mediterranean and Middle East security problems (especially that of Israel), now complicated by the expanded Soviet naval presence, are of considerable importance to America and Europe in an area in which it would seem reasonable to expect a greater European role in international peacekeeping, including larger multilateral naval forces. Some members argued that Israel was strategically, if not geographically, a part of the arc of vital security interest to the United States; and that even American domestic opponents of the role of the United States in Vietnam would support a more active involvement in Israel's security. Another panel member felt that the West generally and the United States in particular had been remiss in not matching the Soviet naval buildup, especially in the Mediterranean, which has created a potential for trouble-making and nuclear confrontation, accidental or otherwise, in an unstable area. Several of the participants criticized the U.S. Navy's reluctance to become committed to multilateral naval forces in this region, thus reducing options for collective response and European participation in limited situations in order to keep American assets intact for the "least-likely" case of a general war.

With respect to the Soviet threat to Europe, the participants agreed that the Soviet hold on Eastern Europe and particularly on the German Democratic Republic would continue to provide opportunities for expanding its influence and that Soviet self-restraint could not be relied on to prevent taking advantage of these opportunities. Accordingly, continued military deterrence by NATO seems necessary during the decade of the nineteen seventies.

One or two members of the panel believed, however, that deterrence was increasingly a political phenomenon rather than a strategic function of military or "war-fighting" capabilities. If Soviet concerns in the seventies are (in order): China, Germany (East, West, or both), and the United States, then there should be room for maneuver in the more traditional diplomatic applications of the balance of power, in the negative value of potential alliances, as well as in military deterrence. But the panel agreed that the essential ingredient will be the U.S.S.R.'s estimate of the "Atlantic" community's "will" to resist; an adequate defense posture—and the NATO structure which gives credibility to the American nuclear guarantee—will remain important factors in the Soviet reading of Western "will," and of the unpredictable consequences of testing it too strongly.

The panel discussed at some length the nature and importance of American interests with respect to Europe. Although one member argued that Europe had passed from the center of the world stage and was increasingly peripheral to U.S. interests as compared with Asia, the other participants agreed that reasons of tradition and belief, preclusive factors, and certain positive objectives would continue to make Western Europe an area of primary interest and concern to the United States. For example, America has found twice in this century that European conflicts inevitably engage its own vital interests and lead to its eventual involvement. Even though America's strategic need for European bases has declined with the advent of intercontinental ballistic missiles and missile-equipped nuclear submarines, this is not necessarily true of tactical and mobility requirements. Moreover, cultural and historical ties, plus economic considerations reinforce political and strategic interests, i.e., the relevance of Europe to the global balance of power vis-a-vis Russia and China.

Consequently, the United States has a vital national interest in avoiding a "Europe." "Europe" (however defined) which would be: (a) dominated by the Soviet Union; (b) so weak as to tempt Soviet adventures; (c) unstable—either because of national rivalries or due to political-economic-social pressures within one or more countries; or (d) an independent third force—either with protectionist and isolationist tendencies or with the potential of becoming another major military nuclear power—which could be dangerously de-stabilizing on the world scene. (A "Scandinavia" type Europe might be acceptable to the United States if stable internally and externally, but such a Europe would be "unnatural" and, therefore, probably unstable.)

On the positive side, America will continue to need a relatively peaceful and stable world environment in which its own domestice goals can be pursued. In order to maintain that environment, the United States will need to engage Europe's technology, resources, and traditions in dealing with the problems of the "arctic arc" in relation to the less-developed Southern Hemisphere—e.g., economic aid and international peacekeeping in the Mediterranean and in the "third world" generally. If "Europe" is concerned to ensure the continuity of this substantial American interest and security guarantee, however, it would do well to enhance its relevance by intensifying its involvement in the world.

In reaching these general conclusions, the panel was concerned by the uncertainties of perceptions by a new generation of leaders—a new and still unknown leadership which might intensify the present radical disinterest in "peacekeeping" either at home or abroad, or might, on the other hand, represent a political reaction which would be conservative domestically and isolationist internationally. Adding to the uncertainties was a growing interaction of domestic and international politics in and among all countries, which is an increasingly important fact of life. For example, the age of mass intercontinental communications means that an American President, in speaking to his domestic constituency on, say, Vietnam, is nevertheless conveying signals—and not necessarily reassuring ones—to all of the allies of the United States as well as to its enemies.

With respect to the prospects for increasing European unity, the panel's estimates ranged from mildly optimistic, to quite pessimistic—and were weighted toward the latter. While current "European" institutions could be built into a federated structure—and economic, monetary, and technological reasons plus rising defense costs all argue for greater unity—the key ingredient of political will seems to be lacking. The political nexus—composed of Bonn, London, and Paris—always appears to have one or another capital out of phase with the other two. In that regard, West Germany with its new government, will be a particularly important factor in determining European political development.

But from the American point of view, how Europe organizes itself—as long as the status quo of a multilateral alliance continues—was not judged by the panel to be critical, although America's special responsibilities in Berlin must be taken into account. The United States ought not to *oppose* or obstruct further European movement towards unity—even though there are some national advantages to dealing individually with the various components of "Europe"—unless a type of Europe "to be avoided" seems likely to emerge. Nor does there appear to be much that the United States can or should do to promote European unity; the panel specifically rejected the currently popular notion that a massive reduction in American responsibilities and presence in Europe would cause the Europeans to unify and accept greater responsibility themselves.

Some adjustments in the U.S. military posture in Europe may be desirable and feasible over the long term; but (quite apart from the risks involved) the savings even from a massive withdrawal (up to $1.5 billion in balance of payments costs and perhaps $5 billion in budgetary terms if units were disbanded) would be likely to prove illusory (and, in any case, much smaller than those potentially available from Vietnam).

Although, as noted above, the panel was not optimistic about any short-term prospect of there being a united Europe with disposative powers over resources and centralized foreign policy responsibilities, they considered the possible effects of various developments on "Europe" and on the Atlantic relationship. One or two members thought that strategic arms limitation talks—"SALT" (which one described as being "rubbed in NPT wounds")—between the United States and the Soviet Union might trigger major anxieties in Europe, as would the mutual deployment of anti-ballistic missiles to reduce the vulnerability of the superpowers. The majority of the group, however, believed that these European concerns would be limited to a few elements and would not generate enough political steam to overcome present inertia and, for example, lead to European nuclear weapons collaboration.

In this context, German reunification was considered a key issue in both Western and Eastern European developments and, of course, in East-West relations. The panel noted that this issue was actively opposed in the East and not really supported anywhere in the West, except—and to a diminishing extent—among some German groups. Achievement of German reunification during the next decade thus seems unlikely, although this would not preclude a limited confederation through which a solution to the Berlin problem might be found.

Another factor considered was the effect on the Atlantic Alliance of a growing American self-perception on "non-omnipotence and non-omniscience." Unless this factor

goes so far as to undermine American self-confidence and the credibility of its military deterrent, the panel felt that it would not weaken and might even strengthen Atlantic relations.

Finally, the effects of the European unification movement itself were examined. Would it—even if unsuccessful—tend to turn Europe inward upon itself and away from a greater responsibility in the Atlantic and wider world? Such a development (which could add fuel to any isolationist tendency in the United States) was felt by the panel to be unlikely, because of the dynamics of "building" Europe seem to require an external image and a vocation. Since the fear of the Soviet Union is a diminishing incentive, and making the United States an artificial rival for this purpose is undesirable, then this vocation probably would be a constructive and responsible one—hence in America's interest. But American—as opposed to "European"—initiatives to "build" Europe are impractical. It was noted, however, that a transnational "Europeanism" appears to be growing, especially among the young, which might make formal unification irrelevant.

Turning to another important aspect of the European-American relationship, economic and fiscal matters proved to be of considerable relevance to the Atlantic Partnership theme of the Conference—although the panel was bothered again by the tendency of that terminology (as opposed to the "Artic Arc") to exclude Japan. For the Japanese are important members of the "Group of Ten," which plays a key leadership role in international monetary affairs, and have a gross national product larger than West Germany's. It was noted, however, that the Organization for Economic Cooperation and Development provides for closer Japanese involvement in the study of these problems and the recommendation of policy in economic affairs.

The panel spent some time discussing trade and liquidity problems, the effects of flexible exchange rates, SDR, revaluation of the mark, the unforeseen development of the Euro-dollar market, and the close national stability. Although neither time nor the expertise of members permitted the formulation of specific recommendations, the panel concluded that there is a need for tighter Atlantic integration and more effective international management; without progress in this direction, a breakdown in the international monetary system is possible which could cause a retrogression to the type of exchange controls in effect following World War II. Such a development could be even more disruptive to international trade and economic growth than major increases in world tariffs.

Progress is complicated, however, by a number of factors: first, a tendency for academic and governmental experts to differ with each other in their diagnoses and prescriptions—on flexible exchange rates, e.g.; second, the precedence which domestic problems and politics appear to be gaining over international cooperation in many key countries. Europe is more preoccupied with the agricultural policy issue in the European Economic Community than with trans-Atlantic cooperation; and for its part, the United States has not been able to implement fully the opportunities opened by the Kennedy Round negotiations. Third, undertakings which increase international cooperation often impinge on domestic undertakings regarding full employment and price levels.

The panel noted that strands of idealism and pragmatism are evident in American economic policies toward Europe. To some extent, U.S. interests are better served by individual and multilateral negotiations with the European countries than by policies which tend to enable Europe to bargain as a unit. Nevertheless, from the Marshall Plan through President Kennedy's approach to tariff negotiations, the United States has generally chosen the latter approach and has been consistent in trying to encourage European economic unity. (This has not been the case with regard to military security cooperation; in this regard, however, panel members differed on whether there has ever been a viable option.) But the objective of American willingness to suffer some economic disadvantage in the interest of long-term political goals—e.g., a strong and united Western Europe—had been largely frustrated by the policies of General De Gaulle.

With respect to the private sector, it was noted that Americans—by way of their direct financial investments—participate in European business decisions, accordingly providing some American opportunity to influence European government policies; and that there is no reason why it should not be as easy for a European corporation to acquire an American firm as vice versa. To a large extent, the problem is one of management rather than technology or investment and patent restrictions. For example, in bidding for large NATO projects, such as the air defense system called NADGE, only American firms have been able to put together consortia with European bidders in order to compete for contracts; Europeans can accomplish the highly technical work, but lack the experience in managing large-scale, transnational operations. One member of the panel felt, however, that the complex blend of administrative, legal, security, patent and anti-trust problems does not receive adequate attention as a major element of the "technological gap." These problems have to be rationalized in Europe, and to some extent in the United States, if any significant progress is to be made on an Atlantic basis.

Panelists agreed that these economic challenges during the coming decade are at least as important as the military and strategic aspects of the Atlantic relationship. A breakdown in the structure of international trade, investment, and finance would have the most serious consequences globally, as well as among the Atlantic nations and Japan.

In its concluding session, the panel discussed the relationship between American domestic issues and the concept of Atlantic Partnership. With respect to the key question of continued American support for NATO and the ability of the United States to maintain a substantial military presence in Europe, the panel felt that there were not any major objective (as opposed to subjective) pressures for changing the status quo in the near future. The American balance of payments is less critical, Congressmen are not under heavy constituent pressures, nor is isolationism a factor except for a handful of key Senators. But in the longer term, the answer depends on the changing views by the political elite and popular attitudes toward society and the world in general.

In discussing current attitudes, especially among the younger generations and in the academic world, three explanations were noted for the current unrest: *political* frustration with twenty years of America's involvement; *sociological* unrest and evolution, analogous to the Oxford movement after World War I—which was highlighted by refusal to fight for "King and Country;" and a *morality* watershed, in which "basic value systems have been shaken sufficiently to produce a widespread existential despair."

The resulting frustrations can be exploited by either or both the far left and the far right, making relevant the question of what the future leadership will be, and whether or how it can be influenced. One member felt that since the current mood is anti-elite and anti-leadership, it will be very difficult to influence it constructively. Another believed that the younger generation is not necessarily nihilist and will not be led into a neo-isolationist posture. On the other hand, the Trotskyite orientation of certain radical elements does not bode well for a responsible interest in international peacekeeping.

The panel agreed that domestic opposition to American involvement in Viet Nam is merely a symptom of a deeper problem, but panel members were divided on how much this can be attributed to reactions to the a-typical twenty-year period since World War II, and how much to a basic national psychosis involving moral and value system. Many of the young, it was noted, accuse their elders, of *dementia praecox*, while they themselves have been sometimes characterized as schizophrenic.

However defined and whatever the cause, the panel felt that the deeper problem is likely to persist—and perhaps ever worsen before it improves—and is already an international phenomenon with cross-cultural interactions. Accordingly, the question was raised as to what new "images" might involve the younger generations of the Atlantic world, replace the vanishing postwar dream (of a world "like a big, happy United States"), and broaden horizons in order to avert the key sectors of the societies in the developed countries from turning inward upon their own problems to the exclusion of international cooperation.

The initiative taken by President Nixon to focus some attention within the Atlantic Alliance on environmental factors and common qualitative problems of life among industrialized European and North American countries is one such new approach. Most of the panel found the objectives worthy, but some expressed doubts that NATO is—or could be made—a suitable forum for this purpose. One member reported that there are signs which indicate that the necessary bureaucratic readjustments are being made in the key capitals; and the project might prove successful, despite the large uncouraging history of prior efforts to implement Article Two of the NATO treaty.

The suggestion was also made that there might be a reawakened interest in the geopolitical ideas of MacKinder and Spykman, and that the geographic image of the Atlantic (or Arctic) world or of the Mediterranean Basin could provide a basis for engaging the younger generation in taking wider perspectives. The difficulties in adjusting the inherent conflict between the "haves" and "have-nots" of the northern and southern hemispheres also promise a worthy challenge for the next decade. The panel concluded its discussion on this note, with an apt quotation from *Faust:* "Wer immer strebend sich bemüt, den können wir erlösen." (Only those can be helped who are willing to broaden their horizons).

Mr. GERALD R. FORD. Mr. Speaker, today my distinguished colleague from Illinois and other Members are joining in a special order devoted to the concept of Atlantic partnership. In the wake of the recent meeting of the NATO Defense Ministers and the Head of Government conference of the EEC nations this is indeed timely and useful.

We Americans have always favored the emergence of a strong and integrated Europe. This has been the policy of five of our Presidents. Last February President Richard M. Nixon reaffirmed in Europe our commitment to the cause of Atlantic partnership and creation of a stronger and more united Western Europe.

While the aims are clear and our commitment is firm, the paths leading to the double concepts of Atlantic partnership for us and the Western European na-

tions, and to integration among the countries of the area, are often divergent. Several options are open. Exploring the best ways of proceeding is a task for both academicians and politicians. Therefore, I welcome the fact that a new group of scholars and research experts are devoting their energies to discussing and researching the problems of Atlantic partnership and European unity.

Between October 17 and 19, 1969, this group, the American Institute on Problems of European Unity, Inc., held a conference on the problem of Atlantic partnership at Georgetown University. The conference was attended by 44 American and European scholars, research experts and government officials. As a result of the conference, a report was published which again stresses the need for positive action by the countries involved toward European integration, with particular emphasis on a European nuclear force and a common currency. The report also analyzed the trends expected in the next 5 years and the possibility that integration in Western Europe and Atlantic partnership will make steady progress.

Several of my colleagues are inserting parts of the report into the RECORD today. For my part, I applaud the scholarly and detached tone of the report. I also congratulate the organizers, particularly the executive director, Dr. Z. Michael Szaz, and five panel chairmen, Professors Timothy W. Stanley, School of Advanced International Studies, Johns Hopkins University, David Calleo from the same university, William G. Andrews, State University of New York at Brockport, Dr. Alvin J. Cottrell, Center for Strategic and International Studies, Georgetown University, and Walter F. Hahn, deputy director of social sciences, Institute for Defense Analyses.

Mr. MINSHALL. Mr. Speaker, at the October 17–19 conference of the American Institute on Problems of European Unity at Georgetown University, one of the main questions discussed was Europe's importance in terms of United States' interests. Europe is the crucial factor in the balance or imbalance of power between the Free World and the Communist powers.

While progress toward a politically and economically united Europe remains painfully slow, despite the recent compromise at The Hague meeting of the Western European heads of state, experts cautiously express optimism about the long-range feasibility of such a development.

More important, the chairman of the U.S. panel at the conference, Prof. Timothy W. Stanley, School of Advanced International Studies, Johns Hopkins University, stated in his panel report:

> With respect to the Soviet threat to Europe, the participants agree that the Soviet hold on Eastern Europe, and particularly on the German Democratic Republic, would continue to provide opportunities for expanding its influence and that Soviet self-restraint could not be relied on to prevent taking advantage of these opportunities. Accordingly, continued deterrence by NATO seems necessary during the decade of the 1970's.

Soviet imperialism, though its meaning is often soft-pedalled these days, remains a fact that can be ignored only at grave risk. It should be remembered that Soviet influence pervades the large Communist parties of France and Italy, even Finland, despite the determination of this small nation to remain independent and democratic. Nor should we forget past Soviet aggressions against the Hungarian freedom fighters, the Czechoslovak liberalizers, or the "deviationists" in Yugoslavia, Albania, and in incipient liberalization movements in other satellites.

Soviet power remains a very real obstacle in the quest for unity among the European nations. It divides the continent and keeps forcibly under control several of the historical nations of Europe, to mention only Poland, Czechoslovakia, Hungary, and eastern Germany.

We must continue to work for the maintenance of a Europe free of Soviet influence and for the creation of a European community which prevents outside powers from playing one nation against the other. We must work actively for a strong and integrated Europe which can maintain prosperity, technological and economic development and which can assist us in our endeavor to help "third-world nations" to occupy a stable and economically advanced status in tomorrow's world. In doing so, we must keep in mind the existing Soviet threat, particularly obvious today in the Mediterranean area of NATO, and stress that promotion of peaceful relations with the East cannot be a substitute for stronger ties with NATO allies.

Mr. HELSTOSKI. Mr. Speaker, today I am joining my colleagues in discussing the findings of the conference of the American Institute on Problems of European Unity on the concept of Atlantic Partnership, which was held between October 17–19, 1969, at Georgetown University.

One of the topics discussed at the conference was the economic meaning of Atlantic Partnership in the light of the emergence of EEC and the coming talks between EEC and Britain. The various panels came to different conclusions as to the future effect of EEC on American economic status in Europe. Some pointed out that the favorable trade balance of the United States has already declined from $4 billion to near equality. The chairman of the British panel, Prof. David Calleo from the School of Advanced International Studies at Johns Hopkins University argued, in turn, that the balance-of-payments factor was different as the disappearance of the trade surplus was more than equated by a massive return on direct American investment in EEC countries and Britain.

Some panelists feared that there is a declining interest on the part of U.S. firms and government in Western Europe after the rush of the early 1960's in view of new negotiations with Russia and the complicated involvement in Asia.

In regard to Great Britain with its persistently unfavorable trade balance the conference participants felt its accession to the EEC would render the solution of several questions, particularly the crucial question of a common currency for the EEC countries, much harder. Some thought that association rather than membership might be an easier way.

Considerable space was devoted by the American panel of Prof. Timothy W. Stanley, School of Advanced International Studies, Johns Hopkins University, to the question of the international monetary system, particularly by Dr. Ben T. Moore, because of the often recurring crises of major Western currencies. In this regard, many of the participants felt that though British accession to EEC might aggravate existing problems of currency planning, it would also serve as a healthy catalyst for devising plans and means for solving the underlying prolbems of liquidity on a level higher than the EEC.

The participants of the conference should be congratulated on the high-level consultative and research work they have done and I hope that our Government agencies will take a serious look on the findings of these scholars and research experts from four countries.

Mr. ADDABBO. Mr. Speaker, it gives me great pleasure to join my colleagues led by the distinguished gentleman from Illinois in discussing the concept of Atlantic Partnership in the light of the recent Georgetown University conference of the American Institute on Problems of European Unity on that subject.

The conference dealt with the issue from the point of view of the United States and our various European allies and an entire panel was devoted to the problems of the Mediterranean countries in connection with their views on partnership.

Members of the panel included, besides the well-known strategic expert, Dr. Alvin J. Cottrell, Center for Strategic and International Studies of Georgetown University, as chairman, outstanding regional experts on Greece, Spain, Turkey, and the Soviet naval threat in the Mediterranean.

The panel also discussed the relevance of the Arab-Israeli conflict in the Middle East upon the Mediterranean allies and the Soviet-American participation by proxy. It was pointed out that Soviet naval power, while not directly involved in the 1967 conflagration, has in the past, helped the Arab nations in their confrontations with Israel but even more paved the way for Soviet political and military infiltration into the area.

Several of the panel participants of both the Mediterranean and the U.S. panels felt that the United States was not sufficiently competitive with the Soviet Union as far as naval strategy in the Mediterranean had been concerned. Since 1945 there has been an increasing tendency on the part of the United States to neglect the Navy in favor of the Air Force. The only major development in recent years has been the nuclear-powered submarine, and there have been reductions in naval personnel and retirement of ships without a concommitant replacement. In the meantime, urged by her atavistic memory of having been deprived from warm seaports, Russia has built up a considerable fleet in the Mediterranean.

The panel felt that this strategic fact should not be neglected by us, especially as it has already increased neutralist proclivities in almost all Mediterranean countries, even in Spain and Turkey. We must remember that the Soviet Union has in the not so recent past proven its expansionist designs and its abhorrence of any freedom for the peoples under her control. Hungary in 1956, and Czechoslovakia in 1968, remain effective mementos that only power restrains Soviet expansionism and totalitarianism.

Mr. Speaker, the Mediterranean panel of the AIPEU conference on the Concept of Atlantic Partnership has prepared an outstanding report for which I commeno them and I commend it for study to my colleagues.

Mr. HALPERN. Mr. Speaker, it gives me great pleasure to join the distinguished gentleman from Illinois in discussing the concept of Atlantic Partnership in the light of the recent conference of the American Institute on Problems of European Unity especially since I have the honor of serving as one of the trustees of the same Institute from its birth.

Today we see two dissimilar trends. One is the modest momentum toward expanding and deepening the bonds between the nations of Western Europe, proven by the results of the Hague Conference of December 1–3, 1969, which, for the first time, achieved agreement between all EEC members to open negotiations with Britain and other states on their accession to the community. Despite the considerable difficulties which the common agricultural policy infuses into the question of further economic and political integration, Western Europe is proceeding on the path to unity, though the progress seems to be painfully slow at times. The second trend is a growing isolationist trend in this country and the realization that European integration must be implemented by the Europeans and that American pressure might well be counterproductive.

Yet, we have a great interest in a strong and united Europe which would serve as the other pillar of our free world alliance and which would help us in maintaining peace and progress in the world.

President Nixon expressed this idea during his trip to Europe, soon after his inauguration, and we must assume that our policies are still molded by his recognition of the paramount importance of a strong Europe in our search for a durable and equitable peace.

Under these circumstances, it is important that Europeans, too, recognize the necessity of a Europe which, while integrating its national part, continues to deepen its bonds not only with Britain and Ireland and the Scandinavian countries, but with the United States as well. A Europe which recognizes that geography and constitutional development might prevent them from applying the same measures aimed at achieving a confederation among one another to the United States, but which do not lessen the need for creating a partnership between the European states and the United States in many endeavors, political, economic and technological.

Therefore, it gives me a special pleasure under unanimous consent to insert into the RECORD the keynote speech of the conference of the AIPEU at Georgetown University between October 17–19, 1969, not only because of its highly positive and well-thought out contents, but also because of the particular significance of the person of the speaker, the Archduke Robert von Habsburg. The scion of this historically prominent family in European history is not only the carrier of centuries-old, multinational, European culture and tradition, but also a very successful international who knows, from daily practice, the need for Atlantic partnership and cooperation in the economic field, and who added to the success of the conference both by delivering the keynote speech and even by participating actively in the workings of the Panel on France and the Concept of Atlantic Partnership. Archduke Robert von Habsburg stresses also the need for common space contract and the lessening of technological gap between Europe and the United States and also applauds American capital ventures within the Common Market.

At this time, the executive director of the institute, Dr. Z. Michael Szaz, should be commended for having organized and implemented this conference. An old political and personal friend, Dr. Szaz has formerly taught at St. John's University in my congressional district, and afterward at Seton Hall University as an associate professor of political science. Now he devotes his full time to the work of the American Institute on Problems of European Unity which was his brainchild. He succeeded in securing the active cooperation of numerous well-known academic figures both as members of his research advisory council and as participants and contributors to his various research projects and conferences, though the institute is only 15 months old.

The members of his Research Advisory Board are as follows:

Prof. William G. Andrews, State University of New York (Brockport).

Prof. James D. Atkinson, Georgetown University.

Prof. Brutus Coste, Fairleigh Dickinson University.

Dr. Alvin J. Cottrell, Center for Strategic and International Studies, Georgetown University.

Prof. Michael Curtis, Rutgers University.

Prof. H. Barry Farrell, Northwestern University.

Prof. Carl J. Friedrich, Harvard University.

Prof. Louis Gerson, University of Connecticut.

Prof. Franz Gross, P.M.C. Colleges.

Walter F. Hahn, Institute for Defense Analyses.

Prof. Wolfram Hanrieder, University of California (Santa Barbara).

Prof. Jerzy Hauptmann, Park College.

Prof. Jan Karski, Georgetown University.

Prof. Edward A. Kolodziej, University of Virginia.

Prof. Stephan Possony, The Hoover Institution, Stanford University.

Prof. Vladimir Reisky de Dubnic, University of Virginia.

Prof. William H. Roberts, Catholic University of America.

Prof. George Stambuk, George Washington University.

Prof. O. Carlos Stoetzer, Fordham University.

Prof. D. A. Tomasic, Indiana University.

Prof. James H. Wolfe, University of Maryland.

The address referred to follows:

KEYNOTE ADDRESS

(By Archduke Robert von Habsburg)

It has been my habit for several years, after many months of hard work and a hectic life, to take my holidays in the southernmost part of Italy, in Calabria. It is a wonderful country, far away from what one calls civilization. There is neither telephone nor telex. The next post office is ten miles away. There are no traffic problems or noise on the dirt roads. The weather is always fine, although not too hot, contrary to what one might think. An ideal place to rest and think.

Again this year in July I was there. It was, as usual, a lovely evening, and the television screen offered us an uninterrupted twenty-four-hour space program, including the landing on the moon. We decided to install the television set on the terrace. About midnight, local time, on this famous night of the 20th and 21st of July, the village shepherd arrived and asked whether he could watch with us. This man looks after about 100 sheep which belong to various people in the village. He takes them grazing on the mountains during the day and guards them in a corral at night. He can neither read nor write, although he is capable of signing official papers, instead of making the traditional cross. At 4:00 A.M., just as the first light of the new day appeared on the horizon, we saw on the television screen Commander Neil Armstrong and Colonel Aldrin descend from the LEM to the moon's surface. The first man had landed safely on our satellite.

My shepherd friend shouted with joy, "L'abbiamo fatto!" (We made it!). I could not resist correcting him by saying, "Yes, the Americans made it." He lifted his hand in a gesture of indifference. What are the Americans in their vast majority but descendents of people who lived in Ireland, Great Britain, Scandinavia, Germany, Poland, Italy, etc.? They are indeed our brothers, our cousins living across the sea.

There you have the feeling of the ordinary man in Europe. Not only has he the idea of Europe as a single entity in his mind, but he is already considering that Europe and America are one body, one soul and one united force for the progress of humanity.

You can imagine that such a straightforward and realistic answer from a very simple man incited me to prod a little deeper into his philosophy of life.

I, therefore, asked him what he thought of our present time. And here, too, I had an answer worth recording: "My grandfather and my father who, like me, were shepherds, lived a quiet life, not much changed in their time compared with their ancestors'. But with me things have changed deeply; everything happens quicker; everybody knows something about everything," and he reached in his pocket and took out a transistor radio, tapping it as if it were proof of his saying. "I am too old, alas, to see the results, but my son will. He will no longer be a shepherd. He has learned to read and write. He is now in a technical school for electricity, and he helps to make these inventions, to create a totally different world. Good luck to these youngsters, and may God help them."

Yes, the new era has begun and has been highlighted by the conquering of outer space, the landing on the moon. We witness today a second great industrial revolution with many new inventions in the traditional fields of industry and the opening of completely new fields, like space and oceanic research. The mechanization, the tremendous speed of calculation through computers and the consequent acceleration of production have obviously changed and adapted all ideas, all concepts, all methods. The idea that teamwork will promote efficiency and produce profit is flourishing everywhere. Values have totally changed. While before, certain raw materials made the wealth of a country, today the most expensive commodity is men—technical men, commercial men, research men, administrative men.

The old law of the war, "ve victis," is a good example. The victor tries always to appropriate the most valuable properties of the vanquished. After World War I, the Allies seized the Ruhr to find the coal and iron they needed badly and which, at that time, were Germany's greatest wealth. After World War II, one even thought in terms of coal and iron, but the race was on for Penemunde and such places where the great brains, the great researchers, the technical teams of Germany were located. The great wealth of Germany was no longer material; it was the men, the brains, the technical knowhow which everyone sought.

When General de Gaulle decided upon and implemented his decolonization policy, one of his great achievements, it cannot be denied that an economic factor, apart from the political and human aspects of his plan, influenced his decision heavily. The benefit France could reap from the material richness of its colonies could not be compared, by any stretch of the imagination, to the cost of financing them and the loss of manpower to the homeland. The so-called "pieds noirs," that is, the Europeans in North Africa who came back to France after the war have proved to be a real shot in the arm of the French economy.

When Holland lost her fabulously rich colony of Indonesia, thousands and thousands of Dutchmen were repatriated, leaving all their belongings in Indonesia. Holland, contrary to all prophecies, has never been so rich and so prosperous as now.

Finally, take the famous "German economic miracle" of which so much has been said. It could never have been realized, had it not been for the influx of East Germans, Sudeten Germans and others who, ousted by the communists from their country, arrived with only their intelligence, their technical capacity in many fields and their uncrushable will to create a new and better existence for themselves.

This change in values has been made possible by the extraordinary inventions of our time. Among the most important, let us mention the new power supply, the invention of computers, and lately the beginning of the conquering of space. Industry will no longer depend only on natural resources, coal and water, and, therefore, to the places where these commodities can be found. Atomic power can be produced anywhere, a fact which will force the transport industry to reconsider its policies and organization. Better location of industry will lessen transport cost, influencing total cost and, therefore, prices. You have seen in your own country that there has been a migration of industry to the south which enjoys better climatic conditions, allowing reduction of overall charges. It obviously creates certain social questions which, in many countries, arouse uneasiness, doubts, fears and unhappiness among employees and workers, and will have to be solved here.

The computer world, one too complex for many, of whom I must humbly admit I am one, to understand, renders untold services. Here you can amass information which a human memory could never retain. You can exchange information gathered from all corners of the world. Further, the computers are now the essential instrument for all research. What used to take many mathematicians many weeks, nay months, to achieve, the computer does in a few seconds, delivering men from tedious work and reducing the risk of errors due to human fatigue or distraction. Without the computers men could never have conquered the moon. The computer, too, owing to its rapidity and exactitude, is now, and here I speak from personal knowledge, the indispensable instrument for modern management. Each day you can see how your business develops, how much stock you have, in which way best to organize your deliveries, where there are delays or faults, and much more essential information. Thus, fully aware, you work with realities, and your decisions can, therefore, be rapid and efficient. In this it is true that European management was significantly behind that in the U.S.A. We have had and always will have capable men. Let me just mention people like Abs in Germany, Weinstock in the United Kingdom, Angeli and Pesenti in Italy, Martin, Rivoud and Ricard in France, and the list is not exhaustive. But we came to computerizing management later than you did. It is indeed not fate that IBM developed first in the U.S.A.

The acceleration in production, information and travel is sometimes terrifying. Just imagine that between the invention of the telephone (1820) and its industrial production (1876), fifty-six years elapsed, while between the time the revolutionary idea of the transistor was conceived (1948) and it first appeared on the market (1953), only five years went by. When today, in the era of the supersonic airliner, Concorde, it takes 28 minutes to cross all of France (calculated according to the longest possible route), 18 minutes to cross Germany and 3 minutes 15 seconds to cross Austria, all limits, all frontiers just fade away.

Then there are the mass information methods, like television, which not only fly across frontiers like Concorde, but come to you as you sit quietly in your easy chair and watch and hear Commander Anderson and Colonel Aldrin some 300,000 miles away walking and talking happily on the moon's surface. There, too, technical progress has been phenomenal.

The tourist industry, unknown to ordinary people a few years ago, is now a multi-billion-dollar industry stretching around the world. People learn to know each other whether they live in the East, South, North or West of our earth. The barriers of distance, language and, let us admit it, mistrust are breaking down also.

All this is, nevertheless, just a beginning, and one can visualize wider horizons. A great problem for us was, and still is, the question of water. Consumption rises enormously, and some people have thought rightly that a real danger exists that, in the not-too-distant future, there will be a shortage of this essential commodity. Human intelligence has already been applied to the solution of this problem, and research has advanced so far that in years to come, one can expect that we shall be able to desalt sea water at moderate cost. The same applies to air and water pollution, a major health hazard which is now being scientifically tackled and will certainly be mastered. In the field of food, it is quite certain that we have not even begun to exploit the possibilities of ocean products or synthetic foods.

This second industrial revolution has already deeply affected not only the mentality of people but also their employment. These changes will have to be accelerated if we want to keep developing.

In France at the end of World War I, 40 percent of the active population earned their living from agriculture. By 1954, this percentage had dropped to 27 percent and the latest statistics (1967) show that only 17 percent of the active population was still working in agriculture. These changes can be compared with the U.S.A., where in 1954 11 percent of the active population could be found working in agriculture; this percentage had dropped to 5.5 percent by 1967.

On the other hand, it is also interesting to compare the active population in the other sectors: in French industry in 1954: 35 percent and in 1967: 40 percent; in the U.S.A. in 1954: 35 percent and in 1967: 34 percent.

The most startling comparison is, nevertheless, in the creative and service sectors, those which we in France call terciere: in France in 1954: 38 percent of the active population and in 1967: 41 percent, while in the U.S.A. in 1954: 54 percent and in 1967: 60.5 percent.

All these statistics show not only the great shift in employment realized in the last few years, but for Europe its backwardness as compared to the U.S.A. Here lies the real technical gap in all its horror.

In the service sector, 41 percent as against 60 percent shows we have not yet developed our research and administrative and commercial activities sufficiently, and again in the industrial sector, 40 percent as against 34 percent in the U.S.A. shows that we have not utilized automation enough and that we use too many people who now could be replaced by machines.

Farsighted Europeans think of the French Minister, Robert Schuman, known as the father of the Common Market. He realized that this tremendous technical development, this industrial explosion, outdated the old concept of a Europe divided into small national units and was definitely harmful to the smooth, coordinated development of that Continent. Robert Schuman saw the necessity for one large market of at least 200 million inhabitants. Capital, manpower, technical knowhow and goods could be moved freely, according to economic laws only. Alas, this great man, this courageous pioneer of a new and exalted idea of progress, had to fight against ignorance, vested interests, laziness, nay, even the lack of courage to face the facts hidden under the false name of traditionalism in economy and politics. Nearly every European country has a system of law and taxation, a currency, a political structure, habits of living and a language different from all the others. These terrible barriers must be overcome if Europe is to survive as an industrial power. First, a small group of dedicated persons got to work to spread the idea, to convince their fellow countrymen of the absolute necessity for changes. It led, as you know, first to the European Coal and Steel Community (E.C.S.C.) which came into being on August 10, 1952 in Luxembourg. A few years later, on the 26th of March in 1957, a handful of courageous political men signed the Treaty of Rome and the Common Market was born. A cold wind blew across the ranks of industry. Finished were the good old protective days with their customs barriers. When faced with the possibility of terrible losses or outright ruin, it is marvelous how fertile the human brain can become and what energy and courage can be deployed to adapt to the new situation. During these years, with their backs to the wall, industrial leaders initiated enormous changes in concepts and methods of industry and commerce. Modernization, profits and new products were the leitmotiv. This new spirit had to be applied in two directions—order in one's house and collaboration with other groups, national and foreign, so as to be competitive in all of the old markets now in the process of becoming one unique general market.

Looking back over the past ten years, one must admit enormous progress, far outreaching the narrow limits of the Common Market, in the public sector. Take the transport section where, under the dynamic and far-

sighted leadership of Louis Armand, now a Member of the French Academy, a perfect integration of all Western European nations has been realized without any publicity. This progress has not been only a matter of time tables; in the technical field also European standardization was introduced. The same can be said of the various airlines whose collaboration is very close and friendly, while leaving a spirit of competition so necessary to progress and so advantageous to the consumer.

Two other facts should be mentioned here which will show the progress of European integration. Sweden has changed its motor car driving system to righthand driving, as is the habit in all of the other continental European countries. And finally, even the United Kingdom, always slow to change its traditional way of life, has decided to introduce the decimal system current in all other industrial countries. But this is only a beginning! Very much remains to be done, e.g., the standardization of various tax systems, a first step toward which has already been taken with the tax *a la valeur ajoute*. There is a need for identical legal systems and, finally, for a common currency which had a sort of beginning with the Eurodollar. In the private sector in France, equally enormous changes have occurred which one can apply *mutando mutandis* to other European countries.

France was, and to a certain degree is still, a country of medium-sized industrial units. Not one of its industries could have ranked as an international enterprise. Today this has changed and will change more. One can now see Michelin, the greatest tire producer in Europe; the Francaise des Petroles among the petrol giants; the Europeenne de Brasseries, the biggest brewery in Continental Europe. All of this has been achieved by a legion of dedicated men conscious of the tremendous changes of our new era. The first thing was to *restructure* each industry separately; to abandon products which could no longer find a large market; to produce new lines, to diversify; to put the accent on research, efficiency, cost and investment. Many a casualty fell on the battlefield, and many more will follow because this battle will remain a constant feature of our European economy. The better-situated ones, the most energetic and farsighted, will emerge as the victors.

The second stage, if one can so express oneself, is *concentration*. The old principle, *viribus unitis*, proved itself once again. This was particularly remarkable in those sectors of industry which require a lot of manpower like food, textiles, chemicals and steel. In France in 1965, there were seven iron and steel concerns worth mentioning. Today there are three. In the textile group, plagued by several hundred small industries, two groups emerged from the crisis. Agach Willot in 1963 had a turnover of 100 million francs and today has reached 427 million francs, and Dollfuss Krieg pasesd from 66 million francs to 289 million francs. There were in France in 1952 780 breweries; today there are but 150 units. The Europeen de Brasseries, which I mentioned before, produced in 1961 one million hectoliters and is today at nearly seven million hectoliters. Thus, bigger and more competitive units are emerging, and again, this will remain a permanent feature of the economic life of each country.

The third stage was the *internationalization* of enterprises. Here one must speak of the intervention of American private capital in Europe which I, for one, contrary to some official or private fears, welcome. It has not always been rightly handled, but what human venture can boast perfection? It has sometimes created much ill-feeling because of different methods, frontal attacks against traditional habits and, let us admit it, a little bit of a holier-than-thou attitude but, and the but is extremely important, it brought to Europe new ideas, new methods, new ways and a competition against which one had to fight. As long, therefore, as it does not degenerate into monopolies, a danger that really exists because of the vast superiority in American industrial power and financial possibilities, it is a real contribution that the new world has brought to a somewhat stale and retrograde Europe.

The internationalization in the limited framework of Europe, and by Europe I mean again industrial Europe, not the Common Market alone, has begun. Thus, we had the Belgian Empain Group coming into the French Schneider Group, the Fiat-Citroen merger, the Hoechst-Roussel Uclaf collaboration and many others.

Maybe my own very small and humble experience can throw light on these developments. I was a partner in a family-owned private bank in Paris which we changed into a limited company. Our main shareholders, apart naturally from the French, are English, Swiss and Italian.

The great changes which I have tried to describe to you have not been obtained without what Churchill described in his famous speech as blood, sweat and tears. Just look at the appalling agony of the agricultural world, politically still too powerful not to be left alone to fight for its own renovation, economically too feeble to carry on with its existent structures.

It is quite certain that today progress toward a united Europe varies, whether you consider the industrial and economic sector, public opinion or the national political structure. Economic integration is by far the dynamic factor behind a united Europe. Public opinion is not far behind. Take, for instance, the idea, recently much discussed in France, of regionalization, in my mind the only way to get out of this overaged concept of the sanctity of national sovereignty at any price. Regionalization involves the creation of local capitals or economic poles of attraction, behind which are grouped hinterlands big enough to be economic units, small enough to be easily administered by local authorities aware of local interests and possibilities rather than by a distant, central, omnipotent authority. Now in the public discussions in France, great was my surprise to find many people who approved the extension of these regions beyond the actual national frontiers, or even more astounding, the giving up of territories which naturally and economically should belong to one of those poles of attraction situated in another country.

Today the political machine is the obstacle to development. Indeed, it has not been able to adapt its structure to the revolution and has, up to now, shown little desire to do so. Again, I take the example of France which I admit is the most dramatic one in the Common Market. You speak sometimes of "red tape." You cannot imagine to what perfection the administrative structure of the French State, created 200 years ago by Napoleon and never really modernized since that time, has brought this art. The permanent and irresponsible personnel of the administration interferes in every facet of the citizens' lives. The thought of the administration appears to be that the State is not the servant of the citizens, but that the citizens are raw material to be fed into a wonderful machine called the State which they are called upon to organize according to their own ideas. The former Minister of Education, and probably one of the ablest political figures in France, Mr. Edgar Faure, called it the technostructure against which even responsible ministers are often completely powerless.

The technostructure is composed of able men with brilliant minds who have never been asked to think in terms of the practical business of daily life. To them everything can be reduced to a simple problem which you solve on paper, regardless of human reaction, or cost and profits. We have to admit that, in our day, more and more matters must be discussed and decided upon by professional men. The politicians elected to Parliament are obviously not professional people in all fields; nevertheless, they are called upon to discuss, propose and decide in all fields. This is why Parliaments, as we know them now in Continental Europe, are more and more losing their grip on public life, and their debates are less and less favored with public interest.

Aware of this trend, General de Gaulle suggested reforming the Senate by opening it up to responsible professional people, trade union leaders, agricultural experts, members of chambers of commerce, outstanding business people, technicians, etc., so that the political parties in Parliament, so necessary to the democratic process, would be balanced by another chamber composed of real experts. But he was defeated.

The resistance of the political technostructure to reform led directly, in my opinion, to the events of May 1968. The rowdyism of the students who protested against the teaching system, with the help of professional agitators, showed the very profound uneasiness of youth in the face of the rigid, outdated attitude of the technostructure. It was a clumsy, thoughtless reaction against an archaic form which no longer corresponds to the needs of our time. Later, the referendum which General de Gaulle called on the question of the regions, linking it with his own political future, was lost, I am convinced, not because people were against the regions, but because the General, rightly or wrongly in their minds, incarnated the old regime which they no longer wanted.

The new President, Pompidou, and his Government understood the warning and spoke of the new society they want to create. Let us hope that they will really do something; otherwise, they will be cast out because the citizens have decided that a change must be made.

I hope that in this short and obviously incomplete expose of the development of European integration, you will have seen that I am a deep believer in the future of a United Europe. We needed perhaps to go through the endless negotiations, frustrations and ill feelings which finally gave birth first, to the E.C.S.C. and later to the European Economic Community and the European Free Trade Association, so as to awaken to reality, to throw away the shackles of nineteenth-century concepts while keeping the good we have inherited from our forefathers, and to play again our role in the world.

In my mind, all of these organizations which we have created are only stepping-stones to a true United Europe. It appears therefore, of minor importance whether the United Kingdom joins the Common Market now or later. The United Kingdom is an essential element of Europe. It cannot free itself of this historic and mainly geographical reality and, as we all know, Englishmen are by nature realists and, therefore, will face up, at the moment they choose, to join either the Common Market or the European Organization that will follow, and thus open the way definitively to a United Europe.

As United Europe is being born amid great travail, the question naturally asked by my shepherd friend immediately jumps to one's mind: "What about relations with our brothers who live across the sea?" It is quite obvious that the U.S.A. has, for the moment, an enormous head start compared to Europe—a single market of 200 million people, a modern political and administrative organization, a federal capital, a single currency, a single language, a system of law applicable to the 3.5 million square miles which form the largest and most powerful industrial concentration in the world.

But with the tremendous development of technical knowledge and industrial production, even that market might become too

small. Even the 80 million active people in the U.S.A. will not be enough to tackle the final technical and industrial problems in front of us. As you know, you cannot, with all your political might, impose a global policy aimed at a better organization of human life everywhere. You will have to make a political choice; you will have to decide who your true friends, your brothers, are. Your choice can, I think, only be your brothers across the sea, the Europeans, who are inspired by the same ideals as you and prepared to share with you work and responsibility for this new world.

Obviously, you could make what I would call a colonial policy. You could drain any other country of its greatest wealth, implant your industrial machines where manpower is cheap, and impose your world monopoly on certain sectors of industry. History teaches us that this is the wrong solution, and we still have, alas, such examples in our time. I, for one, therefore, discard this short-term view, this facile solution which, in the end, would turn against its authors. You can and will associate yourselves with us, just as we try to associate with each other in Europe, and form an even more powerful unit. Today such an association across the Atlantic Ocean might seem a daydream, but do not forget the idea of a common market, much less a United Europe, was a daydream thirty years ago. With the tremendous acceleration of things in our time, even such a daydream can come true sooner than we can now imagine.

An association, and we are giving ample proof of it in Europe at the moment, does not grow all of a sudden. It needs preparation and previous contacts and collaboration; then and then only can it grow harmoniously. I think, therefore, that the time has come when real collaboration between the U.S.A. and a growing Europe should be started on a practical basis. We have already an example which is not talked about enough and which is highly successful. It is the communications satellite network which began as a purely American adventure, but in which American shareholding is now a little over 50 percent. The United States is, admittedly with every show of reluctance, beginning to concede some say in planning and management to foreign member countries. The benefit to Europe is that most of the communications satellites are now being built in Europe to American specifications. A few days ago, the BASF bought an American chemical concern, not paying in dollars, as has been the custom until now, but by exchanging shares. This shows a real change of mind on both sides of the ocean.

There is no reason why the same should not happen in the conquest of space, a new field where there is room for everyone. When 20,000 contractors and 500,000 men are required to put three astronauts in the orbit of the moon, you will agree that it is totally immaterial to the planning of the project whether components are built in Europe or the U.S.A.

It was calculated by Professor Hermann Bondi, Head of Europe's International Space Research Organization, that Europe spends 1.5 cents a year per head on space compared to 54.5 cents a year per head for the Americans. Professor Bondi should have added that Europe gets, and rightly so, only 1.5 cents worth of space. In fact, the biggest European rocket under development is not even capable of launching the smallest American communications satellite. We are, therefore, wasting our money stupidly.

I have learned from my experience as a banker that what you cannot do profitably with your own organization, you have always to call in experts to do for you for a fee. Thus, you have a better result with less expense in the end. Expensive as a lawyer, fiscal expert, or specialized engineer may be, he can save you from making costly and useless errors.

To put the cosmonauts on the moon, the N.A.S.A. has spent $3.7 billion in a year. This represents 0.4 percent of the National gross product of America. If the European Economic Community were to do the same alone, it would cost roughly $1.8 billion, and the E.E.C. and E.F.T.A. together would represent $2.2 billion. If their efforts were combined, the N.A.S.A., today without any doubt the most efficient instrument in space development, could have a budget of over $5 billion and I need not say what we could achieve together. My fellow Europeans could object that this would represent for them a very important new fiscal charge. Let me answer them by saying that the sum thus collected would represent less than one-third of what they spend on smoking. It would also bring a number of space contracts to Europe, benefitting all parties and keeping them abreast of technical developments, while now they are powerless onlookers, wasting valuable money in an effort which has already proved to be a failure. It would, on the other hand, give N.A.S.A. the possibility of accelerating its research and create between the U.S.A. and Europe a practical link of friendship, of partnership in these totally new fields which, gentlemen, will not only be the playground for your and my children, but may be the beginning of yet another completely new era.

If we can realize, and I believe we must, such collaboration, we can tell our children that we have lived through the greatest transition period of the world—where the future was shaped by foresight and courage. We are leaving you a practical plan for collaboration between America and Europe in many fields. It is up to you to create now an even larger and permanent association.

Mr. FISH. Mr. Speaker, today several of my colleagues, ably led by the distinguished gentleman from Illinois are discussing the concept of Atlantic Partnership.

As a man deeply interested in the promotion of French-American relations for years, it gives me a special pleasure to see a distinguished group of scholars and research experts meet and try to devise meaningful reports and practical solutions to the problems which face us and will face us in the next 5 years with regard to cooperation with Western Europe and integration of the Western European nations among one another.

The conference of the new academic group, American Institute on Problems of European Unity, consisting of a distinguished research advisory board of some 21 professors in the United States, was of particular interest to all of us interested in American-European relations, as it included several distinguished visitors from the other side of the Atlantic, particularly France. The French panel, for example, was composed of the world-renowned authority on strategy and NATO, the director of the French Strategical Institute, General of the Armies, André Beaufre who brought not only practical experience as a general, but also theoretical experience as the author of five books on strategy to the conference. Another participant was the former graduate of the Institut des Hautes Etudes de Défense Nationale, Dr. Henry Barbier who is now the head of the section in the French Premier's office coordinating French policy toward the EEC and OECD. Another very distinguished French member of the panel was the famous international banker and scion of one of the most European royal families, Archduke Robert von Habsburg. The American side was also very scholarly, Professors Daniel Lerner, MIT, Nicholas Wahl, Princeton University and the chairman William G. Andrews were particularly noted in the academic world for their many publications on France as were the other participants as well.

Mr. Speaker, in view of the excellent quality of the report of the French panel at this conference, I am placing the report of the panel into the RECORD:

AMERICAN INSTITUTE ON PROBLEMS OF EUROPEAN UNITY

CONFERENCE ON THE CONCEPTS OF ATLANTIC PARTNERSHIP

*French panel chairman's report*

Panel Members: Professor William G. Andrews, State University College of New York at Brockport; Dr. Henri Barbier, *Institut des Hautes Etudes de Défense Nationale;* General of the Armies André Beaufre, Paris, France; Professor Martin Heissler, University of Maryland; Archduke Robert von Habsburg, Paris, France; Professor Edward A. Kolodziej, University of Virginia; Professor Daniel Lerner, Massachusetts Institute of Technology; Professor George Stambuk, George Washington University, Naval War College Center; and Professor Nicholas A. Wahl, Princeton University.

*The first session: foreign policy in the De Gaulle period*

The session analyzed the various facets of the policies of President De Gaulle. There was agreement on the basic elements of the policy as stated by one of the French participants but disagreement as to the extent and correctness of American reaction to the same.

De Gaulle's main idea was to unite Europe by regrouping Western and Central Europe and thereby reconciling East and West, including Russia. Therefore, he had to move away from the United States and NATO. He refused the principle of integrated Europe because it would have interferred with the grouping of European state. It was necessary to build consensus throughout Europe which would require a long time. The French President was "European" in his own way. His considerations were influenced by the central European problem: Germany. A united Germany would be, in his opinion, too dangerous unless it emerges in the context of a united Europe. He wanted a Viennese solution to Europe and a Versailles solution to German unification. The Europe in question had to be "from the Atlantic to the Urals with Russia losing its Asian territories in order to contain growing German strength. His policy had some results, direct and indirect (liberalization in Czechoslovakia, more independent policies by Bucarest). But the events of 1968 proved that the Soviet Union would not allow the East European countries to liberalize themselves. This led the President to switch his policies and to seek rapproachment with the United States expressed during the visit of President Nixon last winter. In order not to lose his gains in Eastern Europe, he was moving slowly. In any case, the basic change in French policy occurred before the resignation of President De Gaulle.

Some participants pointed out that the basic goals of the policy were never achieved as Franco-German relations worsened, the force de frapp was a very limited and partial success, United States role in Europe was not reduced significantly and while Britain was kept out of EEC French domination was resented by the five partners and they are still in favor of including Britain.

Some of the restraining forces like the differing policies of French businessmen and the ambiguity of the concept of an elitist Versailles model for Europe in which France leads and the egalitarian concept of a Europe of the future ranging between the Urals

and the Atlantic were pointed out by other panel members. One member also raised the qustion how De Gaulle wanted to accomplish control over Germany in a Europe of states which would cooperate only loosely. While the Germans were interested in a West-European integration they would be unwilling to be controlled by a conglomeration of all European states. Another member pointed out that the concepts of President De Gaulle were shared by many opposition politicians, including Defferre whose ideas differed only in personal style and language and that the President was not opposed to large power hegemony and responsibility in various regions of the world as a principle.

It was also pointed out that President De Gaulle's policies were consistently guided by a set of psychological principles, to wit:

1. The most important social category above the family is the nation.

2. Culture can determine politics and French culture has a superior position in the hierarchy of world cultures.

3. Illusion can be transformed into reality by adept leadership.

4. Contingency is the basis of strategy.

5. Balance of power still rules international relations.

There was considerable discussion on the aims of the President in his famous proposal for a Three Power Directorate in NATO in 1958. One of the French members asserted that as late as 1960 the President accepted the big-power concept for Europe but was blocked by the Americans. He wanted to use the Congress of Vienna concept of international control on a global level. When he was convinced that this approach would not work he had decided to leave NATO as a means of pressure on the U.S. De Gaulle is a strategist, always trying new ways to the same end. That is why he has been so unpredictable in his means. The 1958 memorandum was left intentionally vague, insisting only on consultation on nuclear matters and on global strategy. There was strong feeling among panel members that the President was using European integration as a means of recovering a world leadership position for France. It was argued both that acceptance of the 1958 memorandum by the United States and Britain would have gone far in maintaining Western cohesion and that acceptance would not have made a substantial difference to French foreign policy and at some point of global strategy a serious disagreement would have occurred disrupting Western cohesion anyway.

Several panel members referred to Western opinion that France was terribly unreliable and pointed to the EDC debacle. The question was also raised, if the U.S. and Britain would have accepted the French claim what would have prevented the Germans and the Italians from asking to be included in an expanded directorate. There was discussion on the reasons for the defeat of EDC and it was argued that they were political rather than technical. One of the French members argued that the military organization of EDC was completely inadequate and carried the unification of the armies too far with respect to uniforms, discipline, etc. while other aspects, such as money, logistics and procurement were not unified at all. By instinct, French public opinion refused this tremendous technical mistake. In turn, several members pointed out that the defeat of EDC was a result of the opposition to it both by those who did not want German rearmament in France and those who feared that it would destroy the French army.

There was discussion on President Kennedy's "two-pillars" concept in NATO. One of the French members pointed out that under the terms nuclear sharing would have begun after European integration had been implemented and that De Gaulle considered impossible to realize in time. The "two pillars" approach should have been implemented already before the realization of West European unity. There are two ways of approaching European integration. One is the economic route which has merit but also slow speed and inherent difficulties. De Gaulle preferred the second, particularly strategic way which would have concentrated the strategic power of European powers. He was refused by the U.S., mostly because of the American position that the only proper form for concentration was NATO. But in fact, NATO is set up in such a way as to be a screen between European security problems and the European states.

Finally, the question was raised whether De Gaulle expected his 1958 Memorandum to succeed in Washington. One of the French members confirmed that he expected success and was shocked by President Eisenhower's answer which other panel members considered as a cautious feeler for further negotiations.

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Two panel members who arrived late for the session agreed that De Gaulle should be taken at his word when he says that national dynamics and the pursuit of rank and standing for the French nation have always been the major dynamics of his actions. One of them emphasized that the French President had no universalistic program for the West, or even for Europe, although he often dressed his French purposes into more universalistic terms. The second member added that De Gaulle was reared and educated during the heydays of nationalism in Europe and accepted the ideals of his youth. De Gaulle is both a great historian and a man with a vision for the future, but perhaps he was not the man of the moment. His vision of Europe to the Urals is certainly a far-sighted view which very few people had the courage to express. In his view De Gaulle had overcome his ultranationalist views and acquired a wide vision rendering even the Common Market too small for him. Naturally, he thought, however, that France should have the place to which it was entitled by its culture, economic power and intellectual capacity in it, and fought for the realization of this aim.

*Second session: France under President Pompidou*

There was a short discussion on French nationalism and DeGaulle. It was pointed out that there is a distinction between lower middleclass, activist nationalism and a belief in a specific national interest that is above all other interests such as class, professional, or ideological, but was stressed that even the Gaullists were not very successful in mobilizing French nationalism among the people. It was noted that De Gaulle's nationalism may have been an attempt to restore a situation that has already passed and that we are already in the post-nation state phase. Britain and Germany have also moved away from nationalism in the old sense. These developments favor European integration, but not an Atlantic integration, as the United States is still in the full nation state phase.

On the future of French foreign policy more flexibility was generally agreed as the likely course. All the collaborators of the President, including President Pompidou were shocked by the events of 1968 at home and abroad and will be more adaptable. It was emphasized that what is changing is more the style than the substance and that already DeGaulle began the change in policies. In order to follow him, his successors do not have to ask: "What was his policy," but "which of his policies would he have adopted under these circumstances?" One of the French panel members pointed out that because of the apparent failure of French policy toward the East, the weakening of French international economic position and even for psychological reasons, French policy is turning toward the United States. But because the French raised certain hopes in the Soviet satellites, they cannot switch too visibly toward the Americans. Another limit on change is the former French policy of urging Germany toward rapprochement with the East. We do not know what the German SPD Government will do but our concern for good relations with Germany certainly limits our freedom of action, he ended.

Some members thought that President Pompidou by calling happiness more important than grandeur in his Corsica speech would mean emphasis on domestic issues and retrenchment in foreign affairs. It was argued that people will no longer accept illusion for reality and that French policy toward Germany has failed and the Germans feel closer to the United States and even to Great Britain than to France. Under these circumstances, continued exclusion of Great Britain from EEC makes little sense as does obstructionism in NATO and the maintenance of the force de frappe. Several members dissented, stating that the French nuclear force would be kept as the political costs of liquidation would exceed the advantages and even economically there are good "fallout" effects of the nuclear force. Others cited the British example of the Blue Streak, though one member thought that by relegating the development of new weapons for the nuclear force Britain did not succeed in retaining the image of a viable nuclear force, but had to carry much of the costs anyway. Another member argued, however, that the French Government could claim that the force de frappe had reached such a point in its development that it no longer required the large expenditures of the past, and, therefore, more money could be transferred elsewhere.

One of the French panelists emphasized, however, that France shall not give up the nuclear force, because Debré is the defense minister, and he would consider abandonment as a betrayal of Gaullism. He would personally change the emphasis of the French nuclear force, putting more, more money into R&D and less into hardware which becomes very quickly obsolete. It must be remembered that France only spends 4.6 per cent of its national income for defense which is almost the minimum for a normal nation. Another of the French panelists emphasized that France's policy toward the East is stable, but its policies toward Europe are open. In regard to the coming conference of the Heads of States of the EEC members, he asked what do the French with a bad monetary policy and economic development have to offer? Yet, the Government has tried to give the nation and the other nations of the EEC a clear idea of the society it wants to create, with a greater emphasis on economic and technological development. France needs time to make these changes and hopes that the other EEC partners will not exploit the changes in the equilibrium resulting from the 1968 disturbances.

There was general agreement on the priority of domestic policy concerns by the Pompidou regime, a shift of the focus from "high politics" to "low politics." One member pointed out that the new regime has to pay for the neglect of social and economic problems of the De Gaulle regime and will not enjoy even the illusory blanket support of the people like De Gaulle did. In analyzing French policy we must now concentrate on the popular reaction to events rather than to government initiatives like during the past eleven years. It was argued by another member, however, that foreign policy is not a domain that excites the French and that De Gaulle's statement that the baggage train will follow, has some truth. Two factors are clear. One is that domestic policies will have greater priority and that Britain will join the Common Market, but perhaps not very fast. French businessmen and politicians, educated by De Gaulle, now consider Britain as the only competitor for leadership in Europe. It is feared by some

of them that Britain is very nationalist and would revive the imperialist will in a European, rather than global garb. This feeling will slow down the process of British entry until France recovers an economic equilibrium in its development plans. It was argued, however, that consolidation of German and French companies could eliminate any danger of British economic take-over, and that the real challenge comes from the United States and not Great Britain economically.

It was argued also that French concessions would not automatically clear the way for British entry into EEC and though President Pompidou no longer believes in the political necessity of excluding Britain, other members of the EEC might raise new obstacles. It was noted that only the Dutch were the enthusiastic protagonists of British entry while the Germans, Italians and Belgians were happy to see the French get the blame in the U.S. and Britain for rejection, but did not regret the decision of De Gaulle. There is also the question whether Britain would take a pro-European position upon entry into EEC. The French have been the major, but not the only problem.

Discussion now centered on the economic and political contingencies of British entry into EEC. It was noted that in sixteen months of negotiations in 1962 most of the economic technicalities of British accession to the Common Market were cleared up, though the political problems remained. One of the members tried to summarize the changes wrought by the new Pompidou regime as changes in the context in which French foreign policy is now made and referred to the conclusions reached during the first session about the 1968 events and the 1969 events like the American moon-landing and the beginning of American withdrawal from Viet Nam. He emphasized that the new President peasant and teaching background contrasts with the historian, military and nationalist background of de Gaulle. Already in his first press conference, he stressed domestic issues and he omitted foreign affairs from his second one. Also importantly, personnel changes were made on the top level of foreign policy making machinery. He mentioned the replacement of Debré by Schuman, the entry into the government of René Pléven, Jacques Duhamel and Joseph Fontant and added that even men like Valéry Giscard d'Estaing seem like Gaullists with a bad conscience who could easily shift to different foreign policies. He ended by stating that the departure of Debré and Couve de Murville from foreign policy posts and their replacement with Atlanticists and Europeans suggests a dramatic change in emphasis. However, a more cautionary view was expressed by others and the specifics of Foreign policy toward the United States and Europe were analyzed.

It was pointed out that while Europe is now an almost entirely economic organization (EEC) NATO, in turn, is almost completely military, so that the European vs. Atlantic approach does not only involve different composition of members, but also different approaches. One of the French panel members pointed out that there is a substantive difference between European unification and Atlanticism. European integration is one of internal balance, whether or not Britain is included and will ultimately be realized through various stages. Relationship between the United States and Europe can only be association or partnership as an integrative approach is impossible both because the United States is still in the fully nationalistic stage and because there can be no question of European matters to be decided by an American-dominated federation. The Americans would refuse federation even more than Europeans. He also agreed that the French cabinet changes mean that France is going toward Europe. While integration is an end that is to be reached ultimately, for the present, especially if Central Europe be included, cooperation must take place on a government-to-government level. This would enable the inclusion of such diverse states as Portugal and Yugoslavia.

Another French panel member stressed, however, that in the EEC we are at the limits of effectiveness of governmental meetings of which there are many and that a center of decision in Europe must be established in some form. Here British willingness to co-create such a center and assume heavy financial burdens are the proof of the pudding. There must be a structural improvement of decision-making mechanisms. One of the French participants underlined that true integration would entail the decay of certain regions and industries and the growth of others and its impact would have to be major for the domestic policies of these countries and that if there is a transition from governmental to federative level compensations must be made for the abandonment of veto rights of the national governments. Another French participant noted, however, that further integration is not limited by a lack of will but of management and time. Therefore, new structures are important for economic cooperation and policy coordination. The Council has not developed sufficiently. We are two to three years behind in developing machinery for economic policy coordination. This creates difficulties in agricultural policy, for if we do not have a common relationship between European currencies we cannot maintain a common agricultural policy. On certain questions, the Council has provided the structure, price committees, etc. and from time to time, these committees reported to the Council, but the Council does not make these decisions. A special board does. He thinks that the Council should only make political decision and surrender economic decisions to some committee or commission. This could also be done in the field of technical research. Political decisions, such as relations with associated nations, etc., are different including even the importation of Greek and Turkish tobacco because of their political effect on those countries.

The effect of British entry would complicate matters some, but it must be remembered that the structuring phase spelled out in the Treaty of Rome has come to an end. We know that we must do something, but the answers are not written into the Treaty any more like in the case of dismantling protectionist agencies and legislation. If the British and the Scandinavians have ideas, we would welcome them. A third French panel member pointed out, however, that the British are willing to come into Europe commercially, but not at this point, industrially. They have many problems of regrouping their own companies and even large units like ICI have no interest of coming to the Continent, except on a small scale. It was noted in this context that the former protagonist of British entry in Holland, Foreign Minister Luns failed to include the issue in any of his speech since the fall of De Gaulle.

The next discussion topic involved the evolution of the EEC Commission in Brussels and the Pompidou Government. It was noted that personnel changes in the EEC Commission are in the direction of greater economic and political integration. A cautionary note was sounded by one of the French panel members that the careers of civil servants depend upon their broad fidelity to their governments' policies, and that they do not make careers in international organizations. Also, they must do what they are told by their governments even if they do not agree. It was agreed upon, however, that modern administrators favor governments with open policies and a vision. Part of the modernization of the French civil service has led to changes in its behavior and facilitates "Europeanization" of the civil service corps in Brussels.

The question of industrial cooperation, not only between Britain and Europe but also the United States and Europe and within EEC was discussed next. While some members argued that European firms are reluctant to cooperate with one another and integration has proceeded much further in the public than in the private sector, one of the French participants pointed to the fact that integration has really started only a year ago. The Bull question was solved by General Electric but only after long discussions with other European companies had failed as Bull's financial situation was catastrophic. A change has been occurring, not because of anything specific in the Common Market agreements but because the companies in each country have regrouped themselves and now are looking for international opportunities to regroup further. The Fiat-Citroën case is a good example. This years results of Citroën are quite fantastic. Also, a lot of integration has taken place in the ranks of small and medium industries which are not reported in headlines. It was argued further that French policy now is more kind toward American capital flowing into France as long as the danger of monopoly does not arise as has been the case in electronics and that most European mergers are thought out clearly and are not resulting from impending bankruptcy danger. Another French panel member pointed out that some restrictions on American capital must remain, for while in regard to management and the rational distribution of capital activity American companies should have the right to act as they do, in a small sector of the economy their actions might have consequences of great regional social importance like uneven development, unemployment, etc. which must be absorbed by national governments. A more even involvement of American capital and offers of cooperation by the national government could bring about a better compromise. It was argued that such a compromise would presuppose the existence of better central planning in the EEC, or at least an understanding among European enterprises. One of the French panelists pointed out that as companies amalgamate pressure develops on the governments to integrate other than of their economies. Unfortunately, the differences in the tax systems make mergers very difficult. Techniques of takeover bids are still obsolete. Only in 1968 was the first such bid attempted in France, now there are two more in progress.

In this respect it was argued that takeover bids of sophisticated character do not yet mean much to the average European company which is family-owned and finds it hard to cede control even nationally, much less internationally. It was also asked why more has not been done to adapt corporate law in France to conditions of international integration. One of the French panelists answered that French corporation law was revised last year and all companies must conform to it by November 1969. The authors intended it to be a model code and it combines the best elements of French, Belgian, and German law. It is hoped that it could be adopted by all EEC countries. Its best feature is the increased responsibility it imposes on the boards of directors so that decision making is more focused. Also, it calls for a control board in addition to the board of directors and has strict provisions.

*The third session: the French economy and EEC*

One of the French panelists gave a detailed analysis of the events of May 1968 and their effect upon French economy, including agriculture. During the riots, the cities were blocked, but life went on without major dis-

turbances in the country, especially since in the countryside gasoline was available. Transportation stopped completely for railroads and ships but trucking continued normally. Air transport was about half normal, but trucking was unaffected. 96 million working hours were lost during the strike and its psychological impact was tremendous.

The extent of recovery since May 1968 is very difficult to assess, but probably 75 per cent of the loss has been recovered either by extra hours, or increased productivity. However, some sectors, like steel, mining and automobiles have not caught up by 75 per cent, while the more active sectors recovered almost fully. Using an index of 100 for production in 1965, we reached 120 by May 1968 and dropped to 84 by the end of the strikes. In July we have recovered to 122 and today we are roughly 132.

Great harm occurred in relation to foreign exchange. Foreign capital that was free left the country and lot of French capital also disappeared through devious ways. The abolition of exchange controls by the government proved to be a mistake which had to be restored a few weeks later after the exodus of the money reached immense proportions. Precise figures are difficult to furnish, except in the field of exports and imports. The corresponding figure for foreign trade volume for August was 82 and it has not improved much since, resulting in a heavy drain on our foreign exchange reserves. Moreover, the index continued to decline and the Pompidou Government had only two options: to adopt sweeping deflationary measures, or to devalue. It chose devaluation which was the wiser course.

The choice of dates and the maintenance of secrecy were marvelous. Very few people are around in August and only seven people in the government knew that devaluation was coming. They chose 12½ per cent because there existed a gentleman's agreement with EEC countries that under 13 per cent none of the others would follow in devaluating its own currency. The figure was also chosen in order to give Great Britain a margin of 2 per cent as her devaluation was 15 per cent. The 12½ per cent may have been a little short of what was needed, but the government had no choice. Public reaction was fairly good, after all any French citizen of 55 years of age has already experienced 13 devaluations of the franc. Whereas, the Germans always go back to zero, the French have done in small steps.

After the devaluation, however, the government made two psychological mistakes. First, the accompanying laws and decrees were not published until September 3, or for four weeks. People got nervous in the meantime and moved their capital out. Second, Finance Minister Giscard d'Estaing emphasized the positive too much on September 3. In addition, the UNR deputy M. Souchal attacked the speculators and asked for the creation of a commission to consider whether capital exports were legitimate or speculative and the government failed to react. The following week, the balance sheet showed that the returned capital had retreated abroad again. The French panelist believed that devaluation still be a success, in part because of the D-Mark which helps France very much.

The present budget is very strict, credit limits are controlled very closely, but the budget runs only until mid-1970. By that date the government hopes to have the inflation well in hand. Prices have gone up but not more than two per cent. Wages will rise and stopping their rise remains the most important problem for the government. They already rose about 30 per cent after the Grenelle accords. The SMIG and the SMAG affecting only the lowest wages can rise quietly but all other wages must be held. The argument that the price rise between May 1968 and the devaluation wiped out the wage increase is exaggerated. In fact, average wages rose between 15 and 20 per cent, while prices rose by eight per cent.

Production rose in 1968 four per cent despite the troubles and will again rise nine per cent over 1968, though industrial production is slowing down. Unemployment is stable and more jobs exists that they can be filled. On the whole, the economic picture is satisfactory. Economists are, however, divided on the long-range effects of the devaluation. The effects of the changes in the monetary system must remain to be seen. Once our exchange reserves had been reduced to a minimum we could defend our policy which is the reason for Giscard d'Estaing's acceptance of the decisions of the world monetary conference of last week in Washington. France does not see any positive benefits from the changes but it has so many debts that it cannot do anything about it. Only Italy among the EEC countries will benefit.

So far as the 1968 crisis is concerned it helped French attitudes toward European integration by evoking doubts in people's minds as to whether France can make it alone. In France, he argued regionalization is the only way to get away from the national supremacy principle which is the great barrier to integration. The referendum spoke of 21 regions, but eight to nine would be a better number. Regionalism is not dead because of the defeat of the referendum. One American panelists objected that even the referendum only called for formal and not substantive changes. The French panelist argued that the referendum had a provision that the regionalization measures may be changed later.

The relationship between demands for certain social and educational expenditures and the present austerity budget was the next subject. The French panelist pointed out that educational budgets were increased and reforms began at least on the primary and secondary school levels. Public works budgets, however, were cut. The road system will be built by private enterprises. As to the extant economic controls, people will probably accept them, except for the restriction of holidays abroad. The restriction placed upon small and medium enterprises were hard, led to demonstrations and the government had to give guarantees. The task of improving the export-import balance is more difficult and will require years to accomplish.

One of the American panelist raised the question: is not France losing some of the profit it has obtained from the agricultural system of the EEC by the suspension of the provisions of the EEC for common agricultural market, especially since the economic rationale of the EEC was that German profits in the industrial market would be offset by French gains in the agricultural sector?

Another French panelist pointed out that EEC has two years for adjusting agricultural prices by its member countries to a common level. If the Germans adopt parity and stick to the European system of fixed prices for the EEC in agriculture, we could afford to grant them a delay to adapt their price level to the European level. There is the problem, however whether the market should be allowed to set the prices, or shall they be regulated by production controls, investments, etc.? When the common agricultural market was established the European prices were fixed too high in order to protect Bavarian income levels. There exist, however, structural problems, including the problem of surplus. We must adopt some forms of management bearing more directly on production, investment and crop capacity. This may be an element of flexibility in negotiations with Britain and the Scandinavian countries. Perhaps they should find more flexible ways to adapt their agriculture to that of the Six. In advising the Council of Ministers, the EEC Commission strongly emphasized the necessity to maintain the fundamental lines of EEC agriculture.

One of the French panelists mentioned that a feeling of uneasiness persists in the French public because of the changing governmental approach to the difficulties. It is felt that the 1968 crisis was survived very well and there is not much understanding for new changes.

One of his French colleagues agreed that uneasiness is a result of mixing different policies. Restriction of credit leading to limited deflation would have no positive results because no similar demand exists in other major countries and deflation could have serious social consequences for France. Thus, a delicate period will exist for 18 more months until an equilibrium can be reached and the massive credits acquired which is needed to revitalize certain economic sectors. One American panelist questioned whether there is enough time before unbearable tension will recur between demands for such major sources of capital investment as housing and the present policy of currency stabilization. In answer, it was stated that the question hinges on the French public's confidence in the money and another French analyst added that the French are divided in their willingness to believe that the government can maintain stability.

One American panel member sees the danger of poujadism reviving. Gaullism has always had an ambiguity which has been both a strength and a weakness. In economic policy, the vagueness had become recently more apparent beginning with President Pompidou's statement that he wants to transform France into a Sweden with sun. Yet it is clear that Gaullist deputies are conservatives. Such ambiguity worked as long as the General was orchestrating all this with his magic baton, but can his successors keep this synthetic image effective? The government is surely not left-wing and must assure its base among the business class. But its continued ambivalence might cost him its natural supporters. It already lost the small businessman and some of the big businessmen always hoped for the revival of a Centrist force, because the Centrists are less ambivalent on these matters. Another panelist added that this is not a new phenomenon, already at the time of the referendum De Gaulle's support among businessmen fell from 63 per cent to 47 per cent. Another American panelist considered Giscard d'Estaing's policy correct, it is good policy to build the things that had to be built. Some of the French panelists complained about rising tax rates, one pointing out that his taxes have trebled under the Gaullist regime, while another stressed that 38 per cent of French national income goes for taxes, And called for a cutback of government subsidies to enterprises as the economy is modernized.

The French panelist also called for more flexibility and pointed to the housing issue. One of the American panelists pointed out that according to his information the French building code is so complicated that the main job of running a housing construction company is legal work. Is a reform of the building code with a few simplifications in the work? The answer was given that efforts were made but with no avail due to opposition from the building trades and the civil servants. Rather than encouraging building trades reform, developing of modular housing is stressed. It was also asked how the Pompidou regime will select its priorities in housing and educational reform endeavors. Will it again believe as De Gaulle did that these matters take care of themselves, or will a conscious policy aimed at a new Sweden be followed? One of the French panelists considers the issue not a technical, but a

political one. Does France have the means, the freedom of maneuvering with available resources? Some American members believed that concretization of demands and finding means for solving them can overcome the impasse. It was stressed by French panelists that this would only be necessary in a static economy and that French economy continues to expand. A list of industries were mentioned like chemicals, champagne, machinery, machine tools, textiles and even steel.

One American panelist asked about the effect of economic progress or stagnation upon French attitude toward admission of Britain into EEC. The French panelists thought that it depended whether the sector was dying, or expanding. Expanding sectors would generally welcome Britain. It was noted that in the field of commercial credit EEC is not very protective. The protective level is only six to eight per cent, so that the U.K. and the Scandinavian countries are already competing on the French market. As members of the decision-making organs of the EEC, however, they would also have an impact upon structural and long-term policies. The present Common Market and an expanded Common Market may not have the same response to these questions. This is important as France feels that good economic management requires strong policies for structure, investment, research, etc. One of the American panelists took issue with the view that expanding economic sectors in France would welcome Britain pointing out that the history of French industry has been one of resistance to changes more than in neighboring European countries.

The next topic discussed was what could the United States do in helping international economic cooperation with Europe. One of the French panelists called for European participation in NASA contracts also to receive valuable knowhow in the research field. Television was mentioned as a second line of cooperation where the French system is technically better. One American panelist added that revision of certain safety regulation on cars would also help.

It was generally conceded that a slow withdrawal of American interest from Western Europe is evident and that it might arouse fears of complete withdrawal and protectionist economic policies. American brokers have left Europe and the money market seems to provide clients for them only in London.

One of the French panelists did not see a real danger in this development. A Europe too closely protected by the United States is not a safe and sane situation. Europe must be taken care of by Europeans who were prevented from doing so until now by American presence. European decisions were taken not in consideration of European interests but in response to American requests in order to retain American protection for Europe. Western defense should be based on two pillars, one American and one European. The Americans can help building the European pillar. Each of the European countries has its own position on European defense. The European pillar cannot be built by encouraging opposition to a European system of defense, as Americans have done in the past. The mistake has been in not confronting the Europeans with their problems. In December 1968 there was a lot of talk about a "European Caucus," nobody knew what it was. The Europeans need to look at the problem of European security. This is what the Russians want with their proposed pan-European conference, but that would be too soon. We need some Western consultation which we have not yet begun. By insisting that only NATO should negotiate the United States is following the old pattern.

The danger in Europe is not a mass invasion of the West by the Russians as NATO had envisaged, but the mushrooming of incidents stemming from the unbalanced situation in Central Europe. This needs completely different arrangements dealing more with the pre-war than war situation. Even the "flexible strategy" response was to function after D-Day. But we must avoid D-Day and must, therefore, have precautions and arrangements. NATO has just begun to study the problem but if the governments will discuss the issue in these terms there will be much less disagreement and a solution will emerge. Economics may be one way toward European integration, but the strategic road may be simpler and quicker as the need and the issue are more compelling and simpler. American panelists generally agreed with the approach but pointed out that France and Germany cannot think of it in terms of expenditures for the necessary military hardware and the need for some American presence. The French panelist agreed but again stressed the need for a common security policy as none exists among the European governments today.



## AGAINST THE WAR IN VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 60 minutes.

(Mr. KOCH asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. KOCH. Mr. Speaker, I am pleased to associate myself with those Members who are conducting special orders each week here in the House on the Vietnam war.

When I ran for Congress, I stated to my constituency that for me the major and overriding issue in that campaign, as in the country, was the war in Vietnam and how to terminate our involvement. Here we are 11 months later not much further along in terms of achieving that goal. Indeed, it would appear that the President and the Secretary of Defense who had taken some halting steps in the direction of ending our participation in this internecine conflict have now turned the clock back and suggest the possibility of escalating the war with Defense Secretary Melvin R. Laird telling the House Appropriations Subcommittee in secret testimony now released that President Nixon's policy in Vietnam "could lead the way to a military victory." It even appears that were the President's announced policy of Vietnamization of the war to proceed, that many years would pass before even our combat forces were totally relieved of battle and our noncombatant armed support forces would continue to remain on in South Vietnam without any time limitation.

President Nixon came to the office unencumbered in terms of commitment to continuing the U.S. involvement in the war. He had a golden opportunity to free us of that burden which regrettably he has not taken. Every day, our Armed Forces suffer deaths and casualties and these deaths and casualties must be on the consciences of each and every one of us, especially those of us in public office who can end the war and who fail to do so. The President can do it by directing the immediate withdrawal of our troops. The Congress, however, also has a responsibility which it cannot avoid. It is this Congress which votes the funds required to carry on that war in Vietnam. If the President refuses to terminate the war, this Congress, by refusing to provide the funds needed to carry on that war, can just as effectively terminate it as the President.

Since coming to Congress, I have tried my best to make known my opposition to the war and its continuation by statements, the introduction of resolutions, my own as well as cosponsoring others, and votes. I would at this time, Mr. Speaker, like to set forth in the RECORD a very timely column by James Reston of the New York Times and an editorial both of which appeared in today's edition of that newspaper on the Vietnam war:

[From the New York Times, Dec. 10, 1969]

IN PURSUIT OF MILITARY VICTORY

Two months ago Defense Secretary Melvin R. Laird told a House Appropriations subcommittee in secret testimony, now released, that President Nixon's policies in Vietnam "could lead the way to a military victory in the sense of the South Vietnamese being able to defend their country, even against North Vietnam."

This perennial Pentagon faith in a favorable military solution in Southeast Asia was clearly reflected in President Nixon's remarks at his latest news conference. The President dismissed the chances for a negotiated settlement as "not good," then further undermined prospects for progress in Paris by making it plain that he planned no top-level successor to his former chief negotiator, Henry Cabot Lodge. Mr. Nixon appeared to embrace an early Lodge view that the war would end without negotiations by saying: "I believe that we can see the Vietnam war will come to a conclusion—regardless of what happens at the bargaining table."

Despite the President's promise to announce further American troop cuts later this month, there is still little apparent foundation for his belief that "Vietnamizing" the war can successfully continue regardless of enemy action. It is true that some South Vietnamese forces have performed better recently. The success of South Vietnamese militiamen in repulsing a North Vietnamese attack on the Mekong Delta district town of Tuyenbinh was an encouraging example. But this victory must be weighed against a number of serious defeats suffered in the Delta last month by South Vietnamese forces that have recently replaced American troops.

The enemy probably is weaker than he once was, as the American command contends. But it is difficult to believe that the North Vietnamese will abandon their effort of 25 years just as American forces are withdrawing. It is straining credulity to suggest, as President Nixon has done, that "the pressure for the enemy . . . to negotiate a settlement will greatly increase, because once we are out and the South Vietnamese are there, they will have a much harder individual to negotiate with than they had when we were there."

The Saigon Government is much tougher at the negotiating table—while it is backed by American might—than it is likely to be on the battlefield once American troops are withdrawn. The time to negotiate is now, before more American and Vietnamese blood is needlessly spilled in pursuit of an elusive military victory. The troop withdrawals Mr. Nixon has promised might come about more quickly if the President recognized that the problem in Paris stems not only from the intransigence of Hanoi but also, in part, from that "much harder individual to negotiate with" in Saigon.

[From the New York Times, Dec. 10, 1969]

WASHINGTON: THE UNANSWERED VIETNAM QUESTIONS

(By James Reston)

WASHINGTON, December 10.—Despite all President Nixon's efforts to clarify his Vietnam policy in the last few weeks, two fundamental questions remain.

First, does he intend to withdraw "all of our forces" from Vietnam, or all U.S. "combat forces"? He says one thing one time and the other another time, and the difference between the two is estimated in official quarters at between 100,000 and 200,000 men.

Second, does his peace plan depend on his assumption that the South Vietnamese can successfully defend their country either with or without the logistical support of noncombatant U.S. troops, and if they cannot, do we keep our troops their indefinitely?

In his Vietnam speech of Nov. 3, Mr. Nixon said: "The American people cannot and should not be asked to support a policy which involves the overriding questions of war and peace unless they know the truth about that policy." He added in this same speech that he not only wanted peace, but had put into effect "a plan which will bring the war to an end regardless of what happens on the negotiating front."

Against this background, it is not unfair to point to the ambiguities in this position. In the first place, it is impossible for one side in a war, particularly the side that is withdrawing its troops, to guarantee that its plan will "end" the war regardless of what happens on the negotiating front. This assumes either that the enemy will quit or can be compelled to quit the fighting, and there is no evidence to support this assumption so far.

HANOI'S OBJECTIVES

For over a quarter of a century, Hanoi has been fighting and negotiating to get rid of all foreign troops—first against the Japanese, then the French, and now the Americans.

During the last few years, the United States has built at Camranh Bay, on the coast of South Vietnam, an air and naval base which is the best in Asia.

Accordingly, it has been a fundamental question throughout the Paris negotiations whether the United States really meant to scale down its war effort or whether it meant to get out, leaving Camranh Bay and many other modern military bases as a potential prize in the future struggle between the Vietnamese themselves.

On May 14 of this year, President Nixon stressed that the United States wanted "no military bases" in Vietnam, "no military ties" and would accept "any government in South Vietnam that results from the free choice of the South Vietnamese people themselves."

In short, he was willing to risk then the chance that Camranh Bay and all the U.S. military supplies in the hands of the South Vietnamese would fall to a Communist government, though he has always rejected the enemy claim that there could be "no choice of the South Vietnamese people themselves" under the present Government in Saigon.

THE CHANGING EMPHASIS

In recent weeks, however, the Nixon Administration emphasis has seemed to change. The commitments to withdrawal have become less precise. In his Nov. 3 speech, Mr. Nixon talked both about withdrawing "all" American forces and at another place "all combat forces." In his press conference this week, he said merely:

"We have a plan for the reduction of American forces in Vietnam, for removing all combat forces from Vietnam, regardless of what happens in negotiations."

The questions here are fairly obvious. A plan to withdraw "all forces" is one thing, but a plan to withdraw all "combat forces" could leave a couple of hundred thousand Americans in Vietnam to maintain and fly the planes and helicopter gunships and continue to train and supply and help direct the Vietnamese.

A strong argument is made at the Pentagon for doing just that, but we do not know whether this is "the plan" and obviously it makes a difference in the enemy's calculations about whether to go on fighting or to negotiate.

The President's assumption that the South Vietnamese can successfully take over the fighting as we withdraw our combat units raises an equally interesting question. For if his policy is to stick with the South Vietnamese until they demonstrate that they are secure, all they have to do is prolong their inefficiency in order to guarantee that we will stay in the battle indefinitely

In recent weeks, the President has run a successful and even brilliant campaign on the politics of Vietnam on the home front; but he is still stuck on the war front and the peace front.

In fact, he has done so well against his critics recently that he may have been persuaded the original political and strategic objectives in Vietnam are still within his grasp. If so, he would not be the first to try it. Presidents Johnson and Kennedy passed that way themselves.

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## HALPERN URGES PLUGGING DECEPTIVE CONSUMER CREDIT INTEREST LOOPHOLES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HALPERN) is recognized for 10 minutes.

Mr. HALPERN. Mr. Speaker, many consumers with charge accounts are paying double the 18-percent rate they think they are paying. Therefore, I will shortly ask Congress to plug the loopholes in the 1968 Truth-in-Lending Act, allowing creditors to compute interest charges on money consumers have already paid.

Too many merchants and department stores compute monthly interest charges before they deduct consumer payments. This means the consumer is really paying interest on part of the balance he has just paid off—which could equal interest rates of 36 percent annually or more.

As a member of the National Consumer Finance Commission, which is meeting formally for the first time this week, I will ask the commission to look into this practice, which is defeating the objectives of the truth-in-lending law.

Consumer credit transactions usually indicate the buyer is paying interest at an 8-percent annual rate. But, the rate is a true 18 percent only if the store subtracts payments and credits before figuring the next month's bill.

The key words are "previous balance." If the store's statement says the interest rate is computed on the basis of the previous balance, then the consumer knows he is likely to be paying more than the stated interest rate.

Here is an illustration of how deceptive high-interest charges come out: A consumer with a $300 balance makes $150 payment during a billing cycle to a department store, reducing the amount owed to $150. Charging 1½ percent per month on the net balance due, the store will apply the finance charge to the actual balance still owed against the previous bill, which is $150. The interest would be $2.25, which is the true annual percentage rate on 18 percent.

But, a store that computes its charges on the previous balance of $300 will charge $4.50. It too will state an 18-percent annual rate. But in fact, the month's finance charge amounted to 3 percent of the unpaid balance, a true annual rate of 36 percent.

If this example is any indication of a widespread practice, then clearly, accounting techniques are defeating legal objectives and truth-in-lending is leading less to disclosure than to deception.

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## ROONEY CHALLENGES COWLES' CLAIM HIS CHARGES ARE "UNFOUNDED,"—SAYS PENNSYLVANIA COURT PROCEEDINGS SUBSTANTIATED HIS CLAIMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ROONEY) is recognized for 60 minutes.

Mr. ROONEY of Pennsylvania. Mr. Speaker, several weeks ago, in responding to my criticisms of deceptive and fraudulent sales practices employed by its nationwide magazine sales subsidiaries, Cowles Communications, Inc., issued the following statement to the press:

> Congressman Rooney is badly misinformed and has made completely unfounded charges. We have offered repeatedly to discuss all aspects of these subscription selling companies with him. We have also offered him the opportunity to meet and discuss the entire situation with a representative group of present franchise dealers. Rep. Rooney has not accepted any of these offers. He apparently prefers to get only one side of the story, and that side originates from former dealers, most of whom have been terminated for cause. This method of investigation obviously cannot be either accurate or fair.

Until today, Mr. Speaker, I had not intended to respond to this statement because it represents a gross distortion of fact and is as misleading as the sales practices employed by Cowles' subsidiaries. My decision to react today, Mr. Speaker, is the result of an editorial which has just been brought to my attention. The editorial appeared in Advertising Age magazine and, in many respects, is an accurate reflection of the sorry state of affairs which has existed in the magazine subscription sales industry for many decades.

Unfortunately, however, Cowles now has managed to add Advertising Age to the list of consumers it has "victimized." Advertising Age "consumed" the Cowles statement I cited above and went on to comment:

> If Rep. Rooney insists on making strong charges against Cowles' and other publishers' sales subsidiaries, while at the same time refusing to discuss matters with them, it is grossly unfair. And we cannot believe that Congress will enact any legislation without first allowing all parties to the dispute ample opportunity to tell their side of the story.

Mr. Speaker, the time has come to read the record on the part of my investigation of magazine sales practices which involves Cowles Communications. I will not disclose names of informants, because some who already are known to the Cowles organization and its representatives, have received threats and warnings in the past. One was advised five times during a recent personal visit

with a Cowles official to stop passing information to Congressman ROONEY, with the advice couched in veiled threats such as, "Drop the matter and enjoy the rest of your life." Telephone threats directed at another were referred by my office to the Federal Bureau of Investigation.

Before proceeding, I want to refer to a statement which appears in the RECORD for October 30, 1969, on page 32491 under the title, "ROONEY Blames Corporate Pressures for High Volume Sales as the Root Cause of Magazine Sales Frauds," and another in the RECORD for September 10, 1969, page 24988 under the title, "FTC Orders Full-Scale Investigation, Prosecution in Magazine Subscription Sales Frauds."

The October 30 statement details methods by which Cowles' corporate officials and agents pressure dealers to use deceptive and fraudulent practices to sell magazine subscriptions. The September 10, 1969, statement contains an exchange of correspondence I had with Gardner Cowles, chairman of the board of Cowles Communications in an effort to alert Mr. Cowles to practices of his magazine sales subsidiaries I feared possibly were being concealed from him by his subordinates.

My first letter to Mr. Cowles was dated May 22, 1969, and enclosed an item from page 12765 of the RECORD on May 15, 1969, containing the firsthand account of a magazine sales pitch received by my legislative assistant from a Cowles subsidiary, Home Reader Service. It should also be noted that the May 15, 1969 item from the RECORD indicates that Mr. Joseph Kelly, an attorney employed by Cowles at Des Moines, Iowa, the base of operations for the five Cowles' sales agencies, had visited my office in the company of another attorney, then vice president of the Magazine Publishers Association, Charles Ablard. I quote from the May 15 RECORD:

Mr. Kelly explained at some length the sincere efforts he said the Cowles organizations were making to stamp out deceptive and fraudulent practices. He said that many of the unscrupulous practices I had been attacking were not to be tolerated by Cowles of its subsidiary sales organizations. In response to his claims, copies of actual Cowles documents were produced to demonstrate for Mr. Kelly that some of his good intentions had not filtered down through the sales organizations.

In that same statement, I elaborated on my own files of abuses attributed to Cowles and commented:

Organizations which show no higher regard for the American consumer than do the five Cowles magazine subscription sales companies deserve to have the book thrown at them.

And I stated then what I still believe to be true, and what has now been established in a Pennsylvania court:

It is the officers of the parent sales corporation who are responsible for these abuses and that they not only tolerate but encourage this type of sales practice by personnel in the field.

But I am getting ahead of the RECORD. To return to my May 22 letter which appeared in the September 10, 1969, RECORD, I advised Mr. Cowles:

I know that the practices described are not limited to a few individuals or a few franchises in isolated parts of the country. I have polled the Attorneys General of every state and a number of them have singled out Cowles subsidiaries for special comment regarding deceptive practices.

I suggested to Mr. Cowles that some basic policies of his subsidiaries were in need of revision and that it seemed to me that effective action could best begin at the top.

His reply, dated June 2, 1969, was brief but did contain assurance that he would investigate my charges.

Six weeks later, on July 15, 1969, I again wrote to Mr. Cowles commenting in part as follows:

Naturally, I have no way of knowing what method of investigation you are employing. However, if you merely question top echelon personnel you will receive the "propaganda" which has been supplied freely to me and which is readily offered for public examination. This material reflects great concern that fair sales practices be adhered to, etc.

There is no offer to disclose the sales practices which are recommended by word of mouth and through personal contacts by officials of the Cowles subsidiaries to franchised dealers. Nevertheless, my own investigation is producing these in quantity, along with testimony of personnel who have been instructed by (Regional) Directors to use a variety of deceptive and fraudulent sales practices, "Because they are boosting production for this dealer or that dealer."

Mr. Speaker, that letter to Mr. Cowles continued for 10 more paragraphs outlining example after example of abuses I am able to document. It appears on page 24989 of the September 10, 1969 RECORD. Anyone who wishes to explore this matter in detail will find the response of Mr. Cowles, dated July 28, 1969, on pages 24989–24990 of the same RECORD. In his letter, the chairman of the board discussed the creation of a five-man committee of corporate executives to develop a course of action to combat deceptive and fraudulent practices and also disclosed that steps are being taken to establish a task force to audit sales practices in the field.

The purpose of this task force is to maintain a direct corporate check on the abuses taking place in the field. Its objective is commendable. But in a further letter to Mr. Cowles dated November 25, 1969, I felt it was only fair to tip him off that again his trusty old corporate officials and agents were feathering their own nests by directing his field investigators up blind alleys. I advised Mr. Cowles as follows:

You may be interested to know that franchised dealers are being advised by your officials working out of Des Moines to keep bad sales pitches, dunning letters, attorney letters and other evidence of PDS Code violations well hidden from Mr. Hart and members of his task force.

To disclose such evidence to Mr. Hart and his trouble-shooters is to ask to be "closed out," dealers are being informed. ("Closed Out" is an industry term for corporate takeover of a franchised dealer's operation in which the dealer invariably loses his shirt.) Regional Directors and other executives obviously fear for their own hides, should the operations of their franchises be discovered by your own task force.

What all of this means, Mr. Speaker, is simply that regional directors and other corporate officials—the parent company's production men—are telling franchised dealers they had better not admit to Mr. Cowles' investigators that they are using bad practices unless they want to lose their franchises. This is intimidation, if I have ever seen it.

By strange coincidence, my letter to Mr. Cowles under date of November 25, 1969, passed in the mail a letter directed to me on November 25 by Marvin Whatmore, president of Cowles Communication, Inc. By even more strange coincidence, Mr. Whatmore's letter made reference to the work of this corporate task force and stated in part:

Where there is a deviation, we are holding up financial support of the dealer violating the policies, and in cases where this is not effective we are terminating the dealer involved. We are making progress but there is still much to be done.

Thus, Mr. Whatmore gives credence to the specific policy at the root of Cowles' problems.

He went on to repeat the basic claims contained in the Cowles statement about my investigation considering only one side of the issue. For the record, Mr. Whatmore's entire letter will be inserted in the RECORD with these remarks.

Thus far, Mr. Speaker, I have described the exchange of correspondence I have had with the Cowles organization. There is still another aspect to this recent correspondence exchange which I intend to withhold from the RECORD at this point. To include it here would only tend to cloud the basic issue—whether I have failed to give the Cowles organization an opportunity to present its side of the story.

Now for the other types of communication with the Cowles organization. I already have related the gist of my first meeting with Cowles' representative, Attorney Kelly, and a former Magazine Publishers Association representative, Mr. Ablard.

In addition to that meeting, Mr. Kelly and Attorney John Eliott of Philadelphia, another Cowles attorney, visited my office on another occasion and discussed the matter at length and again viewed further evidence of abuses.

On still another occasion, my staff and I had a lengthy meeting with Mr. Richard Y. Long, vice president and general manager of Civic Reading Club, who was accompanied by a former Congressman and personal friend of mine, Frank Chelf, who is engaged as a Washington lobbyist for Cowles.

And on numerous other occasions members of my staff and I discussed the magazine matter with Congressman Chelf in my office. On one of these occasions my administrative assistant detailed item after item of a long list of abuses, deceptive and fraudulent practices which we are prepared to document.

It is important to note that during a number of these meetings, including that with the vice president and general manager of Civic Reading Club, the Cowles representatives made statements intended to discredit the character of individuals they know to be cooperating with my investigation. At the same time, it was customary practice for these of-

ficials of Cowles to discredit subscribers who had filed complaints with me and to discount documentary proof of abuses which my staff or I placed before them.

Both my administrative assistant and I have been invited on a number of occasions to "fly to Des Moines" to examine the Cowles operation there and to meet with Cowles officials. My administrative assistant was told his wife and children would be flown to Des Moines with him at Cowles' expense for a visit with Mr. Long and his family.

I indicated that these invitations would be considered and that I would contact Cowles officials if it appeared that such a visit could be arranged. I have not accepted the invitations until now because I do not want to become obligated directly or indirectly to the Cowles organization or any of its representatives. Both members of my staff and I share an interest in seeing the Des Moines operation but, beyond satisfying curiosity, I believe such a trip would have limited value.

As always, the door to my office is open to any of the Cowles officials or representatives to discuss any aspect of my investigation or the conduct of their business operations. I would welcome a visit by current Cowles franchised dealers. However, it is a simple reality of Cowles' modus operandi that any dealer who came to me and frankly admitted to using improper sales practices would invite disciplinary action against him via seizure of his franchise business operation. When dealers have $100,000 or $200,000 of their earnings tied up in such a business, they would be reluctant, at best, to jeopardize their careers and their assets.

This simple bit of reality explains why most of the individuals I have interviewed regarding corporate involvement in deceptive and fraudulent practices are individuals who have been forced out of business by Cowles. But the fact that a number of my information sources are ex-dealers, does not invalidate evidence and testimony they are prepared to provide.

I have just drafted a letter to Mr. Marvin Whatmore, Cowles' president, extending an invitation to submit any information he cares to about the ex-dealers who have been assisting me. The only restriction I will impose is that the information be supplied in writing or be delivered orally in the presence of investigators for the Federal Trade Commission or the U.S. Postal Inspection Service.

All of the ex-dealers I have interviewed in my office have done precisely the same. Some have been interviewed on tape—always with their consent. Many have submitted written statements and copies of documents. Most have been interviewed with Federal investigators present and participating. They are not the least bit reluctant to place their statements on the record and I will insist that Cowles do the same.

In addition to all of these contacts with Cowles officials or representatives, numbering possibly 20 or more meetings, letter exchanges and telephone conversations, my staff and I have participated in no less than a half dozen meetings with officials of the Magazine Publishers Association and its central registry of magazine subscription solicitors.

One of these was a meeting with Attorney Ablard; Robert Goshorn, the executive secretary of Central Registry; Earl Kintner, former FTC Chairman who is counsel to the Central Registry's paid-during-service section; and a member of Mr. Kintner's staff. On at least four occasions, I met with Steve Kelly, president of the Magazine Publishers Association, usually in the presence of Mr. Norman Halliday, who has succeeded Mr. Ablard as vice president of MPA for legislative affairs. In addition, there have been numerous telephone contacts with MPA and CR officials.

Evidence compiled during the course of my investigation has been discussed directly with MPA officials and I know for a fact that the MPA president frequently has met with the Cowles' representatives to discuss his meetings in my office and to reply to Cowles information regarding some of the abuses and practices I have challenged.

Of course, whenever I issue a new attack on some abuse or unfair practice, I am told that I am not giving the industry time to resolve the problems. Advertising Age, in the editorial to which I referred earlier, makes it quite clear the industry has had more than enough time already. Advertising Age recalled that Central Registry was established by the Magazine Publishers Association in 1940 to curb these abuses:

The editorial continued:

> But the abuses continued, and are still with us today, despite any efforts of Central Registry and of some individual magazine publishers to correct such abuses.

It is important to point out, too, that while many of my informants are ex-dealers, I have been able to develop a very effective communications system with individuals working today in magazine subscription sales organizations. This pipeline has provided me with extremely current information about developments within the various magazine agencies.

For example, it helped me disprove claims of Mr. R. Y. Long, vice president of Civic Reading Club, that the Home Reader Service dealer who made a bad sales pitch to my legislative assistant some months back, had been dismissed for unscrupulous practices. While it is true that the individual mentioned in that instance was forced to leave the northern Virginia franchise of Home Reader Service where the bad pitch was made, he merely has bounced from one Cowles agency to another for the past 6 months. He has been working for a Cowles' franchise in Maryland and another Cowles franchise in Ohio. And, as of November 19, he was working with the knowledge of Cowles officials for a Cowles franchise in Pittsburgh, Pa. And I would love to hear Mr. R. Y. Long talk his way out of that one.

To cite still another example of this pipeline's effectiveness, in May of this year I learned within 4 hours of the solicitation, that nationally syndicated columnist Jack Anderson had received a bad sales pitch by phone from Home Reader Service of Baltimore. Later the same day my office made contact with Mr. Anderson and within a short time supplied him with information he requested about magazine sales abuses.

In June, Mr. Anderson completed an article which his office advised was submitted to Parade magazine for publication. A short time later, a call from my office to Parade magazine in New York verified that the article indeed had been received and that it was awaiting placement on a publication schedule. That, of course, was 6 months ago. The article has not reached print to this day. And I would be interested to know who managed to sidetrack that one.

I think it is important that I make one more point. I have made clear in a number of statements, and in my correspondence with Gardner Cowles, that corporate officials are directly involved in the implementation of practices which violate the magazine industry's code of fair practices, and which often violate Federal, State, or local laws as well. At no time during my investigation has my contention been substantiated more effectively than during a civil court proceeding which unfolded in Pittsburgh, Pa., during the past 2 weeks.

For the information of my colleagues, and anyone interested in the serious, nationwide problem of wholesale deception and fraud in magazine selling by certain agencies including Cowles' five subsidiaries, this courtroom drama warrants review.

The stage was set for the drama when on November 19, 1969, Cowles' moved to "close out for cause" one of its franchised dealers, Joe Martinelli, operating as Mutual Readers League of Pittsburgh. According to documents filed in Pennsylvania civil court by Cowles, Mr. Martinelli had engaged in certain unscrupulous practices.

At the time, Mr. Martinelli was served with notice of his franchise cancellation the records of his dealership included open magazine subscription sales accounts totalling some $670,000 of which more than $250,000 represented Martinelli's gross income to be collected over the next 24 months as subscribers make their monthly payments on long-term payment plans for multiple-subscription contracts.

The purpose of the civil court proceeding was an attempt by Cowles, through its wholly owned Mutual Readers League subsidiary, to gain possession of all records of Martinelli's franchised dealership, including his uncollected accounts. Such seizure of accounts and subsequent collection by Cowles is a standard operating procedure of the corporation which I described in my statement on October 30, 1969, in the RECORD. He was to appear in court on Monday, November 24, 1969, to respond to the Cowles suit.

During the period between November 19 and November 24 my office learned of the impending action against Martinelli and the nature of the practices for which he was being terminated. On Saturday, November 22, and Sunday, November 23, this information was called

to the attention of U.S. Postal Inspection Service and the director of Pennsylvania's Bureau of Consumer Protection, Mrs. Bette Clemens. My office advised Mrs. Clemens that in addition to the use of routine deceptive sales pitches, the Martinelli franchise had distributed to subscribers payment books containing more monthly payment coupons than their contracts called for.

Also, on November 23, my office interviewed Mr. Martinelli by phone for a period of some 75 to 90 minutes during which he freely admitted that a number of practices he had engaged in violated the industry's code of fair practices, and possibly violated laws, but insisted that these practices were recommended to him, and in some cases implemented, by corporate officials or agents of Cowles Communications. He did not hesitate to name names.

Further, Mr. Martinelli related how he and other Cowles' franchised dealers, recognizing that their franchise contracts imposed impossible conditions and financial restrictions on their business operations, met several times during the past 2 years to form an association of dealers which could negotiate with Cowles for a more equitable franchise contract. Thus, by closing out Mr. Martinelli, Cowles was disposing of the man who was chosen president of that association of dealers and effectively serving notice on other "upstarts" not to get any fancy ideas about bucking the parent organization.

The story of course did not end there. Mr. Martinelli appeared in court as the defendant on November 24 and the Commonwealth of Pennsylvania immediately made known its interest in the case, from the standpoint of determining whether Pennsylvania consumers had been victimized. On November 25, Allegheny County Judge Arthur Wessel, Jr., who richly deserves commendation for his perception of an extremely complex subject, ordered that the accounts of Mutual Readers League of Pittsburgh be placed in a trust fund until the Commonwealth could examine records of the franchise to determine whether Pennsylvania consumers had been deceived or defrauded.

The case was continued from November 25 until Monday, December 1, when testimony of a long list of prosecution and defense witnesses continued. At this point, the Commonwealth of Pennsylvania formally entered the case amicus curiae as a friend of the court.

Suddenly, last Friday, after defense witnesses had linked corporate officials or agents of Cowles directly to the deceptive practices utilized in the Pittsburgh franchise of Mutual Readers League, Cowles and Mr. Martinelli reached an out-of-court settlement. There is no doubt in my mind that Cowles settled to halt the flow of damaging testimony which was establishing the very definite role of the parent corporation in the sales abuses of its franchise.

However, the settlement did not prevent the judge from issuing an injunction against both the Pittsburgh franchise and the parent Cowles' subsidiary, Mutual Readers League, Inc., prohibiting unethical business practices. Judge Wessel said from the bench that testimony during the hearing showed that the company helped Martinelli establish the sales techniques in question. The schemes included use of four extra monthly payment coupons in the payment books. The judge also stated that the decision to take action against both the franchise and the parent company was based on the fact Mutual Readers League has exclusive control over its dealers and collaborated with them on illicit ways to increase subscriptions.

Mr. Speaker, Judge Wessel from the bench of an Allegheny County Civil Court has fingered the corporate role of Cowles' subsidiaries in the sales abuses occurring around the country. Mr. Martinelli's case is not one isolated instance. Similar testimony could be produced in numerous other communities across the country.

As the result of my investigation of magazine sales abuses, I was able in this instance to help the Commonwealth of Pennsylvania and Judge Wessel raise a corner of the rug which until now has concealed the dirt which Cowles has long been sweeping under it. The Pennsylvania consumer, at least, has had his day in court in Pittsburgh and fared admirably. The air in Judge Wessel's courtroom is indeed refreshing.

The drama in that Pittsburgh courtroom very adequately disproved the claim of Cowles Communications, Inc., that my charges are unfounded. I claim credit for disproving Cowles' claim because if my investigation had not produced the information which prompted Pennsylvania's Bureau of Consumer Protection and Pennsylvania's attorney general William C. Sennett, to intervene, Cowles might very well have quietly grabbed one more franchised dealer's accounts and the deception and defrauding of thousands of Pennsylvania consumers would have gone undetected.

This was but the first confrontation. I am confident there will be more. And Cowles will most assuredly be the loser again, if it does not act immediately and decisively to end the policies—not discharge dealers—which permit thousands, perhaps millions, of Cowles' subsidiaries' customers to be defrauded. To Cowles Communications and to the editors of Advertising Age I merely want to make clear—my charges are very well founded. I look forward to the consumer's next day in court.

Mr. Speaker, I insert in the RECORD pertinent material:

[From Advertising Age]

MAGAZINE SALES CRACKDOWN

Would some of the senior members of the advertising fraternity like to participate in a simple little memory game? All that is required is to answer one question: For how many years now have certain magazine subscription selling tactics been under fire? The exact number of years, of course, isn't really important; what is important is that abuses in the business of selling magazine subscriptions have existed since those very early days when door-to-door magazine selling crews would use—and many still do use—any device they could dream up in order to build sales.

In an effort to curb these selling abuses, the Magazine Publishers Assn. in 1940 set up Central Registry. But the abuses continued, and are still with us today, despite any efforts of Central Registry and of some individual magazine publishers to correct such abuses. Over and over and over again magazine publishers have been warned, by ADVERTISING AGE and by others, that to permit such selling tactics to continue not only is bad business but is morally irresponsible.

Now the magazine people have Rep. Fred B. Rooney (D., Pa.) to contend with, and—as so often happens when an industry doesn't appear to be policing itself properly—before Rep. Rooney and his congressional colleagues are finished, the magazine business is likely to be licking some rather severe wounds.

Rep. Rooney has been a longtime foe of magazine subscription sales practices. But most of his earlier attempts to correct subscription sales abuses were directed at the crews doing the actual door-to-door selling, and an attempt to get Central Registry to perform aggressively the job that it was set up to do.

Now, however, Congressman Rooney has launched an all-out attack on the business offices of the magazines themselves, claiming that the root of the problem really is in franchise agreements which some major publishers have signed with dealers. He maintains that distributors are threatened with the loss of their franchises if they fail to meet stiff subscription quotas set by the magazine publishers. Thus, in order to meet these stiff quotas, distributors will in many cases resort to questionable selling tactics—and the publishers in question refuse to accept responsibility for the consequences, he maintains.

As his principal targets this time Rep Rooney singled out sales subsidiaries of Cowles Communications, Hearst Corp. and Curtis Publishing Co., with particular emphasis on Cowles. That company answered the congressman's severe criticism by saying that he is "badly misinformed" and that he has refused repeated offers from Cowles to come in and discuss all aspects of the subscription selling companies with him.

It is apparent, Cowles said, that Rep. Rooney "prefers to get only one side of the story, and that side originates from former dealers, most of whom have been terminated for cause. This method of investigation obviously cannot be either accurate or fair."

If Rep. Rooney insists on making strong charges against Cowles' and other publishers' sales subsidiaries, while at the same time refusing to discuss matters with them, it is grossly unfair. And we cannot believe that Congress will enact any legislation without first allowing all parties to the dispute ample opportunity to tell their side of the story.

The Magazine Publishers Assn. last week passed an amendment to its bylaws which will permit the MPA director, by a two-thirds vote, to expel any members who fail to abide by MPA laws and written standards. It is a forward move to have this strengthening of MPA's power to deal with members who break its laws. But that in itself is a far cry from solving the basic problem of eliminating those subscription sales practices that have plagued the industry for so long.

Many times in the past AA has urged members of the magazine industry to clean up this mess before someone else—like Rep. Rooney—decides to do the job for them. The industry is dangerously close to having a solution imposed on it; it has virtually no time left in which to put its own house in order.

Does anyone really need to be told any longer how swiftly some positive action must be taken?

[In the Court of Common Pleas of Allegheny County, Pa., Civil Division, No. 1433 January Term, 1970 In Equity]

MUTUAL READERS LEAGUE, INC., A CORPORATION, PLAINTIFF, V. JOSEPH MARTINELLI, D/B/A MUTUAL READERS LEAGUE OF PITTSBURGH, DEFENDANT

ORDER OF COURT

And now, to-wit, this 25th day of November, 1969, pending the outcome of this hearing, it is ordered, adjudged and decreed:

1. That plaintiff cause to be deposited when and as collected in a trust account at Dollar Savings Bank, Pittsburgh, Pennsylvania, to be designated "Mutual Readers League, Inc., Trustee Account", all monies due on accounts of Mutual Readers League of Pittsburgh so collected from November 19, 1969.

2. That plaintiff shall also cause to be deposited in said account when and as collected all monies coming into its hands hereafter on accounts of Mutual Readers League of Pittsburgh.

3. That Joseph Martinelli, defendant, cause to be deposited in said account, as and when received, all unremitted monies and all monies coming into his hands hereafter on accounts of said defendant's operations of Mutual Readers League of Pittsburgh.

4. That in the event any accounts of Mutual Readers League of Pittsburgh are now or hereafter become delinquent by three months, plaintiff shall immediately notify defendant of any such delinquent account whereupon defendant shall immediately set in operation all legitimate efforts to collect said delinquent account or accounts. The collections to be made in a manner complying with the Federal Trade Commission Guidelines and the Pennsylvania Bureau of Consumer Protection requirements.

5. That plaintiff and defendant shall furnish Commonwealth of Pennsylvania Bureau of Consumer Protection and each other daily statements of collections made showing thereon the amount of the payment, the account number and the number of the payment made on each account making payment.

6. That the proceeds of the trustee account be first used to pay the verified claims of individual subscribers and consumers as verified by the Pennsylvania Bureau of Consumer Protection, the balance of the fund to be paid in accordance with further orders of this Court.

7. That in the event plaintiff or defendant should receive notice of any cancellation, any address change or other relevant matters concerning these subscriptions, each shall immediately notify the other and the Pennsylvania Bureau of Consumer Protection of such information.

8. That the Pennsylvania Bureau of Consumer Protection be forthwith allowed access to all the defendant's contracts, orders, books of accounts, correspondence, mail, records, and other documents and materials pertaining to the operation of said franchise for inspection and copying.

9. That the defendant forthwith turn over Xerox copies of all McBee cards to the plaintiff. That the cards are to be used only for plaintiff's collection under the Court's supervision pursuant to this Order.

10. That plaintiff shall immediately forthwith lift the stop order on defendant's mail lodged with the United States Post Office Department.

_____, *Judge.*

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COWLES COMMUNICATIONS, INC.,
*New York, N.Y., November 25, 1969.*

Hon. FRED B. ROONEY,
*U.S. House of Representatives,*
*Washington, D.C.*

DEAR CONGRESSMAN ROONEY: I am deeply concerned with the publicity you have stimulated, and continue to encourage, in connection with your investigation of practices in the "Paid During Service" system of magazine subscription sales.

In July, Gardner Cowles, Chairman of Cowles Communications, Inc., wrote you and outlined a program we were instituting in respect to the operations of franchised dealers in our various PDS companies. The program outlined in that correspondence has been implemented and we now have men in the field charged with auditing such practices against our policies. Where there is a deviation, we are holding up financial support of the dealer violating the policies, and in cases where this is not effective we are terminating the dealer involved. We are making progress, but there is much still to be done.

It is quite clear that you are getting considerable information that could honestly be described as "one-sided." I refer to certain dissident dealers who were terminated for good and sufficient reason by one or the other of our PDS companies. They were not terminated for failure to live up to sales quotas—they were terminated for very basic reasons relating to improper business practices, such as misappropriating funds and bad sales or collection practices. I would like to expose to you the records of these terminated dealers because I am sure that if you had all of the facts you would agree.

I know that one of my associates orally extended an invitation to you several months ago to visit Des Moines and see for yourself what we are doing to control sales and operating practices in subscription sales.

I would like to extend again this invitation to you as well as to your administrative assistant, Mr. Huber. I believe that you would find this visit interesting and informative. I think it would contribute substantially to your knowledge and appreciation of Cowles' circulation operations. I believe, in view of some of your charges, this is only fair.

Whenever your schedule can accommodate this visit, you will be most welcome as our guests.

Sincerely,

MARVIN C. WHATMORE,
*President.*

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HOUSE OF REPRESENTATIVES,
*Washington, D.C., December 9, 1969.*

Mr. MARVIN C. WHATMORE,
*President, Cowles Communications, Inc.,*
*New York, N.Y.*

DEAR MR. WHATMORE: In reference to your letter of November 25, 1969, you may already be aware that I had written to Mr. Gardner Cowles on the same date citing weaknesses of the same corporate task force to which your letter made reference.

As you know, I have stated on repeated occasions that corporate officials or agents of Cowles Communications, Inc., and its PDS sales subsidiaries encourage, and help implement, the use of deceptive and fraudulent practices by franchised dealers. These same corporate agents back up their demands with threats that the dealer will be "closed out" if he fails to comply.

The validity of my charges was substantiated within the past two weeks during the proceedings of a civil court case in Pittsburgh, Pa., where Cowles, through Mutual Readers League, Inc., was proceeding to "close out" Mutual dealer Joe Martinelli for deceptive practices. The testimony presented during those proceedings, the statements of the presiding Judge, and the mandatory injunction against Mutual which has resulted are proof that corporate officials engaged in precisely what I have claimed.

It seems obvious to me that the out-of-court settlement agreed to by Mutual was intended to halt the chain of damaging testimony being presented by defense witnesses. Thus, Mr. Hart of your task force, who I have been told was present in the courtroom for much of the testimony, has been deprived of some additional information, including the testimony of Mr. Martinelli himself. My office, of course has had several lengthy discussions with Mr. Martinelli.

The corporate activities which emerged in the Pittsburgh courtroom are indicative of the fate which has befallen scores of other Cowles' franchised dealers across the country. You never will be successful in erasing bad sales practices unless you stop making scapegoats of dealers and deal with the problem where it exists—in the ranks of your corporate officials and production agents, and in your franchise contracts.

In your letter of November 25th you offered to "expose" to me the records of dealers who have been terminated, suggesting that if I had this information I would agree with you. I will be pleased to receive any such information you care to put in writing. Dealers, ex-dealers and others representing the magazine sales industry who have supplied me with information have done so in signed statements, often supplemented by personal interviews in the presence of witnesses and federal investigators, and substantiated with documents. If I am to be objective, I can ask no less of you.

I would also be interested to receive copies of your current franchise contract for each of the subsidiaries—Mutual, Home Readers, Civic, BBC and HRL—if individual contracts are still in use for all five. If all franchise contracts are identical, a copy of one would serve my needs.

Please be assured of my willingness to cooperate with you in your efforts to combat continuing abuses.

Sincerely yours,

FRED B. ROONEY,
*Member of Congress.*

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[From the Easton (Pa.) Express, Nov. 25, 1969]

STATE INVESTIGATES SALES OF MAGAZINE SUBSCRIPTIONS

PITTSBURGH.—A civil court suit brought by a subsidiary of Cowles Publications has resulted in a state investigation of magazine subscription selling practices in western Pennsylvania.

Allegheny County Court Judge Arthur Wessel ordered records of the Mutual Readers League held for examination by state investigators. He also ruled that $670,000 in customer receipts be held in a special trust fund.

The Commonwealth has been invited to make an investigation of the whole works to try to protect the plaintiff as well as the defendant until we see what this picture is all about," the judge said in court Tuesday.

"There is something radically wrong either with the modus operandi at the top or down the line in this whole operation," Judge Wessel added.

The possibility of illicit selling practices was brought to the attention of the State Bureau of Consumer Affairs when the Mutual Readers League, Inc., the Cowles Subsidiary brought the suit, Cowles publishes Look magazine.

The suit claims one of the franchises, the Mutual Readers League of Pittsburgh "dealt with dishonesty and with misrepresentation with respect to subscribers . . ." Cowles is seeking to have all records of the franchise returned.

An attorney for the Bureau of Consumer Affairs, Joseph Gelman, says his staff has begun an examination of the records of the firm.

The state intervened after Action! Express, the public service column of The Express, and U. S. Rep. Fred B. Rooney, D-Pa., furnished information to the Bureau of Consumer Protection that Cowles was trying to remove the records from Pennsylvania.

[From the Eastern (Pa.) Express, Nov. 26, 1969]

COURT GIVES STATE ACCESS TO COWLES SUBSIDIARY RECORDS

PITTSBURGH.—The Allegheny County Court ruled here yesterday the State of Pennsylvania should have access to the records of a franchise of a subsidiary of Cowles Communications, Inc., to determine if the records show magazine subscription sales are based on fraud.

Mutual Readers League Inc., a Cowles subscription sales subsidiary, petitioned the court to have Joseph Martinelli, operator of the Mutual Readers League franchise operation in Pittsburgh, turn his records over to it.

Judge Arthur Wessell also ruled that $670,000 in monies which have been or will be collected by Martinelli's franchise for magazine subscription sales be placed in a trustee fund in Pittsburgh and held until it is determined whether the money was obtained by fraud.

The judge said the money probably would be returned to the consumer if fraud is proven.

SEEK RECORDS

The state Bureau of Consumer Protection stepped into the case when it learned Martinelli's records were to be seized by the Mutual Readers League.

Martinelli said he feared the league would take over his business.

The state contends the records would be valuable in a phase of the investigation into the fraudulent and deceptive practices in the magazine subscription sales industry in Pennsylvania and the nation.

FIRST IN NATION

A postal inspector reported this was the first such case in the United States where a court ordered money held in escrow.

It was reported that Cowles had sent letters to its subscribers asking them to send money directly to the Mutual Readers League headquarters in Des Moines, Iowa, rather than to Martinelli.

The court ruled all money due Martinelli's franchise must be turned over to the court.

The bureau of consumer protection acted "swiftly" after learning of the Martinelli matter through Rooney and Action Express, the public service column of The Express.

Joseph Golman, an assistant attorney general for the consumer protection bureau, reported, "We have no judgments, no conclusions at this time."

The case has been continued until Monday at 9:30 a.m.

U.S. Rep. Fred B. Rooney, D-Pa., accused the Cowles organization in a House speech as being responsible for many of the faults in the subscription industry by using the franchise method.

Rooney also charged the contracts between Cowles and the franchise like Martinelli were unfair and that Cowles had seized many businesses from the franchise without notice.

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[From the Des Moines (Iowa) Register, Dec. 6, 1969]

ORDER ON SALE OF MAGAZINES

PITTSBURGH, PA.—A judge ordered Friday a national magazine sales subscription agency owned by the publishers of Look magazine to immediately halt what he called unethical business practices to increase sales.

The order, in effect, gives the court the power to enforce in Pennsylvania a voluntary national code of magazine sales ethics against the Mutual Readers League, Inc. of Des Moines, Ia., and its dealers.

THE CODE

The code, drawn up in 1967 by the magazine industry and enforced by the Central Registry of Magazine Subscription Solicitors, prohibits, among other things, misrepresenting the price or length of a subscription and failing to inform a customer a contract may be canceled within 72 hours after it's signed.

The Des Moines firm is one of five owned by Cowles Communications, publishers of Look. The others are the Home Readers Service, Civic Reading Club, Educational Book Club, Inc., and the Home Reference Library.

THE ORDER

The order came after Mutual Readers League, Inc., agreed to settle out of court a civil action against Joseph Martinelli, the holder of its Pittsburgh franchise.

The company sought to dissolve Martinelli's franchise because they said he used fraudulent sales practices, but Judge Arthur Wessel, jr., said testimony showed the company helped set up the sales techniques used by Martinelli and other franchise holders.

USED COUPONS

He said the schemes included use of installment payment books containing coupons for four payments more than the 25 a customer agrees to make on a five-year subscription package.

One of Martinelli's employes testified that as a general policy he altered almost all contracts after they had been signed by customers.

He said he changed magazines ordered and adjusted the length of some subscriptions.

But he said customers had always agreed to the changes in telephone conversations.

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## CHRISTMAS TREES AND RECLAIMABLE LAND

(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, should there be doubt in anyone's mind about the "reclaimability" of land formerly used in coal mining areas, I have proof-positive in my office that land thought lost can be made beautiful and productive. My proof is a lovely Christmas tree which I received from the Ohio Power Co. and the American Mining Congress.

The tag on the tree sends more than a message of Christmas greetings, it sends a message of hope for all areas in the country where land is considered irredeemable because of mining activity. The message reads:

This Christmas tree is a gift of the Ohio Power Company, Canton, Ohio, and the American Mining Congress, Washington, D.C. The tree was grown on land voluntarily reclaimed from coal mining operations in southeastern Ohio. Fifty-seven other Ohio Power Company red pine trees—one for each state and U.S. territory—are decorating the Ellipse, south of the White House, as part of the 1969 Christmas Pageant of Peace.

There is another message, Mr. Speaker, which is just as important as the two I have mentioned. The trees come from land reclaimed voluntarily. I want to extend my congratulations to the Ohio Power Co. for its year-round Christmas gift to the citizens of the Canton, Ohio, area. There is no way to put a price tag on the gift of beautiful land, but we can and should recognize the concern this company has for the environment.

All too often, in coal mining regions throughout the country, the land is scarred from the results of mining operations. Strip mines have been abandoned, the owners may pay a pittance "fine," and simply leave the land with no thought to beautifying or even repairing the damage done whlie the mine was in operation. We hear a plaintive cry from mineowners that land reclaiming is "too expensive."

That traditional and short-sighted approach to the land has caused untold damage to the environment and to future generations of Americans. It is long since past the time when mineowners should recognize that the costs of operating a strip mine should include the reclaiming of land. We have seen an example of this type of forward-thinking by a utility company. It is my hope that the Christmas message of the Ohio Power Co. will spread to coal mine owners throughout the Nation.

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## COAL MINING AND THE PROTECTION OF THE ENVIRONMENT

(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, on October 19, the American Mining Congress adopted a particularly noteworthy "declaration of policy" on the subject of "environment" which I wish to bring to the attention of our colleagues.

Specifically, the AMC accepts "responsibility for protecting the quality of our air and water and for reclaiming land that has served a commercial purpose." The AMC points out that this responsibility should be shared by the mining industry, Government, and the individual citizen, but the important fact is that the mining industry is publicly declaring its intention to help clean up and protect our environment.

It is my hope, and I am sure the hope of all conservationists, environmentalists, and Members of Congress, that the industry will start a crash program for reclaiming land heretofore lost to public use by strip mining. And next on the agenda, I hope the industry puts its thinking cap on tight and attacks the problem of gob and culm piles that blight the Nation's coal mining areas.

The outline of the AMC's policy is clear; I trust their follow-through action is equally clear. A copy of the portion of the AMC "Declaration of Policy" on the environment follows:

ENVIRONMENTAL QUALITY

Mining plays a vital role in maintaining the economic health of the United States and is a critical activity toward safeguarding the national security. Continued growth and development of the American mining industry must be encouraged if we are to continue to meet the ever-increasing demands of our complex, highly industrialized society for raw materials.

In fulfilling its mission of finding and producing the mineral resources needed by our society, the mining industry must necessarily effect some changes in the natural environment. It has long been the policy of the mining industry to minimize any adverse influences its operations might exert on the environment.

The responsibility for protecting the quality of our air and water, for reclaiming land that has served a commercial purpose, is one that the mining industry shares with the individual citizen, with government, and with all private enterprise. The activities of

American mining companies stand as very real evidence of their involvement in environmental quality control. The mining industry is convinced that it is possible and desirable to do more.

We believe that the following principles should govern any efforts to conserve and improve our land, air, and water resources:

1. Programs dealing with environmental quality control must reflect a careful balancing of national interests and objectives. There must be a realization that it is not possible to have a technological society without making some changes in the environment or producing wastes that require disposal.

2. Programs directed at improving the quality of our environment must have a basis in sound scientific evidence or conclusion. Only in this way can we avoid critical waste of time, money, and effort. Toward this goal, there must be continued and improved cooperation between industry and government.

3. Regulations should be promulgated only after close examination of the facts, a full exchange of the views of all parties concerned, and a careful reference to the technological and economic factors that will determine whether proposed controls are realistic and effective.

4. Authority to regulate should be vested in the lowest practicable level of government. Only in this way can there be an assurance that geographic and other factors receive proper consideration. Environmental conditions vary considerably across the nation. Federal guidelines, when proven necessary, should be broad and flexible enough to allow state and regional authorities to develop programs tailored to their actual requirements.

5. Regulatory measures based on a desire to protect the quality of land, air, and water should be determined only after consideration of the cost factors attendant upon enacted controls.

Where practicable, capital outlays of industry should be balanced by fair consideration such as tax incentives, accelerated depreciation provisions, or similar measures.

As our society becomes more industrialized, as our population expands and becomes concentrated in many areas, as our national need for raw materials becomes more varied and extensive, protecting the quality of our environment promises to become an increasingly greater challenge. Attainment of national goals will hinge on coordination and cooperation between public and private sectors of our society.

The mining industry will contribute to national environmental goals by continuing to emphasize the development and implementation of operational methods and techniques that will minimize adverse changes wrought in the environment. Correlative to this effort is the encouragement of associated industries in their development of improved mining equipment and the proper end-use of the raw materials we produce.

The mining industry will contribute, through applied or theoretical research, to the body of scientific knowledge concerned with environmental quality.

The mining industry will constructively inform government, the public, and other industries on those environmental quality control matters within its purview.

The mining industry will support governmental regulation that proves necessary and is reasonable and practicable. The industry recognizes the need to volunteer appropriate advice and counsel to any level of government considering such regulation when it affects mining operations—or to challenge through judicial or administrative means regulation it considers unworkable or unrealistic.

## BILL TO PROHIBIT HUNTING FROM AN AIRPLANE

(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, with my friend from Wisconsin, Congressman DAVID OBEY, I am introducing today a bill that would prohibit the hunting of certain birds, fish, and wildlife from an airplane.

Incredible as it may seem, roaming loose in this grand country of ours is a certain low breed of the genus homo sapien who goes hunting from an airplane. I am not talking about the sportsman who travels by air to a hunting area—I am talking about the demented person who, while in an airplane, shoots at and destroys wildlife. It is hard to believe that such creatures exist but it is painfully true.

Recently, 60 million Americans witnessed the wanton slaughter and wounding of wolves in Alaska by human predators firing their weapons from low flying airplanes. I am of course referring to the television documentary, "The Wolf Men" where flying "hunters" were shown killing off one of America's endangered wildlife species. I have since learned that another low breed of human has started to "hunt" eagles from airplanes. Such activity churns the stomach.

While I was in my district—hunting—during the Thanksgiving recess, a number of my constituents vehemently expressed their revulsion at the sight of persons swooping down to kill wildlife from an airplane and calling it a sport. In no uncertain terms they said to me, "You are a conservationist—do something to stop it."

Congressman OBEY and I are confident we can put a stop to this form of wildlife murder. With the encouragement of conservationists and naturalists from all walks of life from all over the country and with the help of other Members of Congress, our bill will end this national disgrace. The provisions of our bill follow:

H.R. 15188

A bill to amend the Fish and Wildlife Act of 1956 to provide a criminal penalty for shooting at certain birds, fish, and other animals from an aircraft

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Fish and Wildlife Act of 1956 is amended by adding at the end thereof the following new section:

"SEC. 13. (a) Whoever, while airborne in an aircraft, shoots at any bird, fish, or other animals of any kind whatever which is on or over any land (or on, over, or in any water) owned by or reserved to the United States, shall be fined not more than $5,000 or imprisoned not more than one year, or both.

"(b) This section shall not apply to any person in the discharge of his duties if such person is employed by any State or the United States to administer or protect land, water, or wildlife."

## SENSITIZING JUVENILE JUSTICE

(Mr. HANNA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANNA. Mr. Speaker, I am privileged today to cosponsor legislation which will establish an Institute for Continuing Studies of Juvenile Justice. No area of our judicial codes has been as neglected as those dealing with juveniles. While our neglect has reduced the administration of juvenile justice to the most archaic and arbitrary form, the rise in juvenile crime has skyrocketed.

This past weekend, the Washington Post reported that juveniles are responsible for more than 40 percent of the District's major crimes. A number of specific cases were used to illustrate the shambles in which juvenile justice is now administered. In almost every instance the young offender was given a minimum of attention until he commits a number of crimes. Rarely is there time for counseling, guidance, rehabilitation, and almost never will this young person receive the individual attention and treatment he so desperately needs.

Congressmen, as a rule, rarely intercede in their communities administration of juvenile justice. I seriously doubt, however, if any of the Members have not had at least one instance during which parents of a juvenile offender pleaded for the compassionate and understanding treatment of their child. And when one investigates, he often finds that the child has been a victim of agonizingly slow justice. I have found many of these youngsters living in institutions that, because of lack of resources, have been drained of almost all the elements of compassion and humanity. Here they remain until an understaffed, underfinanced juvenile court can handle their case. Sometimes it takes as long as a year, and by then this stark experience has taken root in an impressionable mind and the emotional and social damage is almost irreversible.

Perhaps a case history at this point in the RECORD will help to dramatize the point I am making. An 11-year-old girl, quite intelligent and very sensitive to an unfortunate home environment became hooked on drugs. While under the influence of these drugs she was apprehended during a shoplifting spree at a chain drugstore.

Her parents immediately responded to their daughter's arrest and she was released to their custody. A few days later, she ran away from home. When she was found, she was "stoned" on drugs and subsequently turned over to the juvenile authority. This time it took more than a month for her parents to regain custody. During this time, the girl was detained in an overcrowded, pitifully understaffed "home." After her release into the custody of her parents—mind you there had still been no hearing on her first offense—she took the first opportunity and ran away again. She has now been indefinitely detained at the "home." That was 7 months ago and she is still waiting for a hearing.

During this period the girl and her parents had one interview with a court-appointed psychiatrist. They had only one interview because that was all they could afford. The psychiatrist charged $35 an hour.

That has been the sum total of the "attention" provided this 11-year-old girl. In the 1-hour interview, the psychiatrist concluded the girl was emotionally ill and in need of immediate expert assistance.

Yet nothing was done to assist her.

And her detention in the "home" has only reinforced her sickened attitudes.

This is the way we treat our children.

I can only conclude our present system of juvenile justice is outdated and irrelevant. It is woefully underfinanced and understaffed. It is painfully slow and irritatingly arbitrary. It is miserably insensitive. The example reported illustrates that no distinction is made between a child and someone in their upper teens. In fact, consideration of individual circumstances is rarely recognized. And there lies the crushingly depressing state of juvenile justice—to the point of near crisis.

As one views the tremendous lack of concern in so many areas of domestic policy, one cannot help wondering where to rank meaningful and sensitive administration of juvenile justice. I personally believe it must rank near the top. A society insensitive to the problems of its problem young cannot consider itself civilized.

Obviously, the bill I am introducing will not solve all the many complex issues involved in the administering of juvenile justice or controlling juvenile crime. It is, however, a start. A summary follows:

SEC. 5041. Creates the Institute to provide a coordinating center for collecting useful data re the treatment and control of juvenile offenders; and to provide training for individuals in such treatment and control.

SEC. 5042. Authorizes the Institute to:

(a) serve as an information bank by systematic collection of data from all sources re juvenile delinquency;

(b) publish data in useful forms;

(c) disseminate published data to interested persons;

(d) conduct seminars and workshops;

(e) provide short-term training of law enforcement officers, juvenile welfare workers, juvenile judges, probation officers, correctional personnel, and other persons, including lay personnel, connected with the treatment and control of juvenile offenders, and

(f) send out training teams to work at State and local levels.

SEC. 5043. Director of the Institute shall be appointed by the President with advice and consent of the Senate.

SEC. 5044. Authorizes the Institute to obtain data, personnel, facilities and other cooperation from Governmental agencies and departments (Federal, State and local) as well as from private individuals and agencies.

SEC. 5045. Provides for Advisory Commission to set policy and supervise operations of the Institute. The Commission members would consist of:

(a) Director of the Institute;

(b) Attorney General (or designee);

(c) Director of U.S. Judicial Center (or designee);

(d) Secretary of Health, Education, and Welfare (or designee);

(e) Director of National Institute of Mental Health (or designee), and

(f) Fourteen persons having training and experience in the area of juvenile delinquency, to be appointed by the President from the following categories:

(1) law-enforcement officers (two persons);

(2) juvenile judges (two persons);

(3) probation personnel (two persons);

(4) correctional personnel (two persons);

(5) representatives of private organizations concerned with juvenile delinquency (four persons), and

(6) representatives of State agencies established under Juvenile Delinquency Prevention and Control Act or under title I of Omnibus Crime Control and Safe Streets Act of 1968 (two persons).

Commission members would have four year staggered terms.

SEC. 5046. Directs that a suitable location be selected.

SEC. 5047. Requires Advisory Commission to design and supervise a curriculum utilizing a multi-disciplinary approach (to include law enforcement, judicial, probation, correctional, and welfare worker disciplines) appropriate to the needs of the Institute's enrollees.

SEC. 5048. Candidates for admission and enrollment in the Institute shall be nominated by the State agencies or agency established under the Juvenile Delinquency Prevention and Control Act of 1968 or the Omnibus Crime Control and Safe Streets Act of 1968 (title I) with final decision concerning admission being made by the Institute Director.

RECAPITULATION

Rather than simply further study juvenile delinquency, this bill seeks to establish a clearinghouse or data bank for all the valuable information presently existing but not in any one convenient or central location—a function which could not be easily fulfilled except at the Federal level. The other main purpose is to provide expert "graduate" or "continuing" education and training for those persons who are now working to combat juvenile delinquency at the State and local level.

## HON. CURTIS L. WALLER

(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 December 2 the Court of Appeals of the Fifth Circuit assembled in its courtroom in Jacksonville, Fla., to receive portraits to be hung in the courtroom of Judge Curtis L. Waller, and Judge Louie W. Strum, both distinguished former members of the court and Judge Warren Jones, distinguished present member of the court. On this occasion the court and members of the bench, bar, and the public in attendance heard addresses of tribute to the judges whose portraits were being received.

I had the honor and privilege to pay tribute to former Judge Curtis L. Waller, who for 6 years prior to my entering the Senate was my devoted and able law partner in Tallahassee, Fla. I should like to submit, following my remarks here, my address on that occasion in tribute to this great and noble jurist, friend, and citizen, Judge Waller.

I am grateful for the privilege of participating in this meaningful occasion and particularly to have the honor to pay tribute to a man whom I respected as a judge, admired as a lawyer, esteemed as a gentleman, and loved as a law partner and friend—Curtis L. Waller.

The address follows:

DEDICATION

On July 11, 1950, a judicial sun, in the full lustre and glow of noonday brilliance, after a brief flicker and pause dropped suddenly behind the horizon of life into eternity and immortality. For on that day, Curtis Longino Waller, of the United States Court of Appeals for the Fifth Circuit, Florida's highest ranking member of the federal judiciary, died after a brief illness, at 63. Into the grave with him went the hearts of a countless host who admired him for the virile strength of his mind and loved him for the grandeur of his character and the noble beauty of his spirit.

Appointed as United States District Judge for the Northern and Southern Districts of Florida in 1940, he was elevated to the circuit court in 1943. His judicial career climaxed a rich and full life which began in Silver Creek, Mississippi, where his family was rooted and reversed, and an uncle was governor. He took his literary work at Mississippi College and his law degree at Millsaps College. He was a high school teacher; secretary to the gifted Pat Harrison in the House of Representatives in Congress; an aviator in World War I. Returned from the war, he immediately gained distinction at the Bar of Mississippi. He served in the Mississippi House of Representatives. In 1924 he moved to Tallahassee, Florida, and at once assumed leadership in an eminent Leon County Bar.

His counsel was sagacious, his thinking astute and profound. His character, about which all of his life no man ever dared to whisper, won profound respect for every utterance he made to client or court. He was thorough, and when his preparation was finished, sure of his case. He had the genius as a lawyer of catching phrase and homely or humorous rhetoric which endeared him alike to court and jury. His standing at the bar and in the community caused him to be drafted against his will to serve Leon County in the House of Representatives, and to accept appointment as State Attorney for the Second Judicial Circuit of Florida for a brief period.

He had an enviable aptitude for the bench, for he had that balance of judgment, that innate sense of justice, that courage of conviction, as well as that saturation in legal principle and precedent, which makes the judge. To a judicial mind he brought a gentleman's code and a warm heart. His happy diversion from labor was fishing, and he wrote intriguing fishing stories for national sportsmen's magazines. In the camp or in the friendly circle which he so much loved, he had no superior as a storyteller.

He was too faithful a disciple of the law not to follow it, but he was too just a judge not to rebel at wrong—even what he thought was wrong law. He believed in social justice and progress, and as a citizen he supported liberal men and liberal movements; but when he sat as a judge he was the shield of the individual, and woe to those, pressing down upon the citizen, who fell upon the poniard of his pen. As a district judge he had the faculty to grasp the issues, to rule promptly and forcibly, and to dispatch the court's business both quickly and well. As an appellate judge he spurned verbosity; he scorned empty rhetoric and cut through the confusion of fact and word with the lance of a penetrating mind and what Mr. Justice Glenn Terrell called "incisive, pointed and direct statement."

In one of his dissenting opinions, Judge Waller said: "I hesitate to ascribe to Congress the absurd design to tax a gift to a babe in arms because his estate must be managed by someone sui juris, exercising the powers of a guardian or parent, while a gift to an adult, requiring no managing third party, is tax free. Congress likes adult voters, but surely not that well." Fondren v. Commissioner, 141 F. 2d 419, 422 (1944).

But he could put a romantic shaft upon his arrow; in Crews v. United States, 160 F. 2d 746, 747 (1947), he began the opinion of the court: "The beautiful Suwannee River—the mention of which calls to memory a plaintive melody of strumming banjos, humming bees, childhood's playful hours, a hut among the bushes, and a longing to go back to the place where the old folks stay—was the scene of the cruel and revolting crime that provoked the gesture of dealing out justice that is this case."

His judicial reputation was rising all over

the country. The law he loved has lost one of its finest and best.

We became friends shortly after 1925 and, until he went away, our lives, like our hearts, were close together. When he was lowered beneath the gentle pine which is his sentinel in Tallahassee, there came back to my mind the noble words of Antony over the body of Brutus at Philippi:

"His life was gentle, and the elements
So mix'd in him that Nature might stand up
And say to all the world 'This was a man!'"

And if we add "and a great and just judge," there is a fitting epitaph for Curtis L. Waller.

## BILL TO IMPROVE JUDICIAL MACHINERY OF MILITARY COURTS-MARTIAL

(Mr. WHALEN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WHALEN. Mr. Speaker, in the listing of public bills and resolutions in yesterday's CONGRESSIONAL RECORD, H.R. 15173 was inadvertently introduced by me in behalf of Congressmen ASHLEY, BINGHAM, BOLAND, BURTON of California, DIGGS, EDWARDS of California, LEGGETT, LOWENSTEIN, MIKVA, MOSHER, MOSS, OTTINGER, PUCINSKI, REES, ROSENTHAL, ST GERMAIN, SCHEUER, STAFFORD, STOKES, TAFT, CHARLES H. WILSON, YATES, and CONYERS. This bill provides for the creation of a catalog of Federal assistance programs and for other purposes.

However, the bill which I intended to introduce in behalf of the above-named cosponsors would amend title 10, United States Code, to improve the judicial machinery of military courts-martial. I regret this error, and I wish to advise the cosponsors that the correct bill will be introduced today.

## TRADING WITH THE ENEMY

(Mr. CHAMBERLAIN asked and was given permission to extend his remarks at this point in the RECORD and to include a table.)

Mr. CHAMBERLAIN. Mr. Speaker, during November there were seven more free world ship arrivals in North Vietnam, according to information I have just received from the Department of Defense. This brings the total for the first 11 months of 1969 to 92 as compared to 135 for the same period in 1968. Overall, then, there seems to be reason for some cautious encouragement.

What continues to be most disturbing about this trading with the enemy is the major role played by vessels flying the British flag. Of the 92 arrivals this year, 67, or 72 percent were made by ships sailing under the Union Jack. This is basically the same percentage as last year when there were 104 British flag arrivals during the first 11 months.

The official explanations and excuses for this traffic state that these vessels are registered in the British crown colony of Hong Kong; that they are owned or controlled by Chinese Communists; and that the British Government is incapable or afraid to do anything about it.

No one questions the importance of Hong Kong, but it seems to me that the British are not without influence for it must be important to the Communists for the British to remain there, or otherwise they would have been pushed out years ago.

Frankly, I cannot help but wonder what London would do if these same ships tried to trade with Rhodesia. I am satisfied their policy toward their owners would be decidedly different. For reasons that have apparently been satisfactory to our State Department, it has been the policy of our Government to support the British position on boycotting trade with Rhodesia. Many factors undoubtedly went into that decision. Nevertheless, one certainly would expect at least equal concern on the part of London for a situation so vitally affecting the efforts of one of its oldest allies.

I urge the administration to make a greater effort to prevail upon the British Government to make a positive contribution to our efforts to bring peace to that tragic land.

At this point I include a chart detailing free world shipping to North Vietnam this year.

1969 FREE WORLD SHIP ARRIVALS IN NORTH VIETNAM

| | British | Somali | Cyprus | Singapore | Japanese | Maltese | Total |
|---|---|---|---|---|---|---|---|
| January | 8 | 2 | 1 | | | | 11 |
| February | 6 | | 1 | 2 | 1 | | 10 |
| March | 6 | 1 | | | | | 7 |
| April | 7 | 1 | | | 1 | | 9 |
| May | 9 | 1 | 1 | | | 1 | 12 |
| June | 6 | 2 | 2 | 1 | | | 11 |
| July | 6 | 1 | | | | | 7 |
| August | 4 | | 2 | | | | 6 |
| September | 4 | | 1 | 1 | | | 6 |
| October | 4 | | 1 | | 1 | | 6 |
| November | 7 | | | | | | 7 |
| Total | 67 | 8 | 9 | 4 | 3 | 1 | 92 |

## NATIONAL WELFARE AND JOB DATA BANKS TO BE ESTABLISHED IN LEGISLATION BEFORE CONGRESS

(Mr. BETTS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BETTS. Mr. Speaker, under provisions of two major proposals before Congress individual dossiers on some 33½ million Americans can be prepared and housed in Federal computers. These human intelligence centers are integral but little noticed parts of the Family Assistance Act of 1969 and Manpower Training Act of 1969 now in formative stages of consideration by House and Senate committees. If Congress approves these measures a national welfare data bank will be created and administered by the Social Security Administration and a national job bank established in the U.S. Department of Labor.

The proposed Family Assistance Act of 1969 is President Nixon's worthwhile effort to reform a welfare system in crisis. It encompasses many desirable improvements as well as a program to centralize the personal files of welfare recipients through national eligibility standards or direct payments to individuals. There are officially estimated to be 25 million Americans who are considered to be living at the poverty level. These citizens would be included in the income maintenance program and consequently their personal files prepared for use in the welfare data bank. Last year some 9,963,000 persons including only 1,825,000 eligible for public assistance, were served by public employment offices throughout the United States. These two groups total about 33½ million people.

Directly related to the family assistance program through its requirement that all adult recipients register with public employment offices for manpower services and training is the creation of a national computer job bank. I support the purpose of this job bank: Using computer technology to help solve the problems of finding the best workers for jobs and the best jobs for unemployed workers. This computer operation would be State based with Washington at its hub through which millions of registrants at public employment service offices would be profiled against job opportunities filed with these centers. The Secretary of Labor wants the elementary stage of the program installed in 55 major cities by June 1970, and the full integration of the matching process a short time thereafter. Once operational, anyone registering with a public employment service office would find a detailed personal file of facts about him, his financial situation and complete job experience record linked to a national network of computers and telecommunications machinery.

Mr. Speaker, I am wholeheartedly in favor of the unemployed having jobs and those on public assistance becoming self-sufficient. These objectives can no doubt be augmented by computer technology, perhaps by national dossier centers. My concern over the creation of any national data bank is based on the belief that Congress and the public should scrutinize what these storehouses of personal files will be once they are in operation. We must carefully examine the issues of privacy and confidentiality in terms of the use and possible abuse of data once recorded in Federal computers.

Recently the Senate passed legislation which would regulate the activities of credit reporting companies as they apply to investigative reports on consumers seeking credit, insurance or employment. The purpose of this bill was to prevent consumers from being impugned or harassed because of inaccurate information on a computerized credit report and to provide confidentiality and accuracy requirements in the collection and dissemination of credit information.

While I have long been concerned over the inability of consumers to protect

themselves from false credit information, I am amazed that Congress has not questioned whether a similar situation might not also exist in those Federal agencies which utilize personal data reports in their normal course of work. The vast amount of decentralized individual data stored in Washington, as well as the countless requests by Federal agencies for additional personal information, provides fertile grounds for invasions of individual privacy.

It is clear to me that built-in privacy protections should be legislatively provided at the outset of these human information banks. Restrictions on the integration and coordination of personal Government records are needed in order to prevent unlimited access to individual files. Individuals should be allowed to inspect, and challenge if necessary, the contents of his file for erroneous information. Once an individual terminates participation in a public assistance program his file should be destroyed and the subject person notified of this action. This view is not without substantial support from those who have spoken on the earlier plan for creating a National Statistical Data Center.

Congressional hearings abound with testimony which, when summarized, conclude that a statistical center where sterilized data, devoid of any individual identifiers and equipped with effective controls on access and dissemination to the information it houses, could be a constructive and worthwhile Federal enterprise. But any system that is exclusively designed to develop and maintain personal dossiers, uncontrolled in scope and subject was uniformly condemned, even by the Budget Bureau witness. New strong standards of confidentially and other special arrangements restricting access and reuse of these files, must be provided.

Mr. Speaker, the day has come when Congress must analyze and evaluate carefully any proposal which requires the establishment of a centralized data bank, particularly one which is specifically designed as a human intelligence system. It is imperative that we assert our authority and responsibility in this area which has long been a specialist's domain but wherein emanates programs having serious impact on the citizens' privacy.

I call the attention of my colleagues, the press and public to these important questions as several committees of Congress review the major elements and move toward final consideration of these national programs.

## HOMECOMING FOR KANSAS NATIONAL GUARDSMEN

(Mr. SHRIVER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SHRIVER. Mr. Speaker, this is a happy week for many Kansas families. The long-awaited return of the 69th Infantry Brigade of the Kansas Army National Guard is a reality. The officers and enlisted men of the brigade will be released from Federal active duty and returned to State service on Friday, December 12, 1969.

These units from the Kansas Army National Guard, along with the Kansas Tactical Air National Guard squadron were mobilized in May 1968 at the time of the *Pueblo* crisis.

The men of the Air National Guard returned from duty in Korea and other foreign assignments during the summer.

Formal military homecoming ceremonies will be held for personnel of the 69th Infantry Brigade in various Kansas cities today and Thursday. One of these ceremonies will be held in Wichita, which is in the Fourth Congressional District, tomorrow afternoon.

I truly regret that it is not possible for me to be present for those ceremonies because of the important legislative program which faces us in the House of Representatives this week.

We are happy for these men and their families. Reunions with one's friends and loved ones are always happy occasions, but it is even more significant when it comes at the Christmas season. They have sacrificed much to serve their country at a difficult time.

They left their jobs and other career pursuits to serve in the interest of the defense and security of this Nation. As one who served in our Armed Forces during World War II, I am well aware of their sacrifices.

Kansas has indeed done its share in providing a substantial percentage of the manpower mobilized in 1968. Approximately 900 men served on active duty with the 184th Kansas Tactical Air National Guard Squadron. There were 3,400 enlisted men and officers called up with the 69th Infantry Brigade, and of this number, 235 officers and approximately 1,800 enlisted men served in Vietnam. Unfortunately, all of these men did not come back. Twenty-four Kansans were killed in action in Vietnam, and five died from other causes.

The Nation owes a great debt to these men who symbolize the meaning of the National Guard's tradition of readiness. I salute those who this week return to civilian life and wish them success, happiness and peace. Congratulations certainly are in order for the officers and enlisted men of the 69th Infantry Brigade.

Under the leave to extend my remarks and include extraneous material, I include in the RECORD the units of the brigade to be honored and the time and place of the homecoming ceremonies:

STATE OF KANSAS, MILITARY DEPARTMENT, OFFICE OF THE ADJUTANT GENERAL,
*Topeka, November 25, 1969.*

Subject: Homecoming Ceremonies for 69th Infantry Brigade (Separate). See Distribution.

1. Reference is made to letter, AGO–AR, 19 November 1969, Subject: Return to State Status of 69th Infantry Brigade.

2. Formal military ceremonies will be held for all personnel of the 69th Infantry Brigade as follows:

A. TOPEKA, 1400 HOURS, WEDNESDAY, 10 DECEMBER 1969

(1) HHC (-), 69th Infantry Brigade (Sep) (Topeka).
(2) MP & Med Plat, HHC, 69th Inf Bde (St Marys).
(3) 169th Engr Co (-) (Emporia).
(4) 1st & 2nd Engr Plats, 169th Engr Co (Eureka).
(5) Bridge Plat, 169th Engr Co (Council Grove).
(6) Co A, 169th Spt Bn (Topeka).
(7) Co D (-), 169th Spt Bn (Marysville).
(8) Mech Maint. Plat, Co D, 169th Spt Bn (Belleville).
(9) Acft Maint. Plat, Co D, 169th Spt Bn (Topeka).

B. THURSDAY, 11 DECEMBER 1969

*1. Hiawatha, 1030 hours*

(a) HHB, 2nd, Bn, 130th Arty (-) (Hiawatha).
(b) Comm Plat, Sup & Maint Plat, HHB, 2nd Bn, 130th Arty (Troy).
(c) Btry A, 2nd Bn, 130th Arty (Sabetha).
(d) Btry B, 2nd Bn, 130th Arty (Horton).
(e) Btry C, 2nd Bn, 130th Arty (Paola).

*2. Wichita, 1500 hours*

(a) HHC, 1st Bn, 137th Inf (Wichita).
(b) Co A (-), 1st Bn, 137th Inf (Winfield).
(c) 2nd Rifle Plat & Wpns Plat, Co A, 1st Bn, 137th Inf (Arkansas City).
(d) Co B (-), 1st Bn, 137th Inf (Wichita).
(e) 2nd Rifle Plat & Wpns Plat, Co B, 1st Bn, 137th Inf (Wellington).
(f) Co C (—), 1st Bn, 137th Inf (Wichita).
(g) 2nd & 3rd Rifle Plats & Wpns Plat, Co C, 1st Bn, 137th Inf (Newton).
(h) Troop E (—), 114th Cav (McPherson).
(i) 3rd Armd Cav Plat & Trp Maint Sec. Troop E, 114th Cav (Manhattan).

C. KANSAS CITY, 1400 HOURS, FRIDAY, 12 DECEMBER 1969

(1) HHC (—), 2nd Bn, 137th Inf (Kansas City).
(2) Bn Recon, Bn Hv Mort & Bn AT Plats, 2nd Bn, 137th Inf (Lawrence).
(3) Co A, 2nd Bn, 137th Inf (Leavenworth).
(4) Co B (—), 2nd Bn, 137th Inf (Atchison).
(5) 2nd Rifle Plat & Wpns Plat, Co B, 2nd Bn, 137th Inf (Holton).
(6) Co C, 2nd Bn, 137th Inf (Kansas City).
(7) HHD, 169th Spt Bn (Kansas City).
(8) Co B, 169th Spt Bn (Kansas City).
(9) Co C, 169th Spt Bn (Kansas City).
(10) 169th Avn Co (Kansas City).

2. Additional information will be furnished to all concerned as it becomes available.

For the Adjutant General:

PHILIP W. SMYTH,
*BG, AGC, KanARNG,*
*Assistant Adjutant General.*

## GE STRIKE ISSUE

(Mr. BROWN of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROWN of California. Mr. Speaker, I want to express my support of the General Electric strikers, and I plan to personally join in the boycott of General Electric products.

The issues in this strike do not simply revolve around whether or not the ultimate settlement between the union and the company will compensate the workers for an increased cost of living, but goes to the very heart of the labor-management relationship and recognition of the judicial process.

Behind the motives and actions of the company lie their policy of "Boulwarism," a name derived from the tactics and beliefs of a former GE vice president. Boulwarism threatens the very right of any union, group, or individual worker to retain a viable and relistic involvement in salary negotiations.

Lemuel Boulware outlined his philosophy in a recently published book. Essentially, the policy works like this: A company will, through some responsible

and responsive process, arrive at a figure for the worker's contract; once made it should not be increased or altered.

This approach does not recognize the very right of the union or the worker to negotiate—to bargain. It permits the company to dicker with itself, demean the very existence of the union, and neglect the needs of the worker. Does this not reflect and remind us of the early struggles, the old economic class systems, the cries of the worker and the very reasons why trade unionism was created?

On October 28, the U.S. Court of Appeals for the Second Circuit in NLRB against General Electric handed down a long-awaited decision dealing with the unfair practices charges arising from the 1960 GE-union negotiations. An issue before the court was the legality of the "take it or leave it" method of negotiations.

The court, after examining the company's negotiation techniques, held "Boulwarism" to be unlawful and directed the company to engage in genuine collective bargaining. The court found that "Boulwarism" had two major facets. It stated:

First, a take-it-or-leave-it approach (fair firm offer) to negotiations in general which emphasized both the powerlessness and uselessness of the Union to its members and second, a communications program that pictured the Company as the true defender of the employees interests, further denigrating the Union, and sharply curbing the Company's ability to change its own position.

In criticizing the company's stiff and unbending attitude, the court said:

The Company's tactics seemed so clearly designed to show the employees that the Union could win them nothing more than the Company was prepared to offer, it is even more apparent that a unilateral offer—over which the Union may not bargain—diminishes the rewards and the importance of the bargaining at the end of the contract period. Thus, the Union's ability to function as a bargaining representative is seriously impaired. Indeed, such conduct amounts to a declaration on the part of the Company that not only the Union, but the process of collective bargaining itself may be dispensed with.

Prior to this past Saturday, the tactics by the company resembled those of 1960. They refused to submit the grievance to an impartial third party for arbitration. The company's offer of a 6-percent wage increase was far from being responsive and responsible when, during the last 3 years the Consumer Price Index has risen by 13 percent. In addition, the company has repeatedly refused to include a cost-of-living escalator clause in this contract.

I invite my colleagues to read the record and history of this strike to determine first, whether the offer by the company is in fact "responsible and responsive" and second, whether or not General Electric is, even now, unwilling to abide by the recent court decision—notwithstanding its recent offer.

I support this strike for I am against "Boulwarism" and everything that it implies and destroys. This is not just the fight of the 150,000 striking workers, but is the struggle of all union members and those who have compassion for the working man of America.

I urge my colleagues to join me in my declaration.

Following is the majority opinion in this recent case:

[U.S. Court of Appeals for the Second Circuit—Nos. 337, 338—September term, 1968]

(Argued June 3, 1969; Decided October 28, 1969.)

(Docket Nos. 29502, 29576)

NATIONAL LABOR RELATIONS BOARD, PETITIONER, *v.* GENERAL ELECTRIC COMPANY, RESPONDENT, AND INTERNAIONAL UNION OF ELECTRICAL, RADIO, AND MACHINE WORKERS, AFL–CIO, INTERVENOR.

Before: Waterman, Friendly and Kaufman, *Circuit Judges.*

Petitions to review and to enforce order of the National Labor Relations Board based on findings of unfair labor practices and failure to bargain in good faith in violation of sections 8(a) (1) and (5) of the National Labor Relations Act, 29 U.S.C. §§ 158(a) (1), (5). Order enforced.

KAUFMAN, *Circuit Judge:* Almost ten years after the events that gave rise to this controversy, we are called upon to determine whether an employer may be guilty of bad faith bargaining, though he reaches an agreement with the union, albeit on the company's terms. We must also decide if the company committed three specific violations of the duty to bargain by failing to furnish information requested by the union, by attempting to deal separately with IUE locals, and by presenting a personal accident insurance program on a take-it-or-leave-it basis.

I. THE PRIOR PROCEEDINGS

In the wake of what it regarded as unsatisfactory negotiations with the General Electric Company (GE) during the summer and fall of 1960, the International Union of Electrical, Radio and Machine Workers, AFL–CIO (IUE) filed unfair labor practice charges with the National Labor Relations Board. The General Counsel, on April 12, 1961, filed a complaint alleging that GE had committed unfair labor practices in violation of sections 8(a)(1), 8(a)(3), and 8(a)(5) of the National Labor Relations Act, 29 U.S.C. §§ 158 (a)(1), 158(a)(3), and 158(a)(5) (1964). Hearings were held before a trial examiner between July, 1961, and January, 1963, and included testimony, oral argument, and submission of briefs. The Trial Examiner issued his Intermediate Report on April 1, 1963, which found GE guilty of several unfair labor practices. GE and the IUE filed exceptions to the Intermediate Report, and on December 16, 1964, the NLRB agreed with the Trial Examiner. 150 N.L.R.B. 192 (1964).

There followed the race to the courthouse that is an unhappy feature too often encountered in these matters. See Carrington, *Crowded Dockets and the Courts of Appeals: The Threat to the Function of Review and the National Law,* 82 Harv. L. Rev. 542, 598–600 (1969). Since GE does business in every state, every court of appeals has jurisdiction, if GE's petition for review is first filed there. See 29 U.S.C. § 160(f) (1964); 28 U.S.C. § 2112 (1964). The IUE claimed that it filed in the District of Columbia Circuit 14 seconds before GE handed its petition to the clerk in the Seventh Circuit. GE's version of course differed. The NLRB, admitting its confusion (not without reason, it would seem), suggested that since the question of timing was incapable of rational solution, the Second Circuit, where the unfair labor practices complained of occurred, would be the logical place to begin. The District of Columbia and Seventh Circuits agreed. *IUE* v. *NLRB,* 343 F. 2d 327 (D.C. Cir. 1965); *GE* v. *NLRB,* 58 LRRM 2694 (7th Cir. 1965). Another year was required to determine that the Union's proper status in the action was that of intervenor. *NLRB* v. *General Electric Co.,* 59 LRRM 2094, 2095 (2d Cir. 1965), *vacated and remanded, IUE* v. *NLRB,* 382 U.S. 366 (1966), *modified on remand, NLRB* v. *General Electric Co.,* 358 F. 2d 292 (2d Cir.), *cert. denied,* 385 U.S. 898 (1966). See *International Union, Local 283* v. *Scofield,* 332 U.S. 205 (1965).

In order for the action to reach its present state of ripeness, this court consolidated GE's petition for review (No. 29576) with the Board's petition for enforcement (No. 29502). *NLRB* v. *General Electric Co.,* 358 F. 2d 292 (2d Cir. 1966), *cert. denied,* 385 U.S. 898 (1966). Another year and a half passed while the parties attempted to settle the case without recourse to further litigation. When a satisfactory settlement proved too elusive, they reentered the fray with renewed vigor, undiminished by the passage of time, two successive collective bargaining contracts (1963 and 1966), and by another suit over proper representation arising out of the 1966 negotiations. *McLeod* v. *General Electric Co.,* 257 F. Supp. 690 (S.D.N.Y.), rev'd 366 F. 2d 847 (2d Cir. 1966), remanded 385 U.S. 533 (1967). See also *General Electric Co.* v. *NLRB.* No. 32867 (2d Cir., June 9, 1969).

II. THE BARGAINING BACKGROUND

General Electric, a New York corporation, is the largest and perhaps the best known manufacturer of electrical equipment, appliances, and the like. Its products—manufactured in all the 50 states—range from refrigerators to atomic energy plants, from submarines to light bulbs. In 1960, it employed about 250,000 men and women; of these only 120,000 were unionized. The IUE is an international union, affiliated with the AFL–CIO, and had a total membership of about 300,000. In 1960 it represented some 70,000 of the 120,000 unionized GE employees, formally grouped in more than 105 bargaining units, and was far and away the largest single union with whom GE dealt. The next largest, the United Electrical Workers (UE), represented only 10,000 members, and the remaining 50,000 unionized employees were split among some 100-odd other unions or bargaining agents who dealt independently with GE. A high proportion of GE employees are supervisory or managerial personnel, who are available to the company in the event of a strike.

The present action has its roots deep in the history of prior negotiations and bargaining relationships. Before 1950, the major union was the UE. In 1946, negotiations reached an impasse and resulted in a serious and crippling strike. GE eventually capitulated, and agreed to a settlement that it later characterized as a "debacle," and beyond the company's ability to meet.

GE's response came in the form of a new approach to employee relations, urged by one of its vice presidents, Lemuel R. Boulware. Although GE generally objects to use of the term, describing it as a "hostile label," the tactic of "Boulwareism" associated with his name soon became the hallmark of the company's entire attitude towards its employees.

In many respects, GE's negotiating policy after the 1946 strike followed a predictable course. The Company had been concerned over the antipathy many of the employees displayed during the strike. It decided that it was no longer enough to act in a manner that it thought becoming for a "good" employer; it had to insure that the employees recognized and appreciated the Company's efforts in their behalf. The problem was perceived as a failure to apply GE's highly successful consumer product merchandising techniques to the employment relations field.

The new plan was threefold. GE began by soliciting comments from its local management personnel on the desires of the work force, and the type and level of benefits that they expected. These were then translated into specific proposals, and their cost and effectiveness researched, in order to formulate a "product" that would be attractive to the employees, and within the Company's means.

The last step was the most important, most innovative, and most often criticized. GE took its "product"—now a series of fully-formed bargaining proposals—and "sold" it to its employees and the general public. Through a veritable avalanche of publicity, reaching awesome proportions prior to and during negotiations, GE sought to tell its side of the issues to its employees. It described its proposals as a "fair, firm offer," characteristic of its desire to "do right voluntarily," without the need for any union pressure or strike. In negotiations, GE announced that it would have nothing to do with the "blood-and-threat-and-thunder" approach, in which each side presented patently unreasonable demands, and finally chose a middle ground that both knew would be the probable outcome even before the beginning of the bargaining. The Company believed that such tactics diminished the company's creditability in the eyes of its employees, and at the same time appeared to give the union credit for wringing from the Company what it had been willing to offer all along. Henceforth GE would hold nothing back when it made its offer to the Union; it would take all the facts into consideration, and make that offer it thought right under all the circumstances. Though willing to accept Union suggestions based on facts the Company might have overlooked, once the basic outlines of the proposal had been set, the mere fact that the Union disagreed would be no ground for change. When GE said firm, it meant firm, and it denounced the traditional give and take of the so-called auction bargaining as "flea bitten eastern type of cunning and dishonest but pointless haggling."

To bring its position home to its employees, GE utilized a vast network of plant newspapers, bulletins, letters, television and radio announcements, and personal contacts through management personnel.

Side by side with its policies of "doing right voluntarily" through a "firm, fair offer," GE also pursued a policy of guaranteeing uniformity among unions, and between union and non-union employees. Thus all unions received substantially the same offer, and unrepresented employees were assured that they would gain nothing through representation that they would not have had in any case. Prior to 1960, GE held up its proposed benefits for unrepresented employees until the unions agreed, or until the old contract with the Union expired.

The IUE split off from the UE in 1950, when the UE was expelled from the CIO for alleged Communist domination. Since 1950, the IUE and GE have bargained on a multi-unit basis, despite the presence of separate unit certifications for IUE locals. The pattern was continued in successive 1951, 1952, 1954, and 1955 renewal contracts. In practice, the IUE has dealt with the company through its General Electric Conference Board, composed of delegates elected from IUE locals. Under the Union constitution, the Conference Board may call strikes, make contact proposals, and conclude agreements, regardless of an individual local's consent. GE has dealt with, and recognized the status of, the Conference Board since 1950, although the national agreements frequently provided that some matters, usually minor, would be left to local agreement.

The 1955 Contract, which was to run for five years, contained a provision allowing the Union to reopen in 1958, solely on the issue of employment security. The union did so, but was unable either to gain concessions from the Company, or to elicit enough support for a strike.

### III. THE 1960 NEGOTIATIONS

Under the 1955 Contract, the earliest date that either party could compel the beginning of negotiations was August 16, 1960, 45 days before the end of the contract. Both sides, however, were anxious to take at least some preliminary steps before they were required to.

The IUE set up a loose alliance with several other AFL–CIO unions who bargained with GE, and they jointly polled their members on proposals. Before the actual beginning of formal negotiations, the IUE also began preparing its members through information about some of the possible demands that appeared likely to be presented to GE.

Since the linchpin of the "Boulware approach" was to bring GE's side of the story home to its employees and to the general public, it began in the latter part of 1959 to advise its Employment Relations Managers of the subjects that they should be prepared to discuss with employees. This was effected through various media, including plant publications and personal contact. General arguments in favor of keeping GE competitive through low costs, and the advantage of receiving GE benefits without having to wait for Union officials to approve them, were among the suggestions presented.

Informal meetings were first held in January, 1960, and Union and Company subsequently joined in preparing a body of information. Neither side felt any inclination to complain of want of cooperation at this stage. GE, in fact, took pains to suggest alternate information when the precise form the Union desired was unavailable.

Before another planned informal meeting in June, 1960, GE notified the IUE by letter that as of July it would institute a contributory group accident and life insurance plan for all employees, but if the Union objected, only unrepresented employees would receive the benefits. The Union protested that the Company had to bargain before making such a unilateral change, but GE insisted that the 1955 IUE–GE Pension and Insurance agreement waived all such requirements. The Union still objected, and the program was put into effect only for unrepresented employees.

At the June meeting, the Union stated its proposals, as they then stood. Without much discussion, other than some minor clarifications, Philip D. Moore, GE's Union Relations Service Manager and chief negotiator, called the proposals "astronomical" in cost, "ridiculous," and not designed for early settlement.

Following the presentation of these proposals, the early publicity phase of the Boulware swung into high gear. Employing virtually all media, from television and radio, to newspaper, plant publications and personal contact, the Company urged employees and the public to regard the Union demands as "astronomical" (then and later a favored Company term), and likely to cost many GE employees their jobs through increased foreign competition. GE, on the other hand, announced it would in time make a fair and "firm" offer that would give employees no reason to allow union leadership to impose a strike. The basic theme was that the Company, and not the Union, was the best guardian and protector of the employees' interests.

The IUE also tried its hand at publicity, including an "IUE Caravan" that travelled from city to city, and occasional articles in the International Union's newspaper. In scope and effectiveness, however, they were far outshadowed by the Company's massive campaign.

From July 19 to August 11, the Union presented its specific proposals on employment security, to which the Company replied with general expressions of disapproval, or simply rejected. GE spent the next five meetings delivering prepared presentations on the general causes of economic instability, which the Union branded as a waste of time.

In subsequent meetings, the Company's posture remained unchanged. It would comment generally on some Union demands, and consider them in formulating its offer, but would not commit itself in any way. While it complained that the IUE proposals were excessive, it replied to Union requests for cost estimates with "we talk about the level of benefits," or that the proposals cost "a lot." GE would not indicate the total cost of a settlement it considered reasonable ("we talk level of benefits"); the Union in turn refused to rank its demands by priority, describing them all as "musts." Indeed the entire early period—and the later negotiations as well—were characterized by an air of rancor on both sides, which provided each with welcome opportunities to downgrade the other in communications to Union members.

GE finally revealed its own proposal informally on August 29. While expressing distress at some features of the offer, Union negotiators urged the Company to delay publicizing its "firm, fair" offer, so that its position would not be frozen before the IUE had an opportunity to examine it and offer changes. GE refused, agreeing only to hold up most of the prepared and packaged publicity until after formal presentation of the offer on the next day.

Union officials frequently renewed their requests for cost information during the ensuing month of negotiations. GE consistently refused to estimate the cost of its proposal or of any of its elements, so that the Union might reallocate its demands. When pressed for some of the highly-touted GE cost studies, Moore frequently slipped into the "level of benefits" format, and generally showed no interest in presenting alternate information that was available and would have served the Union's needs.

There were few modifications made in the original GE offer. The Company did propose an extra week's vacation after 25 years in exchange for a smaller wage increase; but Union officials had indicated at the outset that they were uninterested in paring down what they considered an already inadequate wage offer. Despite this, and in the face of the departure by Union officials for their national conference, GE publicized the "new" offer heavily in employee communications.

After declaring late in September that the "whole offer" was "on the table," GE contrary to prior practice, brought its position home by making its three per cent wage increase offer effective for unrepresented employees before the end of the contract or IUE acceptance. Two days later GE also put its pension and insurance proposals into effect, despite IUE President James Carey's complaint that this would "inhibit" any subsequent modifications.

On September 21, Federal Mediation Service officials began to sit in on the negotiations at the request of the Union. Their presence does not appear to have measurably aided the negotiations. The Union, in response to Company complaints that the IUE proposals were too costly, submitted a written request for information on the cost per employee of the GE pension and insurance plans, as well as the number of employees who could be expected to benefit from GE's vacation and income extension proposals. The request was refused in part, and the remainder was not complied with until after the strike, when the information would be of no substantial value to the Union.

Similar difficulties confronted the Union in its efforts to change the effective date of the pension and insurance plans. The Company proposed a January 1 date for the first increase in pension and insurance benefits; the Union in turn suggested that the increase in benefits should coincide with the beginning of the contract. GE shifted its ground back and forth: first it claimed that the earlier date would be too costly; then it said that it was talking "level of benefits" and not cost; then it argued that prior contracts had always provided for pension increases on the first of the year. When this last ground proved to be incorrect, one GE

negotiator promised to "consider" the October date, although he insisted the January date was "appropriate." During that afternoon, however, even this concession was withdrawn, and later explanations included describing January again as "appropriate," and "the time that you make all the resolutions for the New Year."

Union officials complained that "it is just because we request something that you would refuse to give it," and subsequent Company explanations served to support, rather than to undercut, this feeling. On September 28, with three scheduled meetings left before the end of the contract, a Union negotiator, seeking to salvage something of the earlier IUE Supplemental Unemployment Benefits proposal, suggested a local option plan under which some of the funds the Company had allocated to wage increases and its income extension offer could be diverted to supplement unemployment compensation. He was clear that nothing was to be added to the Company's costs. Moore responded, "After all our month of bargaining and after telling the employees before they went to vote that this is it, we would look ridiculous to change it at this late date; and secondly the answer is no." A few moments later Moore reiterated his belief that "we would look ridiculous if we changed it." Hilbert, for GE, later gave three reasons why the Company would not consider the proposal—and two of them were that it would make GE "look foolish in the eyes of employees and others . . ."

GE on September 29 rejected a Union offer to maintain the status quo under the old contract until a new one was signed, specifically refusing the cost-of-living escalator clause, and stating that it would "consider" later Union-related terms such as dues check off. A strike (which took place on October 2, except for the Schenectady Local, which joined October 6) was clearly imminent. Although claiming to be uncertain about truce terms with national IUE negotiators, GE headquarters on September 29 authorized its Schenectady Employee Relations Manager, Stevens, to offer all the pre-existing terms of the contract (except for the cost-of-living term) to the local. Stevens did so in statements to Union members and to the local Business Agent, Jandreau. A similar offer was made to the Pittsfield local, and broadly publicized there.

By October 10, the Company (after the Union had filed an unfair labor practice charge) made the same offer to the Union's national negotiators, for any locals that returned to work. Despite rejection by the Union at the national level, the Company proceeded to deal directly with local officials, and to urge acceptance of the offer. When local officials demurred, as, for example, at Lynn, Massachusetts, publicity was aimed at the employees themselves, critizing the local officials' stand on the "truce." Similar events occurred at Waterford, Louisville, Bridgeville, and Syracuse.

Throughout the course of the strike, GE communications to the employees emphasized the personal character of the Union leaders' conduct, and threatened loss of jobs to plants that returned to work late. Negotiations were held during the strike until October 19, when the Company declared that an impasse had been reached. During that period, GE refused to give the IUE definitive contract language until the Union had chosen which of the options it preferred, and until it gave its unqualified approval of the Company proposal.

On October 21, it became clear that Union capitulation was near. The Company, which had previously refused to delete the retraining provision from its offer, felt free to relax its position, and granted the Union's request to permit a local option on retraining. While refusing a joint strike settlement agreement, which both parties would sign, GE did propose a unilateral "letter of intent," indicating that it was in agreement with most of the Union settlement proposals. On October 22, the Union capitulated completely, signing a short form memorandum agreement (they had not yet seen the complete contract language to which they were agreeing), and the Company alone issued its letter of intent. The strike ended on October 24.

Two matters were left open for settlement: seniority for transferred employees, and dues checkoffs. Neither, when finally settled, represented more than an adjustment to take account of NLRB decisions that rendered the original form of the agreement of dubious legality. Some minor changes also followed, none of any considerable significance.

The only other events of importance occurred at the Augusta, Georgia, plant. On October 5, the plant manager sent a letter to the four employees on strike (at that time the only ones), warning them that their employment would be terminated and replacements hired if they did not return to work. On October 13, however, he sent them telegrams, retracting the earlier letter as to job termination, but indicating the replacements would be hired. More employees (twenty in all) joined the strike after October 5, and on October 24 the Company refused their unconditional offer to return to work. It did, however, give physical examinations to three of the employees, and rehired the two who passed.

IV. THE SPECIFIC UNFAIR LABOR PRACTICES

*A. Unilateral Insurance Proposal*

On June 1, 1960, before the reopening of negotiations, but after GE had agreed to meet with the Union on June 13 to hear its proposals, the Company notified the Union by letter that it would unilaterally institute a personal accident insurance proposal. Under the Company plan, the insurance would go into effect on July 1, would be paid wholly by the employees, and would be in addition to existing insurance coverage provided by GE. If the IUE objected, GE would not offer the insurance to its members; it would, however, make it available to other employees regardless of the stand taken by the IUE.

Prior to the June 13 meeting, GE publicized the new insurance proposal along with the information that enrollment would take place later in the month. At the meeting, the Union objected strenuously to GE's failure to bargain over the insurance, claiming that it was clearly a bargainable issue, which GE had a duty to discuss with Union representatives.

Ordinarily, the matter would be relatively simple; it appears well settled that insurance is a mandatory subject for collective bargaining, and the employer violates section 8(a)(5) of the National Labor Relations Act by refusing to bargain over it. See *NLRB* v. *General Motors Corp.*, 179 F. 2d 221 (2d Cir. 1950); *Inland Steel Co.* v. *NLRB*, 170 F. 2d 247 (7th Cir. 1948), *cert. denied*, 336 U.S. 960 (1949) (dictum). He would, of course, also violate the Act if he unilaterally changed the conditions or terms of employment. See *NLRB* v. *Katz*, 369 U.S. 736 (1962). Here, however, both the policy of section 8(d) of the Act, and the 1955 IUE–GE Pension and Insurance Agreement (which was to remain in force until October 1, 1960) affect the issue, although it is correct that section 8(d) is not by its terms applicable. Section 8(d) provides that during the term of a collective bargaining agreement neither party need: "discuss or agree to any modification of the terms and conditions contained in a contract for a fixed period, if such modification is to become effective before such terms and conditions can be reopened under the provisions of the contract." 29 U.S.C. § 158(d) (1964).

Under the 1955–1960 Pension and Insurance Agreement, each party waived the right to require the other to bargain as to pensions or insurance matters except during the stated renegotiation period—which, barring waiver, was months off.

Read expansively, and without any attention to the purpose of the section, the combination of 8(d) and the Pension Agreement might appear to protect any action that GE might take with respect to insurance during the term of the agreement. In *Equitable Life Insurance Co.*, 133 N.L.R.B. 1675 (1961), however, the Board took the view that 8(d) was designed to protect the status quo; it was to be used as a shield, not as a sword.

To support this view, the Board now urges that the legislative history demonstrates that the primary purpose to be served by the relevant portion of 8(d) was to achieve "peaceful industrial relations" through stable collective bargaining agreements which guard "the right of either party to a contract to hold firm to the terms or conditions of employment specifically provided for in writing." 133 N.L.R.B. at 1689. See II Legislative History, LMRA 1947, at 1625. See also *NLRB* v. *Jacobs Mfg. Co.*, 196 F. 2d 680, 684 (2d Cir. 1952). Indeed, a convincing *reductio ad absurdum* argument can be made that any other reading would construe 8(d) and the contract provision as permitting GE to make any modifications in the insurance terms that it sees fit—for example to increase or decrease its contribution to the existing policy—all without any consultation with or recourse for the Union. Section 8(d), the argument would run, covers "any modification," which would include a decrease in benefits. Such a construction is patently unsupportable; it would simply destroy the stability of the agreement that 8(d) is designed to protect. Moreover, viewing this as a matter of contractual interpretation, it seems highly unlikely that the Union would have ever considered such a clause.

An argument more reasonable superficially is that the Company might add to the agreement through unilateral action, but could not subtract from it. In a sense, of course, the difference is illusory. A collective bargaining agreement is a compromise not only between the parties, but of their past, present, and future goals. An insurance agreement that covers particular risks, in a specified way, impliedly rejects other risks, and other methods. Specifically, a Union may always oppose insurance plans to which its employees contribute, believing that the tax benefits of non-contributory plans to its members—and often to the company—in the long run will outweigh any present gains. Or, it may believe that it is important to keep insurance benefits within narrow bounds, so that at the next negotiating session it will be able to press more vigorously for other benefits. In this sense, then, even "additions" to the insurance agreement subtract from the basic compromise that the agreement represents.

Yet even if we were to ignore this threshold difficulty, there are serious objections to permitting one party to an agreement unilaterally to hold out this type of inducement to the other. It creates divisive tensions within the Union; employees with hazardous occupations will favor the proposal, while those with routine tasks will object. Whichever way the Union moves, it loses ground with some part of its constituency. Union democracy is not furthered by permitting the Company to pick the Union apart piece by piece. The same point may be made where there are both union and non-union employees. If the Union refuses the benefit, then it may appear, at least in the short run, to have disadvantaged its members vis-a-vis non-members. Thus it may be forced to sacrifice long-term goals to avoid short-term dissatisfaction.

In the context of this case, where the Company's tactics seemed so clearly designed to show the employees that the Union could win them nothing more than the Company was prepared to offer, it is even more apparent that a unilateral offer—over which the Union may not bargain—diminishes the rewards and the importance of the bargaining

at the end of the contract period. Thus the Union's ability to function as a bargaining representative is seriously impaired. Indeed, such conduct amounts to a declaration on the part of the Company that not only the Union, but the process of collective bargaining itself may be dispensed with. Cf. *Equitable Life Ins. Co.*, 133 N.L.R.B. 1675, 1693 (1961).

A far more subtle argument on behalf of the Company concentrates on the effect the *Equitable* rule has on non-Union employees. This line of thought suggests that the employer can always grant unilateral benefits to non-Union employees. If he were forbidden to do so whenever some of the employees chose a Union as their bargaining representative, then the Union would in effect have the ability to prevent non-Union employees from making an independent choice on benefits. In fact, the argument goes, he would be denying the unrepresented employees their right to refuse to be represented by the Union, and would thus be committing an unfair labor practice. See § 7, 29 U.S.C. § 157 (1964) ("Employees . . . shall also have the right to refrain from any or all of such activities. . . ."); § 8(a)(1), 29 U.S.C. § 158(a)(1) (19C4) (making violations of § 7 an unfair labor practice).

There are two answers to this argument. Section 8(a)(3), 29 U.S.C. § 158(a)(3) (1964), forbids discrimination in terms of employment that discourage or encourage union membership. Were GE unilaterally to give only non-Union employees a cash bonus, it would be violating the policy of section 8(a)(3), if its aim were to disparage the Union. Under some circumstances, in fact, its subjective state of mind would be wholly irrelevant. See Note, *Labor Law—The Decreasing Importance of Employer Motivation as an Element of Unfair Labor Practice*, 46 North Carolina L. Rev. 975 (1968). Hence it is not by any means clear that an employer may give benefits to non-union employees whenever he wishes; his freedom, and that of the non-union employees, is limited by section 8(a)(3).

Moreover, *Equitable* hardly says that an employer like GE may not offer to increase benefits during the term of the contract; rather, its thrust is that if an employer wishes to do so, he must be prepared to bargain with the union. The Act can hardly be read to require less.

GE attempts to distinguish *Equitable* by urging that only section 8(d) and not a contract provision was at stake in that case, and the employer attempted to capitalize on the dilemma it created for the union. The first ground is unconvincing. GE does not direct us to circumstances indicating a desire by the parties to the collective bargain agreement to do more than invoke the protections of section 8(d). Indeed, the Company described the contract language as "the standard 8(d) clause."

Although the Trial Examiner found that GE did not attempt to capitalize on the IUE's refusal to accept the personal accident insurance proposal, this case is not distinguishable from *Equitable*. The employer's attempt to use the Union's plight to its own advantage was not a determinative factor there. The dilemma created by an employer exists whether he uses it crudely or subtly; it is inherent in a take-it-or-leave-it bargaining approach. True, GE did not capitalize on the Union's refusal; but through its enrollment program late in June, and by the unavoidable controversy that the issue itself raised in Union ranks, the Company was able to profit from the situation without exploiting it outright. The rationale of the Board's *Equitable* rule reaches at least that far. Once it is clear that the party who disrupts the status quo cannot rely on section 8(d) to protect his conduct, then unilateral action over a mandatory matter, joined to a refusal to bargain, represents a straightforward rejection of the collective bargaining principle in fact. See *NLRB* v. *Katz*, 369 U.S. 736, 743 (1962).

Lastly, GE urges that since the *Equitable* decision was not filed until 1961, it should be found blameless, since it did not know that its conduct was proscribed. Of course, it is also true that the conduct, although not yet proscribed, had not been judged proper either, and indeed, Equitable Life Insurance Company itself stands on the same footing with GE in that respect. In any event, parties who make a practice of stretching the statutory fabric to the breaking point should not be surprised when the cloth gives way. Cf. *NLRB* v. *Gissel Packing Co., Inc.*, 395 U.S. 575, 620 (1969) (condemning "brinkmanship").

*B. Refusal to furnish information*

It is conceded that in the prenegotiation period GE was quite cooperative in aiding the Union to secure information. GE submits that it spent over $100,000 in fulfilling Union requests. Indeed, in several instances where the necessary data was too costly to obtain, or was unavailable, GE suggested a substitute, which substantially satisfied the Union's needs without straining the Company's resources.

Once formal negotiations were underway, however, GE's attitude changed markedly. A pattern gradually began to develop in which the Union would propose a particular benefit, Company negotiators would label it as "astronomical," or "costly," and when pressed by the Union for figures to back up their cost criticisms, would respond with "we talk level of benefits, not costs."

There were times when the format changed, but the result remained relatively the same. On occasion, the Company might suggest one set of employment security provisions, which the Union did not like. When the Union indicated that it preferred its proposals to the Company's, the Company responded that the Union alternates were too costly. GE refused to indicate the cost of Union proposals, or how much it was willing to expend, so that the Union might recast its demands. The following exchange is not atypical:

SWIRE (Union): We are asking for an improvement in maternity. We want the Company to pay everything up to $550, then coinsurance after that.

WILLIS (Company): Something like that is out of reach. Maternity is the most expensive item.

SWIRE: What does it cost, Sid?

WILLIS: We talk level of benefits, not costs.

The cases that have dealt with the difficult problem of giving meaning to "bargaining in good faith" are instructive. In *NLRB* v. *Truitt Manufacturing Co.*, 351 U.S. 149 (1956), the company claimed that a wage increase of over 2½ cents per hour would put it out of business, but refused to furnish the Union with any indication of its financial status. The Supreme Court, in finding that the Company had committed an unfair labor practice, commented,

"Good-faith bargaining necessarily requires that claims made by either bargainer should be honest claims. This is true about an asserted inability to pay an increase in wages. If such an argument is important enough to present in the give and take of bargaining, it is important enough to require some sort of proof of its accuracy." 351 U.S. at 152–53. See also *NLRB* v. *George P. Pilling & Son Co.*, 119 F. 2d 32 (3d Cir. 1941); *NLRB* v. *Western Wirebound Box Co.*, 356 F. 2d 88 (9th Cir. 1966).

Moreover, it is not always necessary that the Company put the cost of its proposals in issue, or even refuse Union demands on the ground that they are too costly. In *Sylvania Electric Products, Inc.* v. *NLRB*, 358 F. 2d 591 (1st Cir.), cert. denied, 385 U.S. 852 (1966), the court decided (without raising the issue of cost justifications by the company) that pension and insurance costs (which it labeled "collateral" issues) should be made available to the Union where it wished to weigh the value of such plans against an increase in take-home pay. This is is particularly true, of course, where the Company contributes to the plan, thus in effect substituting it for wages.

The rationale of these opinions seems obvious; if the purpose of collective bargaining is to promote the "rational exchange of facts and arguments" that will measurably increase the chance for amicable agreement, then sham discussions in which unsubstantiated reasons are substituted for genuine arguments should be anathema. See Cox, *The Duty to Bargain in Good Faith*, 71 Harv. L. Rev. 1401 (1958).

The Board and the Trial Examiner relied on two specific instances of refusal to furnish information to substantiate their unfair labor practice charge. The first was an oral request by the Union on August 24 for the number of employees with one year, and with twenty years, of service, so that the Union might determine the cost of its demand for a fourth week of vacation for employees with 20 or more years of service. Carey later pointed out that this request was in response to the Company's labelling the Union's vacation plan as "astronomical." Hilbert, for GE, stated that the Company did not have the information; on August 31 Moore responded that GE was discussing "the level of benefits."

The second refusal to furnish information relied upon occurred in September. When the Union, on September 8, sought to evaluate the number of employees who would have benefited from the Company's Income Extension Aid proposal, had it been in effect for the past two years, Moore responded, "Somewhere between zero and 100 per cent." Later in the month, on September 22, the IUE put this and other requests for information in writing, and submitted them to GE. Like the original August oral request, the cost information the Union wanted was put in issue by the Company's repeated references to cost as a justification for rejecting Union proposals, or as a reason for preferring Company plans. GE also frequently couched its objections to Union demands on the ground of "competition," thereby implying that the cost of the IUE proposals was a material element in its considerations. See *Local 5571, United Steelworkers of America* v. *NLRB*, 401 F. 2d 434 (D.C. Cir 1968); *NLRB* v. *George P. Pilling & Son Co.*, 119 F. 2d 32 (3d Cir. 1941)

The September 22 letter requested basically five categories of information: (A) cost per employee of proposed insurance benefits; (B) cost per employee of proposed pension benefits; (C), (D) number of employees likely to benefit from the Company's income extension aid (IEA) program; (E) number of employees with 20 or 25 years of continuous service The last request, like that made orally on August 24, was designed to test the Company's assertion that an extra week of vacation after 20 years would be too expensive, and that one after twenty-five years would be preferable.

Addressing ourselves first to the oral request of August 24, GE never did reply until it answered the same question, posed under "E," above, after the strike was over. While there is some dispute over whether the Union orally requested the information for the whole Company or for IUE units alone, there is no disagreement that GE had the figures available on a company-wide basis.

Even if we were to assume that the Union had asked for figures for IUE units alone, GE's failure to provide the information is inexcusable. The Trial Examiner appropriately found that GE could readily have obtained the data from local plants, and even had it

been unwilling to do so, it could, at a minimum, have informed the Union that it had the information available on a company-wide basis, which the Union probably would have found just as useful (since GE indicated that it would put the same benefits into effect for all employees, pursuant to its uniformity policy). Thus, under the most favorable interpretation of the facts, GE's offhanded refusal to submit information on an issue which it had itself raised, would amount to an unfair labor practice. This conclusion is fortified by GE's behavior in the prenegotiation meetings, when it demonstrated that it was capable of providing information—indeed even suggesting that it be provided—in a form different from that originally desired. If we were to hold that because the information requested did not conform precisely to the data in the possession of the Company, an employer might refuse to provide any data at all, we would, in our view, be taking a step backwards, towards incorporating all the worst features of the ancient common law pleading system into our present-day labor negotiations. GE seems to suggest that even an insignificant variance between the request and the available information would be a complete bar to the Union—even though it was utterly unaware of the precise form in which the Company kept its records, and the Company refused to enlighten it. In a day when liberal pleadings, liberal discovery, and modern rules of evidence have largely superseded ancient formalism, grafting such a pointless and dysfunctional rule cnto negotiating procedures is clearly out of place.

GE did finally respond to item "E," as well as items "C" and "D" in the September 22 letter, on November 7, after the strike had been settled and the contract agreed upon. All three of the requests required that the Company collect information from its local plant managers; GE, however, waited until October 24 to initiate the collection process. The Company also claims that mass picketing, violence, and problems of shutting down struck plants forced it to delay. But, as the Trial Examiner pointed out, this retrospective explanation fails to explain the initial delay of a week, before the strike began. The Trial Examiner, who had the opportunity to observe and evaluate the testimony, refused to credit this explanation. Finding that his conclusion (adopted by the Board) is supported by substantial evidence (and is not vigorously contested by the Company), we conclude that the Company committed an unfair labor practice by failing to provide the information, highly relevant to the negotiations, within a reasonable time. See *NLRB* v. *Fitzgerald Mills Corp.*, 313 F. 2d 260 (2d Cir.), cert. denied 375 U.S. 834 (1963); *Utica Observer Dispatch, Inc.*, 111 N.L.R.B. 5863, enforced 229 F. 2d 575 (2d Cir. 1956); *Reed & Prince Mfg. Co.*, 96 N.L.R.B. 850, enforced 205 F. 2d 131 (1st Cir.), cert. denied 346 U.S. 887 (1953). See also section 10(e), 29 U.S.C. § 160(e) (1964); *Universal Camera Corp.* v. *NLRB*, 340 U.S. 474 (1951) (Frankfurter, J.).

Items A and B, mentioned in the September 22 letter—the estimated per employee pension and insurance data—were never provided by the Company. It insisted that it was not legally required to disclose the cost of fringe benefits to it, and that in any case the information was so "purely speculative" that compiling it would be both burdensome and valueless. The first contention seems clearly wrong. In order for the Union to assess properly the Company's objections to some of its proposals, and to understand which of GE's objections to cost were soundly based, the IUE had to have the basic data on which to make informed choices.

A union weighing wages against benefits, or one form of benefit against another, should receive answers to its genuine non-burdensome requests for cost information. If the Union were denied such data, it would be unable to bargain intelligently, and arrive at sensible and reasoned decisions, particularly those involving reallocation of benefits within GE's cost framework. Even the first *Sylvania* decision indicated that when the employer (as here) puts cost in issue, or the discussion involves a contributory plan (as here), the Union may be entitled to cost information. See also note 6, *supra*.

The Company further urges that since the Trial Examiner found that some of the information would have been difficult or expensive to obtain in the form requested, it need not have provided it. But GE had most of the information in some form that would have been useful to the Union, and easily could have either presented it in that form, or at least advised the Union that it had other relevant information (like the C, D, and E data) available. The objection is unavailing.

The last major claim is that future pension and insurance costs were "purely speculative" and only "educated guesses." The difficulty with this stand is that it would excuse the Company from furnishing virtually all information of which it was not absolutely certain. In bargaining, as in most other circumstances, it is the use to which the information is put that should determine the degree of accuracy that is required. The root question, as posed in the second *Sylvania* case, is whether the data "would significantly aid in the bargaining process." 358 F. 2d at 592. There can be no question that the information available would have assisted the Union here; GE committed an unfair labor practice in withholding it.

*C. Bargaining directly with locals*

As we have pointed out above, GE and the IUE had a consistent pattern of national negotiations for over ten years before the 1960 strike. There can be little doubt that the Board's finding that GE recognized and dealt with the IUE–GE Conference Board as representative of all IUE locals was both supported by substantial evidence and correct.

Once the strike was imminent, however, GE abandoned this pattern, and dealt separately with several of the IUE locals. On September 29, GE notified the IUE at their bargaining meeting that after October 1, it would consider its contractual obligations at an end; it would continue current wages, benefits, and seniority, but such union-related matters as dues checkoff, grievance time pay and superseniority for union officials, would have to be "considered."

That same day, however, GE headquarters authorized their local Employment Relations Manager, A. C. Stevens, in Schenectady to offer more to the local there than had been offered to the national negotiators, if Schenectady Local 301 stayed at work. Specifically, all the union-related provisions of the old contract—dues checkoff and the like—were to remain in effect, while at the national level, GE had committed itself only to "consider" them. On October 4, Stevens wrote to Leo Jandreau, Local 301's business agent, stating:

"We agree to extend to you protection of the recent contract, including grievance machinery, protection covering working conditions, seniority, prices, wage rates, and any other condition of employment recited in the contract. Current cost-of-living adders will remain in effect. We will continue union representation recognition as presently constituted and all the above will remain in effect so long as we are not on strike."

On the same day, the local Employee Relations Manager at Pittsfield made a similar offer, containing the same truce conditions, which was broadly publicized. The IUE then filed an unfair labor practice charge, based on the offers to the locals. Several days later (about October 10), GE offered the same terms to the national negotiators.

On the day the Company made its Schenectady-Pittsfield terms available to the IUE generally, the Lynn, Massachusetts Employment Relations Manager, Robert Burns, wrote to Lynn Local 201's Business Agent, and proposed: ". . . we meet to work out a memorandum of intent which would reestablish for all employees represented by Local 201 all of the provisions which were in the contract . . . which . . . would go into effect when Local 201 terminates the strike in Lynn while contract negotiations continue."

At Waterford, a similar proposal was made to the local Business Agent, and union members were telephoned by their foremen and urged to convince their local officers to accept the return to work proposal.

At Louisville, Kentucky, the Employee Relations Manager forwarded a copy of the Company's October 10 proposal along with a noncommittal letter to the Local Business "helpful" in removing the "confusion" over Agent indicating that the copy might be how employees might return to work. The Bridgeville, Pennsylvania Employee Relations Manager also forwarded a copy of the proposal, but he in addition added that he was ". . . suggesting it to you and other Local 640 officials as a means of permitting local members to return to their jobs and to continue to earn their wages, until a settlement agreement is reached."

At Syracuse, in a phone conversation between the Local President and the Union Relations Manager, the Manager not only suggested accepting the terms now offered to the IUE nationally, but indicated that the President and several other Syracuse employees could have their alleged strike misconduct suspensions lifted if they returned to work.

The Trial Examiner and the Board agreed that in each instance GE committed an unfair labor practice when it went behind the backs of the national negotiators and offered separate peace settlements to locals. *Medo Photo Supply Corp.* v. *NLRB*, 321 U.S. 678 (1944) sustains this conclusion. In *Medo*, several employees who appeared to represent a majority met with their employer to express their dissatisfaction with the union representing them. They offered to abandon it if their wages were increased. When the Employer treated with the dissenting employees, the Court held, he violated section 9(a) of the Act, 29 U.S.C. § 159(a) (bargaining representatives of the union are "exclusive"). Therefore, he committed unfair labor practices under sections 8(a)(1) and 8(a)(5), 29 U.S.C. §§ 158(a)(1), 158(a)(5) (1964). *Medo* instructs that it does not matter who initiates the by-passing of the bargaining representatives 321 U.S. at 683. Subsequent cases appear to have applied the doctrine even where the offer to the local or to the employees was no better than that made to the bargaining representative. See, e.g., *Independent Stave Co.* v. *NLRB*, 352 F. 2d 553 (8th Cir. 1965), cert. denied, 384 U.S. 962 (1966) (by implication). We have, under similar circumstances, condemned efforts by an employer to take a matter up with his employees, where their bargaining representative had already taken a stand on the matter. *Utica Observer-Dispatch* v. *NLRB*, 229 F. 2d 575 (1956). But cf. *NLRB* v. *Penokee Veneer Co.*, 168 F. 2d 868 (7th Cir. 1948).

The terms offered at Schenectady and Pittsfield were in fact better than those made available to the national negotiators. There can be no question but that such offers clash with the *Medo* rationale, for they cut deeply into the Act's command that bargaining representatives be "exclusive." See § 9(a), 29 U.S.C. § 159(a) (1964). The Company's claim that it had to "clarify" its position to the Schenectady management so that they would know what terms to effectuate if the local there came to work ignores the fact that the Company's vagueness on return to work provisions that caused the need for clarification. In any case, the additional union-related terms should have been offered to

the national negotiators for their consideration before—or at least at the same time that—they were given to the locals; yet GE waited until the Union had filed an unfair labor practice charge to do so. We agree with the Board that GE committed an unfair labor practice by failing to respect the IUE–GE Conference Board's status as exclusive bargaining representative.

The other proposals complained of occurred after October 10, and so there is no question (with the possible exception of Syracuse) of offering more to the local than to the national negotiators. Yet, as we have suggested, this factor cannot be dispositive. The vice that *Medo* sought to avoid was the practice of undermining the authority of the union's bargaining representatives through direct dealings with the locals or employees they represented. Such tactics are inherently divisive; they make negotiations difficult and uncertain; they subvert the cooperation necessary to sustain a responsible and meaningful union leadership. The evil, then, is not in offering more. It is in the offer itself.

At Lynn and Waterford it is clear that the employment managers were proposing that they and the local make a separate settlement. At Lynn, GE even offered a separate "letter of intent." Bridgeville is similar, and though the evidence is not so strong, the Board might reasonably have found that the manager there was suggesting an independent settlement. The offers of reinstatement at Syracuse place that proposal as well in the forbidden category, for they indicate that an individual settlement was being held out to the local.

At Louisville, however, the only indicia the Board relies on pointing to a separate agreement, or to treating separately with the local, is the fact that the letter was addressed to the local's president. A fair reading of the brief missive, however, fails to disclose that it had anything more than an informational purpose, giving the content of the proposal made at the national level previously. The basic distinction is between attempting to reach a separate settlement with the local—as at Schenectady—and keeping the local informed of Company positions. In circumstances such as these, the interest in free speech and informed choice must prevail over the slight possibility that the representatives' positions might be undermined, and thus we believe the Board's finding is unsupported by substantial evidence. See *NLRB* v. *Penokee Veneer Co.*, 168 F. 2d 868 (7th Cir. 1948). Cf. *Linn* v. *United Plant Guard Workers of America*, 383 U.S. 53, 62 (1966) (favoring "uninhibited, robust" debate).

### V. OVERALL FAILURE TO BARGAIN IN GOOD FAITH

We now approach the most troublesome and most vigorously contested of the charges. In addition to the three specific unfair labor practices, GE is also charged with an overall failure to bargain in good faith, compounded like a mosaic of many pieces, but depending not on any one alone. They are together to be understood to comprise the "totality of the circumstances." Despite my brother Friendly's distaste for the term, past decisions have indeed emphasized that good faith—or lack of it—must in the absence of a per se violation depend upon a factual determination based on the overall conduct of the party charged. See *NLRB* v. *Insurance Agents' Union*, 361 U.S. 477, 498 (1960); *NLRB* v. *Truitt Mfg. Co.*, 351 U.S. 149 (1956). The Board can hardly be faulted for resting its finding on a ground that the Supreme Court has mandated. Certain specific practices, such as making unilateral changes in working conditions during bargaining, can be found to constitute per se violations of the duty to bargain, since they constitute a "refusal to negotiate in fact." See *NLRB* v. *Katz*, 369 U.S. 736, 743 (1962). When such conduct is present, the Board need make no finding that the totality of the party's conduct manifests bad faith; the practice itself is conclusive on that issue.

The Board, however, chose to find an overall failure of good faith bargaining in GE's conduct. Specifically, the Board found that GE's bargaining stance and conduct, considered as a whole, were designed to derogate the Union in the eyes of its members and the public at large. This plan had two major facets: first, a take-it-or-leave-it approach ("firm, fair offer") to negotiations in general which emphasized both the powerlessness and uselessness of the Union to its members, and second, a communications program that pictured the Company as the true defender of the employees' interests, further denigrating the Union, and sharply curbing the Company's ability to change its own position.

The Board relies both on the unfair labor practices already discussed and on several other specific instances to show that GE had develped a pattern of conduct inconsistent with good faith bargaining It points to GE's proposed personal accident insurance proposal on a take-it-or-leave-it basis as an example of an attempt to disparage its importance and usefulness in the eyes of its members. GE's response to this is that the *Equitable* case had not been decided in 1960. Therefore, it argues, its actions were based on a "justifiable belief" in the state of the law at that time and cannot support the view that the Company was motivated by bad faith.

This reasoning overlooks the principle that acts not in themselves unfair labor practices may support an inference that a party is acting in bad faith. See *NLRB* v. *Insurance Agents' Union*, 361 U.S. 477, 506 (1960) (Frankfurter, *J*, concurring). While GE may have believed that it was acting within its "rights" in offering a take-it-or-leave-it proposal, doing so may still be some evidence of lack of good faith. Here there was no substantial justification offered for refusing to discuss the matter, other than a niggling—and incorrect—view of the contract and the statute. Cf. *NLRB* v. *Reed & Prince Mfg. Co.*, 205 F 2d 131 (1st Cir.) (Magruder, *J.*) ("must make *some* reasonable effort in *some* direction"), cert. denied 346 U.S. 887 (1953). Given the effects of take-it-or-leave-it proposals on the Union, already set forth in our review of the specific unfair labor practice charges, the Board could appropriately infer the presence of anti-Union animus, and in conjunction with other similar conduct could reasonably discern a pattern of illegal activity designed primarily to subvert the Union.

We have already discussed at length the Company's failure to furnish information. As in the instance of the personal accident insurance proposal, GE's attitude on information was characterized by a pettifogging insistence on doing not one whit more than the law absolutely required, an insistence that eventually strayed over into doing considerably less. GE's conduct, as the Board's opinion points out, was all of a piece. It negotiated, to the greatest possible extent, by ignoring the legitimacy and relevance of the Union's position as statutory representative of its members. Thus it is hardly surprising that IUE requests for information were met (at least once negotiations had begun) with less than enthusiasm, for they reflected the Union's contrary belief that it had to know the worth of the Company proposals in order to valuate them for its members.

GE's reluctance to part with information was not limited to the specific instances complained of as an unfair labor practice. The record discloses that even before the general reopening of negotiations, GE displayed a patronizing attitude towards Union negotiators inconsistent with a genuine desire to reach a mutually satisfactory accord. During the early meetings devoted to employment security, GE's responses to the Union's detailed proposals were vague and informative, hardly calculated to apprise the IUE of GE's stand on any of the matters about which it wanted to negotiate. When the Union finished presenting its plan, GE, instead of offering counter-proposals, or commenting specifically on the IUE's suggestions, offered a prepared lecture series on the general causes of economic instability, a response not at all designed to enlighten the Union on specific bargainable matters. This impression is reinforced by Moore's consistent refusal to permit the lecturing Employee Relations Managers to answer specific Union inquiries.

More crucial, perhaps, was the Company's persistent refusal, after publicizing its proposal, to estimate not only the cost of components of its offer, but the total size of the wage-benefit package it would consider reasonable. Responses such as "it hasn't occurred yet" were interposed when IUE negotiators asked for estimates of the GE offer; yet the trial examiner found (as GE's bargaining philosophy required) that considerable cost studies had in fact been made, which would have been of substantial assistance to the Union. Without an estimate of the overall size of GE's offer, the Union was hamstrung in its efforts to decide which substitutions were reasonable, whether to press for more total benefits, or how much redistribution could be accomplished within GE's cost framework.

In addition to its reluctance to make meaningful cost disclosures, GE occasionally took untenable and unreasonable positions and then defended them, with no apparent purpose other than to avoid yielding to the Union. The most flagrant example occurred in setting the date for the beginning of pension and insurance benefits. As indicated in our opening discussion of the negotiating background, GE vacillated back and forth, chose inconsistent and confusing explanations at random, interposed some inconsequential attempts to pass the problem off with banter, and finally settled by characterizing the date it had chosen as "appropirate." See note 2 *supra*, and accompanying text. Certainly, GE could insist on any dates that it desired—but its manner of responding to Union inquiries reflected its philosophy of "bargaining."

When the last act was virtually played out and it had become apparent that the Union would have to end its abortive strike and concede to GE's terms, the Company continued to display a stiff and unbending patriarchal posture hardly consistent with "common willingness among the parties to discuss freely and fully their respective claims and demands and, when these are opposed, to justify them on reason." *NLRB* v. *George P. Pilling & Son Co.*, 119 F. 2d 32, 37 (3d Cir. 1941). With the Union, as it were, "on the ropes," the Company insisted that IUE choose the options that it preferred, and assent to the contract unconditionally, without ever seeing the final contract language. When the Union protested that the memorandum proposed for its signature was too vague, the Company refused to submit more definite language. Four days later, the Union capitulated completely and signed the short form memorandum, still without having seen the final contract to which it was agreeing.

In a similar vein the Company rejected the notion of a bilateral strike settlement agreement. Instead, it proffered a unilateral "letter of intent." While again, it is true GE did not have to sign a joint settlement agreement it gave no reason for refusing to do so (other than that this had been its past practice). The Board might reasonably infer that its prime purpose was to avoid recognizing the Union's status as bargaining representative of the striking employees, and not to further any legitimate business aim.

GE argues forcefully that it made so many

concessions in the course of negotiations—concessions which, under section 8(d), it was not obliged to make—that its good faith and the absence of a take-it-or-leave-it attitude were conclusively proven, despite any contrary indicia on which the Trial Examiner and the Board rely. The dissent proceeds under the misapprehension that we consider lack of major concessions as evidence of bad faith. Rather, we discuss them only because while the absence of concessions would not prove bad faith, their presence would, as GE claims, raise a strong inference of good faith. On close examination, however, few of the alleged concessions turn out to have a great deal of substance. Its offer of a wage reopener accompanied its original proposal; the option to choose a vacation instead of a wage increase was included over the Union's objections (at least during the negotiating meetings), and changes in the Pension Plan were more in the nature of clarifications than actual shifts in position, or in any case involved issues of quite minor significance.

The Company's stand, however, would be utterly inexplicable without the background of its publicity program. Only when viewed in that context does it become meaningful. We have already indicated that one of the central tenets of "the Boulware approach" is that the "product" or "firm, fair offer" must be marketed vigorously to the "consumers" or employees, to convince them that the Company, and not the Union, is their true representative. GE, the Trial Examiner found, chose to rely "entirely" on its communications program to the virtual exclusion of genuine negotiations, which it sought to evade by any means possible. Bypassing the national negotiators in favor of direct settlement dealings with employees and local officials forms another consistent thread in this pattern. The aim, in a word, was to deal with the Union through the employees, rather than with the employees through the Union.

The Company's refusal to withhold publicizing its offer until the Union had had an opportunity to propose suggested modifications is indicative of this attitude. Here two interests diverged. The command of the Boulware approach was clear: employees and the general public must be barraged with communications that emphasized the generosity of the offer, and restated the firmness of GE's position. A genuine desire to reach a mutual accommodation might, on the other hand, have called for GE to await Union comments before taking a stand from which it would be difficult to retreat. GE hardly hesitated. It released the offer the next day, without waiting for Union comments on specific portions.

The most telling effect of GE's marketing campaign was not on the Union, but on GE itself. Having told its employees that it had made a "firm, fair offer," that there was "nothing more to come," and that it would not change its position in the face of "threats" or a strike, GE had in effect rested all on the expectation that it could institute its offer without significant modification. Properly viewed, then, its communications approach determined its take-it-or-leave-it bargaining strategy. Each was the natural complement of the other; if either were substantially changed, the other would in all probability have to be modified as well. It is only in this context that GE's incomprehensible insistence on a January 1 starting date for the pension benefits, and the "explanations" that followed it, can be understood.

All this was brought into the open during the September 28 meeting. Virtually on the eve of the strike, Union negotiators were searching for a way to save face by reconstituting their SUB proposal within the outlines of the Company's costs. Far from being frivolous as the dissent seems to suggest, such last minute attempts at compromise are the stuff of which lasting accommodations and productive labor-management relations are made. The substance of the Company's response to this effort was well put by their chief negotiator, Philip Moore:

"After all our month of bargaining and after telling the employees before they went to vote that this is it, we would look ridiculous to change it at this late date; and secondly the answer is no."

The Company, having created a view of the bargaining process that admitted of no compromise, was trapped by its own creation. It could no longer seek peace without total victory, for it had by its own words and actions branded any compromise a defeat.

GE urges that section 8(c), 29 U.S.C. § 158(c) (1964), prohibits the Board from considering its publicity efforts in passing on the legality of its bargaining conduct. The section reads:

"(c) The expressing of any views, argument, or opinion, or the dissemination thereof, whether in written, printed, graphic, or visual form, shall not constitute or be evidence of an unfair labor practice under any of the provisions of this subchapter, if such expression contains no threat of reprisal or force or promise of benefit."

GE would have us read that section as a bar to the Board's use of any communications, in any manner, unless the communication itself contained a threat or a promise of benefit. The legislative history, past decisions, and the logic of the statutory framework, however, indicate a contrary conclusion.

The bald prohibition of section 8(c) invited comment when it was enacted, as well as later. Senator Taft replied to some of the criticism of the bill that bears his name:

"It should be noted that this subsection is limited to 'views, arguments, or opinions' and does not cover instructions, directions, or other statements that would ordinarily be deemed relevant and admissable in courts of law." I Legislative History of the LMRA 1947, at 1541.

The key word is "relevant." The evil at which the section was aimed was the alleged practice of the Board in inferring the existence of an unfair labor practice from a totally unrelated speech or opinion delivered by an employer. Senator Taft later indicated, for example, in the context of a section 8(a)(3) discriminatory firing, that prior statements of the employer would have to be shown to "tie in" with the specific unfair labor practice. I Legislative History of the LMRA 1947, at 1545. Later references to the section described the barred statements as those which were "severable or unrelated," and "irrelevant or immaterial." II Legislative History of the LMRA 1947, at 429 (Senate Report), 549 (House Conference Report). The objective of 8(c) then, was to impose a rule of relevancy on the Board in evaluating the legality of statements by parties to a labor dispute. Its purpose was hardly to eliminate all communications from the Board's purview, for to do so would be to emasculate a statute whose structure depends heavily on evaluation of motive and intent. See e.g., §§ 8(a)(1), 8(a)(3), 8(a)(5).

The cases have largely supported this view. The Board may rely on communications to establish discriminatory treatment in violation of section 8(a)(3) and 8(a)(1). See *NLRB* v. *Lipman Bros., Inc.*, 355 F. 2d 15 (1st Cir. 1966); *Hendrix Mfg. Co.* v. *NLRB*, 321 F. 2d 100 (5th Cir. 1963). Employer communications were used to evaluate the presence of a state of mind inconsistent with the obligation to bargain in good faith in *NLRB* v. *Fitzgerald Mills Corp.*, 313 F. 2d 260, 268 (2d Cir.), *cert. denied*, 375 U.S. 834 (1963); and *NLRB* v. *Herman Sausage Co.*, 275 F. 2d 229 (5th Cir. 1960).

While it is clear that the Board is not to control the substantive terms of a collective bargaining contract, nonetheless the parties must do more than meet. Our brother Friendly makes much of the point that General Electric did bargain and reach an "agreement" with the Union. He says that prior 8(a)(5) cases demanded nothing less than a showing of no such desire to reach an agreement, and opines that without such a "definite standard" an 8(a)(5) violation may not be made out. Some cases have indeed spoken of the evil of a "desire not to reach an agreement with the Union" as crucial.

While the dissenting opinion cites *NLRB* v. *Reed & Prince Mfg. Co.*, 205 F. 2d 131, 134 (1st Cir.), cert. denied, 346 U.S. 887 (1953), for that authority, we hasten to note that Judge Magruder was careful in his opinion not to be misled, as our dissenting brother appears to be, by words that seem on the surface quite simple but in practice require a highly pragmatic and individualized interpretation. Judge Magruder did not suggest that "desire not to reach an agreement" could be found, as the dissent suggests, by a clearly delineated series of steps, $X_1$, $X_2$, $X_3$, taken to "point Y, plus a number of additional items, $Z_1$, $Z_2$, $Z_3$."

Far from being a devotee of the new math, he would have agreed with Learned Hand that numbers, even more than words, "are utterly inadequate to deal with the fantastically multiform occasions which come up in human life." In the case before Judge Magruder, Reed & Prince submitted a woefully inadequate and demeaning "offer" of a contract. Presumably, the Union could have seen no alternative but to accept it, and had it done so, our brother Friendly would have held that the Company bargained with a "desire to reach an agreement," and thus had not violated the proscriptions of § 8(a)(5). Judge Magruder, on the other hand, said that the "employer is obliged to make *some* reasonable effort in *some* direction to compose his differences with the union, if § 8(a)(5) is to be read as imposing any substantial obligation at all." 205 F. 2d at 135. His point, of course, was that "desire to reach agreement" may mean different things to different people, but in the context of a meaningful and purposeful reading of section 8(a)(5) it must mean more than a willingness to sign a piece of paper.

The statute does not say that any "agreement" reached will validate whatever tactics have been employed to exact it. To imply such a Congressional purpose would be to encourage parties to make their violation so blatant that it would be impossible for the other side to continue to exist without signing. Instead the statute clearly contemplates that to the end of encouraging productive bargaining, the parties must make "a serious effort to resolve differences and reach a common ground," *NLRB* v. *Insurance Agents' Int'l Union*, 361 U.S. 477, 486, 487, 488 (1960), an effort inconsistent with a "predetermined resolve not to budge from an initial position." *NLRB* v. *Truitt Mfg. Co.*, 351 U.S. 149, 154–55 (1956) (Frankfurter, J., concurring). These are not simple tests; they will not be resolved by formular incantations. Sadly, neither will they be so precise that one will always know the exact limits of what is allowed, and what forbidden—but this is a problem hardly unknown in the law or to judges. The difficulty here, however, arises out of the herculean task of legislating a state of mind. Congress has ordered the Board—and this court—to effectuate its policy of encouraging good faith bargaining, and not to avoid it because the mandate is difficult to apply. The Board has done just that. And, on the basis of substantial evidence we agree. A pattern of conduct by which one party makes it virtually impossible for him to respond to the other—knowing that he is doing so deliberately—should be condemned by the same rationale that prohibits "going through the motions" with a "predetermined resolve not to budge from an initial position." See *NLRB* v. *Truitt Mfg. Co.*, *supra* (concurring opinion).

The employer who leaves for a long vacation, giving his negotiator instructions not to budge is no different from the employer who remains on the scene and commands the same behavior daily. Cf. Cox, *The Duty*

*to Bargain in Good Faith*, 71 Harv. L. Rev. 1401, 1418 & n. 61 (1958). We are assumed to intend the natural and probable consequences of our acts.

The Company and the dissenting opinion seem to take the novel position that the holding in *Insurance Agents'*—that the Board might not forbid a partial strike during bargaining—ousts the Board's control over bargaining tactics. But in *NLRB* v. *Katz*, 369 U.S. 736 (1962), the Court held that at least one tactic—instituting unilateral changes during bargaining—was forbidden, for it put a bargainable topic outside the reach of the bargaining process. GE has done no less; it has, if anything, done more. By its communications and bargaining strategy it in effect painted itself into a corner on *all* bargainable matters.

In order to avoid any misunderstanding of our holding, some additional discussion is in order. We do not today hold that an employer may not communicate with his employees during negotiations. Nor are we deciding that the "best offer first" bargaining technique is forbidden. Moreover, we do not require an employer to engage in "auction bargaining," or, as the dissent seems to suggest, compel him to make concessions, "minor" or otherwise. See p. 44, *supra*.

Our dissenting brothers' peroration conjures up the dark spectre that we have taken a "portentous step" which " 'contains seeds of danger for unions' " as well as employers. This picturesque characterization is unfortunate for it is a scare-phrase which tends to distract from the facts in this case. It paints over with a broad stroke the care we have taken to spell out the bounds of our opinion. We hold that an employer may not so combine "take-it-or-leave-it" bargaining methods with a widely publicized stance of unbending firmness that he is himself unable to alter a position once taken. It is this specific conduct that GE must avoid in order to comply with the Board's order, and not a carbon copy of every underlying event relied upon by the Board to support its findings. Such conduct, we find, constitutes a refusal to bargain "in fact." *NLRB* v. *Katz*, 369 U.S. 736, 743 (1962). It also constitutes, as the facts of this action demonstrate, an absence of subjective good faith, for it implies that the Company can deliberately bargain and communicate as though the Union did not exist, in clear derogation of the Union's status as exclusive representative of its members under section 9(a). See *NLRB* v. *Herman Sausage Co.*, 275 F. 2d 229, 234 (5th Cir. 1960).

We have considered the Company's other arguments, including those in favor of disqualifying Board Member Fanning, and against reinstating the replaced workers, but we find them unavailing. The petition for review is denied, and the petition for enforcement of the Board's order is granted.

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## DISCRIMINATION AGAINST IMMIGRATION FROM IRELAND AND OTHER COUNTRIES

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

Mr. BURTON of California. Mr. Speaker, earlier today, our colleague, the gentleman from Ohio (Mr. FEIGHAN) conducted a very useful hearing of his important Subcommittee on Immigration.

This hearing involved testimony in support of legislation introduced by the gentleman from New York, Congressman RYAN, and others. I am pleased to have been associated with Congressman RYAN since the beginning of our fight to eliminate the current discriminatory operation of the immigration law with respect to immigration from Ireland, England, Germany, and other northern European countries.

The unintended—though undeniable—effect of the Immigration Act of 1965 has been to seriously and unfairly reduce the real opportunity for immigration from Ireland, and from some other countries as well.

There was a particularly eloquent and moving statement presented by Mr. John P. Collins, of New York—which I hope all of my colleagues will read with care.

The time is long overdue to correct the injustice in our immigration law—this statement cogently underscores the urgency of the problem:

STATEMENT BY JOHN P. COLLINS, NATIONAL CHAIRMAN OF THE AMERICAN IRISH NATIONAL IMMIGRATION COMMITTEE

Mr. Chairman, Distinguished Members of the Congress, one year ago we appeared before this Committee to offer testimony on Irish experience under the 1965 U.S. Immigration and Nationality Act. If we were to briefly sum up what that experience has been, we would have to say it has been a tale of shock and sadness.

On October 3, 1965, the new U.S. Immigration and Nationality Act was signed into law by the President of the United States. It was signed in New York Harbor on Liberty Island beneath the Statue of Liberty. The Emma Lazarus inscription on the base of the statue reads partially—

"Give us your tired, your poor, your huddled masses yearning to breathe free. . . ."

This inscription seems very odd indeed today, when we realize that for the first time in U.S. history, the doors of this nation have been effectively shut to the Irish. This is sad indeed when we contemplate all that Ireland has contributed to our nation in the arts, sciences, religion, government, business, labor and sports.

In a little known speech delivered by George Washington's adopted son, Custis, at the city hall, Washington, D.C., on June 20 1826, he declared: "When our friendless standard was first unfurled for resistance, who were the strangers that first mustered round its staff, and and when it reeled in the fight, who more bravely sustained it than Erin's generous sons? . . . I cap the climax of their worth, when I say, Washington loved them, for they were the companions of his toils, his glories, in the deliverance of his country."

The part the Irish played in the American Revolution was told in the Irish House of Commons on April 2, 1784, by Luke Gardner, when he said: "America was lost to England by Irish emigrants."

The major part of George Washington's army was composed of Irish, and the Irish language was as commonly spoken in the American ranks as English. It was their valor that determined the conquest.

Well might Lord Mountjoy have declared in the British Parliament: "You have lost America by the Irish." We all know of the magnificent work done on sea by Commodore John Barry, Father of the American Navy. That brilliant Irishman, Richard Montgomery, was the first American General to fall.

Matthew Thornton, James Smith, and George Taylor—all Irish born—signed the Declaration of Independence and five other signers were of Irish blood, namely Edward Rutledge, Thomas Lynch, Thomas McKean, George Reed and Charles Carroll of Carrollton.

Andrew Jackson, "Old Hickory," the first American President who rose from the rank and file was the son of an Irish exile. Another typical Irishman, "equally great in peace and war," was General James Shields. He was the hero of two wars—the Mexican War and the Civil War—a Judge of the Illinois Supreme Court, a Governor of Oregon and Senator from three States. The terrible famine in Ireland in 1846–47 sent hosts of Irishmen to this country, and it is not too much to say that had they not come our Union would have been rent in twain by the Civil War. They and their sons fought heroically to save the Union in the thickest of the wilderness, at the bloody battle of Gettysburg, on the crimsoned field of Chancellorsville and elsewhere. Who can tell the services to America of Sheridan, O'Brien, Meagher, Corcoran, Mulligan, Ford, Meade, Coppinger, and Trilley.

In the battle of Antietam the bloodiest one battle of the Civil War, the Sixty-ninth Regiment, New York Volunteers, Meagher's Irish Brigade lost in killed and wounded 61.8 per cent. For more than two hundred years the Irish have been among the pathfinders and builders of the American Nation.

If the handiwork of the Irish were painted green, the average American city would be splashed in all sides with emerald hues. Yet there are few who are aware of this. A New Yorker for example, may rise in the morning, bathe in water that comes from Croton Dam, built by James Coleman, then take the subway, built by John B. McDonald, pass the College of the City of New York, built by Thomas Dwyer and then Cable to Alaska over a line laid by David Lynch.

It is safe to say that all that the Irish have done for America has never been fully told. As Americans of Irish blood, we are proud of our ancestors and proud too that it was through their efforts that this country became the most prosperous country in the world, but despite these facts we now find that the restrictive new immigration law has drastically reduced the issuance of immigration visas to Irishmen. I ask the committee as a newspaper in New York recently asked, "Are their deeds forgotten?"

Certainly the 1965 U.S. Immigration and Nationality Act in its effect on Ireland does not demonstrate the thanks of a grateful nation. In its effect the present 1965 U.S. Immigration Law is neither fair nor just to Ireland but is beggarly and miserly.

IS THERE A PROBLEM?

We were told in 1966, that no problem existed. Then in 1967, we were told by the Labor Department, that the problem laid with the Congress and by the Congress that it laid with the Labor Department. Finally, the State Department admitted that there was a problem and so informed the Congress. The Congress replied that it would solve itself within the three year adjustment period. Of course Ireland did not adjust. Now we are told by some, wait another year—Ireland will adjust and by others that there is no problem at all. Well we've come the full circle, haven't we. We reply that Ireland will not adjust because it cannot adjust under the terms of a law which prevents adjustment. One year ago we made the projection before this very committee that less than 500 Irish would receive preference and non-preference visas in Dublin during fiscal year 1969. We were not very far from wrong, 538 received such visas.

ONE YEAR LATER

Before 1965, 5,000 to 7,000 Irish came here each year. In fiscal year 1969, under the new law only 1,407 Irish entered the U.S. As best we could, we explained the problem to you last year and our testimony is a matter of record. We come here today at your invitation not only to affirm what we have already said but also to offer the firm hand of cooperation.

We now know that the Irish immigration situation is far from better one year later. And I can assure you that if these invitations to testify continue to be on a yearly basis, no year will come when the Irish immigration

situation will be solved if no legislation is forthcomng.

THE PROBLEM OF DISCRIMINATION

No one can deny that many nationalities were the victims of discrimination as a result of past U.S. Immigration policy. We know that many nationalities had no quotas or small quotas which were consistently oversubscribed while Ireland had a large quota which for the most part went unused. However, neither Ireland nor the American Irish asked for the quota.

The law was changed in 1965 to provide equality for all. On its face the law does this and I'm sure we all remember those famous State Department statistics of 1965 which assured you that the law would be fair to Ireland in allowing in over 5,000 persons to enter each year. But we also know now that the law, however, well intentioned it was, is far from fair in its effect on Ireland and some other nations.

THE REASONS

The new immigration law eliminated the national origins quotas, promoted the reuniting of families and protected American labor with a few strokes of the pen. Each of these aims is good and is worthy of our support.

Ireland, England and Germany enjoyed a privileged position in U.S. immigration prior to 1965 partially because of the number of immigrants contributed by them in earlier years. Now all nations will have to compete equally for U.S. immigration numbers. This is good, except that the terms for competition are fairer to some nations than they are to others.

It is now evident that when the new law was drafted, there was a failure to anticipate the effect that the new law would have on the formerly so called "privileged countries" and in particular Ireland. Overlooked was the sociological pattern of immigration in these countries and the history of the country's immigration.

THE FAMILY PREFERENCES

The new law provides for a system of preferences based on family relationship and skills. These are of little help to Ireland, while they are of much help, particularly the family relationship preferences to other nations.

Ireland's immigrants to the U.S. have traditionally been of the non-preference unskilled variety. Had the present law been in effect some years ago, many of the members of the Congress would not be present in the U.S. today. Analyzing Irish families, one finds that a few brothers and sisters from the family emigrate while others remain at home. The mother and father remain at home. The Irish emigrant is generally young, unmarried and hence brings no spouse or children. It is the rare case in recent times when a whole Irish family emigrates to the U.S. Thus Ireland's sociological pattern of immigration does not permit it to compete equally with some other nationalities for family preferences.

THE PROFESSIONAL PREFERENCES

In fiscal year 1969 under the new law only 122 Irishmen qualified for a visa preference as a professional or a needed skilled worker. This is in part due to training and to economy of the country. In this area Ireland is the hardest hit of the three formerly "privileged countries".

Thus these two preferences, the third and the sixth, are of little help to Ireland. Of course, it may well be better that professionals and skilled workers remain at home in Ireland as in any technologically developing nation.

SECTION 212(a) (14)

The majority of Ireland's contribution of immigrants has always been in the unskilled labor area and will continue to be. They came here to better their lives economically and in turn hopefully they bettered the nation. We know that they contributed heavily to the independence and security of this nation down to this very day in Vietnam.

Until December 1965, the Irish unskilled immigrant had little trouble in entering the U.S. He or she could enter unless the Secretary of Labor said no. Now under the revised Section 212(a) (14) the immigrant can't enter unless the Secretary of Labor says yes. American Irish long active in labor unions as well as all Americans are desirous of protecting American labor and want to see no American worker put out of a job as the result of any immigrant coming into the U.S. But is Section 212(a) (14) necessary in its present form and is it accomplishing its intended purpose? We think not.

Immigrants add but a tiny fraction to the total U.S. labor force, so our government officials tell us. In fiscal year 1968, 58,954 of the total U.S. immigrants were of the non-preference variety. This is certainly a small number considering that close on 34,400 American born workers enter the labor force every four days. At the same time up to 153,000 immigrants in the preference categories can come into the U.S. each year and are free of any labor restrictions. They can take any job they want and put any American worker out of a job. The law seems overconcerned with the small remainder. This small remainder must comply with Section 212(a) (14). New seed immigration is being eliminated and the U.S. will be the loser.

SCHEDULES A, B, AND C

The jobs that the Irish traditionally took when they came here are on Schedule B, the prohibited entry list. One can seriously question whether there is an actual nationwide oversupply of workers of all jobs listed on Schedule B. One can also question the method and procedure by which such jobs come to be listed on this schedule. Certainly supply and demand for jobs may vary from locality to locality and from time to time. It can now be clearly demonstrated that the jobs listed on Schedules A and C are not by any means the sole ones for which there is a demand for workers.

THE DEFINITE JOB OFFER REQUIREMENT

The obvious truth is that employers do not want to hire workers sight unseen. Our country was built with new seed immigration—individuals who had no close relatives here but who were willing to come here and work hard for a better life. If an applicant desires to come here and work in a job category which has no oversupply of workers, then he should not be required to do the impossible to find an employer who will hire him sight unseen.

Three out of the five reasons given by the U.S. Embassy, Dublin for the decline in immigrant visas issued, dealt with the definite job offer requirement, labor schedules and labor certification. ". . . there is no doubt that Section 212(a) (14) of the Act has caused a decrease in Irish immigration to the United States. As many Irish visa applicants are unskilled or semi-skilled workers, they are unable to qualify under Section 212(a) (14) as amended."

Over two years ago we demonstrated to the staff of this Subcommittee and to the various government agencies that the bulk of prospective Irish immigrants were of the non-preference variety and would always be so. We were told at the time that the reason for this was that under the quota system the Irish never had need to use the preferences but that that would all change in due time. Mr. Chairman, in fiscal year 1968 out of 3,561 Irish visas issued 2,730 were still of the non-preference variety. In fiscal year 1969 out of 538 visas issued in Ireland, 220 were of the non-preference variety. There has been no change. Those are the government's statistics not ours.

How many more Irish want to come but cannot? They have few relatives here, they have no special skills, they have some education. They are similar to my father and mother and to the fathers and mothers of many members of my committee and of this Congress. They're the kind of people that helped found this nation and they're the kind of people that were once allowed into the U.S.

Irish men and women want to come here but they can't. Instead to England, Canada and Australia they are going. We say they should have the right to come here the same as any other nationality. Evidence that they want to come won't be found by making a short visit to Ireland or by sitting in the American Embassy in Dublin, the Consul's office in Belfast, a government minister's office or on the streets of Dublin. But if you want demonstration of the fact that the Irish want to come. I'll be glad to accompany any of you to parts of County Mayo, Galway, Cork, Kerry, Leitrim, Donegal and parts of occupied Ireland where you will get that evidence.

Something must be done, Mr. Chairman. Action must be taken.

THE CHALLENGE

I believe that every one of you agrees that a solution must be found. Over two years ago Congressman William Ryan came forward with a solution now embodied in H.R. 165.

Simply explained, it places a "floor" on immigration from each country. This "floor" would be equal to 75 per cent of a country's annual average immigration during the 10 year period 1955 to 1965 with a maximum floor limit of 10,000 for any country. In the case of Ireland, this number would be 5,390; for example, if in 1969, 1,000 Irish immigrated under the present law—under the new formula an additional 4,390 Irishmen could immigrate to the United States in 1970 and they would not be subject to the present labor restrictions.

Seventy-eight Congressmen have co-sponsored this bill. They came from both political parties and many different political persuasions. They regard it as do a number of labor unions as a fair solution and so do we. If enacted it would provide a fair U.S. immigration law for the nation.

Our problem is one that requires a permanent solution. Those many other bills pending which provide only a temporary answer are of no merit. Stopgap legislation is no answer. One other bill H.R. 13999 must be considered, that offered by yourself, Mr. Chairman. In that it offers a permanent solution, it has merit. However this modest proposal offers questionable and at most minimal benefits in comparison to the Ryan bill which we prefer.

OUR COMMITTEE

From Boston to San Francisco, from New York to Los Angeles, from Cleveland to Hartford, our committee exists. It is composed of representatives of every major Irish organization in the United States. It consists of Irish born and American born men and women, Protestant, Catholic and Jew, government leaders, clergymen, businessmen, union leaders and ordinary individuals who have been the backbone of this country. They are present here today and available for testimony should you desire to hear them.

Our committee is in existence for one purpose only, to right a wrong, to preserve the right of the Irish to enter the U.S. not to encourage Irish immigration and certainly not to deny other nations the right to come here. To the chagrin of many it is still in existence and I assure all it will be until justice is achieved.

Our heritage tells us that we're children of a fighting race that's never yet known disgrace and we represent that heritage and the interests of generations of Irishmen,

some yet unborn. The claim of these Irishmen on the U.S. was once spelled out by John Boyle O'Reilly, a great civil liberatarian, a great American, a great Irishman when he said:

"No treason do we bring from Erin
Nor bring we shame nor guilt
The sword we hold may be broken
But we haven't dropped the hilt.

The wreath we offer to Columbia
is fastened of thorns not bought
And the hearts we bring are saddened
by the thoughts of sorrowful days.
But the hearts we bring for freedom
are washed in a people's faith
outliving a thousand years."

Mr. Chairman, Members of the Congress, we believe we're entitled to a better day and a better law. We regard each of you distinguished members of the Congress as being sympathetic to the plight of the prospective Irish immigrant. We beg you now to channel that sympathy into an effective solution.

CHART NO. 1.—IRISH IMMIGRANT VISAS ISSUED (BY FISCAL YEAR, JULY TO JUNE)

| | Total | Portion of that total issued in Dublin |
|---|---|---|
| Old law: | | |
| 1962 | 5,345 | 4,076 |
| 1963 | 6,237 | 4,618 |
| 1964 | 6,328 | 4,914 |
| 1965 | 5,378 | 4,232 |
| 1966 (July–November) | 2,375 | 1,979 |
| New law: 1966 (December–June) | 696 | 585 |
| Total, 1966 | 3,071 | [1] 2,564<br>[2] 2,044 |
| New law: | | [1] 2,120 |
| 1967 | 2,665 | [2] 2,203 |
| 1968 | 3,619 | 2,764 |
| 1969 | 1,407 | 795 |

[1] Issued by U.S. Embassy.
[2] Issued by Visa Office.

Source: Statistics provided by Visa Office, U.S. State Department and U.S. Embassy, Dublin. A discrepancy exists between the figures issued by U.S. Embassy and Visa Office.

CHART NO. 2.—IMMIGRANT VISAS ISSUED AT DUBLIN TO ALIENS BORN IN IRELAND, FISCAL YEAR 1969

| | |
|---|---|
| 1st preference | 6 |
| 2d preference | 58 |
| 3d preference | |
| 4th preference | 11 |
| 5th preference | 188 |
| 6th preference | 55 |
| 7th preference | |
| Nonpreference | 220 |
| Total | 538 |
| Immediate relatives | 130 |
| Special immigrants | 127 |
| Special legislation | |
| Grand total | 795 |

CHART NO. 3.—VISAS ISSUED, CONDITIONAL ENTRIES AND ADJUSTMENT OF STATUS GRANTED IMMIGRANTS BORN IN IRELAND, FISCAL YEAR 1969

| | Visas issued | Conditional entries and adjustment of status | Total |
|---|---|---|---|
| 1st preference | 18 | 2 | 20 |
| 2d preference | 74 | 23 | 97 |
| 3d preference | 2 | | 2 |
| 4th preference | 15 | | 15 |
| 5th preference | 314 | 102 | 416 |
| 6th preference | 75 | 45 | 120 |
| 7th preference | | | |
| Nonpreference | 297 | 27 | 324 |
| Total | 795 | 199 | 994 |
| Immediate relatives | 245 | | 245 |
| Special immigrants | 168 | | 168 |
| Special legislation | | | |
| Grand total | 1,208 | 199 | 1,407 |

## TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, in 1967 the 530,387,000 tons of coal produced by the United States were more than any other nation and represented over one-quarter of the total world production.

## COMMITMENT TO THE CONTROLLING OF AIR POLLUTION

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, the continued pollution of our environment constitutes a serious threat to the very existence of advanced life forms on this planet. There is hardly a major urban or industrial area in which air pollution does not cause significant discomfort for its inhabitants.

After decades of ignoring this ever-worsening situation, the Federal Government, in cooperation with the States and private industry, is at last taking positive steps toward abating and controlling air pollution.

The commitment of the Federal Government to the task of upgrading the environment is described in recent articles published in Cahner's Critical Issue Report No. 2—Environmental Management. As one who fully supports a concentrated effort to clean up all aspects of our environment, I offer these articles to be printed in the RECORD:

[From Critical Issues Report No. 2—Environmental Management, November 1969]

AIR POLLUTION: PROBLEMS OF THE FIRST MAGNITUDE

(By Robert H. Finch, Secretary of Health, Education, and Welfare)

On May 29, 1969, President Nixon set up a new Environmental Quality Council, consisting of the Vice-President and Cabinet members, with the President himself as chairman and his Science Advisor as executive secretary. At the same time, he established a Citizen's Advisory Committee on Environmental Quality, headed by Mr. Laurence Rockefeller. I believe that, by these actions, President Nixon has begun to move the nation into a new era of effective action in its fight to maintain a clean environment. The Environmental Quality Council will serve as a focal point for planning and implementing national action. The role of the Citizens' Committee is equally vital, for every American has a stake in these matters, and all sectors of our society need to be involved in the search for solutions.

The Department of Health, Education, and Welfare has taken action to upgrade and strengthen its environmental programs and the consumer protection programs which are inherently related to them, by establishing the Consumer Protection and Environmental Health Service. As Administrator Charles C. Johnson, Jr., explains in his interview in this issue, CPEHS is now engaged in an intensive, coordinated assault on the problems of assuring clean air; safe food, drugs, and drinking water; safe working environments; and other consumer and environmental threats, all of which relate to the same problem—man's ability to adapt to an environment which he himself is subjecting to constant change.

As Secretary of the Department of Health, Education, and Welfare—which is concerned for the general welfare of all Americans—I shall certainly do all in my power to assure that we move ahead rapidly in this area. As a Californian, I know at first-hand the difficulty and complexity of bringing pollution and other kinds of environmental damage under control. I am convinced, as are so many Americans, that these are problems of the first magnitude and must be dealt with in our generation.

The successes of American industry have produced for our nation, and indeed for much of the world, unparalleled benefits. But, as we all know, the environmental and consumer problems which now mar the quality of our lives have arisen in large part from those very successes. We must, therefore, look to industry to apply to the solution of these problems the technological and management skills which have already given the nation so much benefit.

I am glad to say that, for the most part, American industry has shown itself willing and even eager to do this. For example, industry has used its own research dollars to accelerate the move from "hard" to "soft" pesticides. Many great industrial firms are spending millions of dollars to control their own pollution of air and water. Many enterprising firms are directing their resources more and more toward the development of advanced pollution control technology in awareness of this growing need throughout the country. All of us, in government and industry, know that these trends must be expanded and accelerated.

The time has come when we must give serious throught to seeking ways to avert undesirable impact on the environment, at whatever stage this may occur. As a Greek philosopher observed thousands of years ago, "All things change, nothing perishes." This, in essence, is what makes our environmental problems so difficult and complex.

President Nixon said when he established his new Environmental Quality Council and Advisory Committee, "The deterioration of the environment is in large measure the result of our inability to keep pace with progress. . . . But I am confident that the same energy and skill which gave rise to these problems can also be marshaled for the purpose of conquering them."

We have, in truth, a new national commitment. Government and industry must share the responsibility for achieving an environment in which the consumer and citizen can enjoy the benefits of technology without peril to his health. The "energy and skills" that have made our country the greatest industrial nation in the world are needed now to preserve that greatness.

AIR POLLUTION: INDUSTRY MUST HELP SOLVE THE PROBLEMS IT CREATES

(An interview with Charles C. Johnson, Jr., Administrator of HEW's Consumer Protection and Environmental Health Service)

(NOTE.—In this exclusive interview with Critical Issues Report, Mr. Johnson explains what his agency is doing to achieve the kind of environment Americans need and are starting to demand. He discusses what industry will be expected to do to help improve the quality of American life.)

How can a nation determined to preserve a free, creative, and productive industrial system continue to enjoy the benefits of that system while assuring its citizens reasonable protection from pollution and other industrial hazards?

In response to a need for new viewpoints and approaches, the federal government established, just over a year ago, the Consumer Protection and Environmental Health Serv-

ice. CPEHS, which is within the Department of Health, Education, and Welfare, brings together in a single agency all of HEW's environmental control and consumer protection programs. The federal government hopes that coordination of these programs will make possible a stronger and more effective attack on pollution and other complex problems associated with population growth, increased industrial productivity, and environmental change.

Question. Mr. Johnson, what HEW agencies have been combined to form the new Consumer Protection and Environmental Health Service?

JOHNSON. CPEHS includes the Food and Drug Administration, the National Air Pollution Control Administration, and the Environmental Control Administration. The latter is concerned with a variety of problems such as occupational safety and health, radiation hazards, water hygiene, rat control, sanitation, accident prevention, and other matters especially related to the impact of the urban and industrial environment on human life. The separate concerns of these three agencies form, in fact, a complex of interrelated problems whose ultimate solution requires the closely coordinated approach which the CPEHS structure can provide.

Question. Will CPEHS involve industry in developing new directions and approaches to our environmental problems?

JOHNSON. Yes, industry and others. In one way or another, the problems associated with environmental change are a source of concern, not only to people in public health, but to businessmen, conservationists, legislators, scientists and many others in all aspects of our national life. I believe that increasingly these various spokesmen for sane use of the environment are coming to realize that all are concerned with the same basic problem—the maintenance of an environment compatible with the needs of man. We cannot measure environmental improvement against a single balance sheet, representing economics, or health, or esthetics, or social impact, for all of these factors together form the fabric of human life. What we must do is to find a way to make decisions regarding environmental change on the basis of the total health and welfare of man, in full recognition of the fact that modern man is part of an ecological system which must increasingly bear the mark of his own necessary and valid objectives.

Question. A problem such as pollution seems to be the inevitable accompaniment of industrial productivity. How do you balance continued growth of our economy with the need to change and control our environment?

JOHNSON. In our highly urbanized, industrialized country, characterized by daily miracles of science and technology, yet threatened by increasing population and a seemingly endless build-up of pollutants, man needs jobs, transportation, and agricultural and industrial production. In fact, man cannot survive without all of these things. But he also needs clean air and water, pure food, an opportunity to renew ties with the natural world, and an environment free from excessive and preventable stress. The balance is a delicate one, but one that must be met. We cannot restore to Planet Earth the perfect balance and harmony which characterized the seventh day of creation. But we cannot, if we are concerned for our own health, welfare—and even survival—continue to pollute and destroy the land, air and water upon which human life depends.

Question. What goals has your agency set to change and improve our environment and how do you hope to achieve them?

JOHNSON. We believe that our agency has first a fundamental obligation to define as well as possible, and to enunciate as clearly as possible, the effect that various environmental factors have on man. We are giving first priority to the development of environmental criteria, whether these have the force of law, as in some of our programs, or serve only as recommendations to guide corporate, governmental, and public decisions. We will, of course, use our regulatory authorities fully and fairly, and will seek new authorities where needed. We are working with state and local jurisdictions to help them develop effective environmental and consumer protection programs. We are working closely with industry to prevent and control environmental hazards, for there is no doubt that the best energies of all sectors of our society, public and private, must be applied to the environmental problems that confront us. Let me point out that in arriving at environmental criteria, we are guided by the best scientific knowledge available. We rely not only on our own staff, but upon technical advisory committees of recognized competence.

Question. What categories of environmental change and control fall within your jurisdiction?

JOHNSON. We are concerned with all aspects of the human environment, since man's health and well-being are affected by the total environment in which he lives. We are concerned with the physiological effects on human beings of various rural and urban environments, particularly that of the ghetto. We are concerned with health factors in the occupational setting, with noise, either as an occupational or community hazard, with sanitation. We have responsibilities relating to the purity and safety of food, drugs, and other consumer products—for these too are part of the environment. In those areas generally categorized as "environmental pollution" we have primary jurisdiction in the control of air pollution and harmful radiation, in solid waste management, and in maintaining the purity of water for human consumption and use.

Question. Do you have any legal basis for changing and controlling pollution of the air?

JOHNSON. Yes. The Clean Air Act represents an unusual and comprehensive approach to a threat, which like most environmental problems, transcends boundaries and requires a high degree of coordinated effort on the part of all levels of government, industry, and the public.

Question. Would you explain the Clean Air Act? Just how much authority does it give CPEHS?

JOHNSON. In the Clean Air Act, as amended, CPEHS has a rational and deliberate approach to the control of air pollution in this country. The Act requires that we consider carefully all the ramifications of every step we don't take—and every step we don't take—in the control process. The Act says that we must protect the public in those places where air pollution has reached acute proportions, and further that we must prevent the problem from occurring in those places where fresh air is still enjoyed. To provide a geographic framework for regional control of air pollution, the Act calls on us to designate air quality control regions. This we have begun to do, in consultation with State and local officials. By the summer of 1970, we expect to have drawn the boundaries around a total of 57 air quality regions, involving all the 50 states. The combined population of the areas involved is about 97 million, a little more than 70 percent of the nation's total urban population.

Question. Once you have defined the most serious regions, how will you go about controlling air pollution?

JOHNSON. Knowledge of the harmful effects of air pollutants is being provided in the form of air quality criteria documents. These documents summarize what has been learned by research about the ways in which air pollutants threaten human health, soil and damage materials, injure plant and animal life, reduce visibility and, in general, impair man's well-being and degrade his environment. At the same time, knowledge of ways to control the sources of air pollution is being issued in the form of reports on control techniques and on their cost and effectiveness.

Question. Have you issued any of these reports yet?

JOHNSON. Yes, we have published air quality criteria documents and reports on control techniques for two important types of air pollutants—the sulfur oxides and particulate matter.

Question. What happens after these reports are issued?

JOHNSON. The next steps in carrying out the provisions of the Clean Air Act are up to state governments. They are expected to set air quality standards for the control regions for those pollutants for which air quality criteria have been issued. In addition, states must adopt plans for implementing the standards. An implementation plan must include specific requirements for the prevention and control of air pollution and a timetable for achieving compliance with those requirements.

Question. Does the Clean Air Act include a specific timetable which the states themselves must follow in complying with the Act?

JOHNSON. Yes. Once a region is designated, and criteria and control technique documents have been issued for a certain class of pollutants, the state or states responsible have 90 days to give notice of their intent to set standards, 180 days to hold public hearings and complete the standard-setting process, and another 180 days to develop implementation plans.

Question. These standards should do a great deal toward eliminating confusion in the industrial community.

JOHNSON. Exactly. From the standpoint of business and industry, this should eliminate, once and for all, the shadows of uncertainty which, according to many corporate planners, have heretofore prevented their applying the necessary resources to the job of controlling air pollution. In deciding on air quality standards and developing implementation plans, a state will, in effect, be establishing the long-range air quality goals it plans to reach.

Question. When states set new air quality standards, will industry have any voice in helping to establish them?

JOHNSON. Absolutely. An important element of this decision-making process is the requirement that states hold public hearings before adopting air quality standards. Here, leaders of business and industry can and should play an important role. They possess both the engineering know-how and the intimate knowledge of social, political, and economic considerations related to air pollution control in their areas to render invaluable assistance in reaching effective and equitable air quality decisions. If business and industry truly want clean air, and if control officials and the political decision-makers are made aware of this, we will be well on our way toward applying effective controls to the stationary sources of air pollution in the air quality control regions across the country.

Question. Does industry at present have a hand in helping your agency develop air quality criteria documents used by the states?

JOHNSON. Yes. We have entered into a number of demonstration contracts with industry to prove the technological and economic feasibility of the control of pollutants from the combustion of fossil fuels and to shorten the time-lag between research, development and full-scale application.

Question. What specifically is industry and your agency working on right now?

JOHNSON. There is underway, for example, a large-scale research and development effort

relating sulfur oxides, which involves several other federal agencies and more than 40 industrial firms and other private organizations. The importance of sulfur oxides pollution clearly warrants such a major effort; there are many other such urgent problems, and in time we expect to attack them in similar fashion. We are engaged in a series of systems studies to identify improved techniques, particularly process changes, for dealing with the air pollution problems of a number of major industries, including smelting and kraft pulping. Similar broad studies relate to the stationary sources of nitrogen oxides, from hot water heaters to power plants. This work is expected to lead to significant changes in the design of combustion units. Other large-scale projects included in our planning are a systematic evaluation of available gas cleaning equipment, aimed at reducing the costs of constructing and operating such equipment, and an across-the-board look at incineration of solid waste materials.

Question. What steps will be necessary to deal with large point sources of air pollution located just outside the boundaries of air quality control regions, particularly where such sources come into being after the boundaries have been defined?

JOHNSON. Answers to that question will depend in large measure on the extent to which state and local governments assume responsibility for attacking air pollution problems outside the air quality control regions. In this regard, the U.S. Senate Committee on Public Works spoke clearly in its report approving the 1967 amendments to the Clean Air Act: "It should be emphasized that it is the intent of the committee to enhance air quality and to reduce harmful pollution emissions anywhere in the country, and to give the Secretary authority to implement that objective in the absence of effective state and local control. It is believed that this legislation carries out that intent."

Question. The problem of disposing of billions of tons of industrial, commercial, agricultural, and household refuse isn't usually classified as pollution, but it certainly is an analogous problem isn't it?

JOHNSON. Yes, and the problem is increasingly one of direct and immediate concern to industries which produce certain types of waste in large amounts. Many have been required to develop their own methods of treatment and disposal rather than channeling their waste into public disposal systems. Of course the very affluence of our society, with its tremendous productive capacity and its ingenuity in merchandising and packaging is the root of the problem.

Question: Does your agency have a legal basis for acting in this area?

JOHNSON. The Solid Wastes Act of 1965 authorized the Department of Health, Education and Welfare and the Department of the Interior to "Initiate and accelerate research and development programs for new improved methods of proper, economic" disposal. Interior is concerned with mineral and fossil fuel wastes, HEW with all other types. The Act also authorizes us to assist local governments technically and financially in planning and executing disposal programs; and to provide demonstration and training in new methods. The Departments are directed to seek methods of salvaging useful products, of conserving resources, and of reducing the amount of waste that must ultimately be dumped. The federal role is limited, under this Act, to technical assistance, research, and training. Primary responsibility for collection and disposal of wastes and their regulation remains with state and local governments.

Question. What do you consider the key problems in solid waste management?

JOHNSON. First, the sheer size of the midden heap. Industrial waste now totals about 110 billions tons per year, not including the tonnage fed directly into public disposal systems, nor 2 billion tons of agricultural waste produced each year. Second, packaging. Some of the new packaging materials are difficult or impossible to incinerate and many resist biological degradation. An opportunity exists for industry to contribute greatly in this area. Third, recycling and reuse. Iron, aluminium, and zinc, even cellulose could be removed from the waste stream and returned to the economy. Likewise, the energy from burning waste could be put to use. Many of our studies are directed at these aims, a facet of the problem in which industry too has a major economic stake. Finally residue disposal. The sanitary landfill can enhance rather than damage land values. One at Virginia Beach, Virginia will provide high land for cottages and bay protection; one near Chicago will become a ski slope. However, the lack of suitable land for this process emphasizes the need for reducing the quantity of waste to be dumped.

Question. What would you suggest that industry do to help improve this situation?

JOHNSON. There are many examples of exemplary industry responsibility and of government-industry cooperation in combatting the solid waste problem. Canneries and other food processors have done much to develop accelerated composting methods, in some cases aided by our Environmental Control Administration, both technically and financially. The paper industry's Institute of Paper Chemistry has performed pioneer work in reducing the health hazard and esthetic offense of paper and pulping waste, improving efficiency and output at the same time. However, we need a great deal more on the part of the industrial community in helping the nation solve its growing solid waste problem.

Question. I can see where all of these problems overlap. Solid waste management and water pollution certainly must be studied together. Does your agency have any role in combatting water pollution?

JOHNSON. Our Environmental Control Administration is concerned with the health aspects of water pollution and has an enforcement role in certifying sources of drinking water for interstate trains, airlines, and buses. Contrary to the general view, America can no longer take for granted the purity of its drinking water. Population growth is putting a tremendous load on existing water treatment systems. Moreover, new hitherto unsuspected kinds of contamination—enzymes, trace metals, wastes from synthetics, adhesives, solvents, and pesticides—are reaching surface water as side effects of modern technology.

Question. Are you currently working on this problem?

JOHNSON. Yes. In the spring of this year our water hygiene program began to survey a representitive sample of community water systems across the nation as the first step in an inter-governmental effort to raise the quality of public drinking water. The sample includes nine metropolitan areas. We anticipate that information from this study will provide data that will lead to better control of health hazards and may point to the need for new legislation. For example, the survey, although still incomplete, already shows that urban water needs are often met by bewildering arrays of separate, interconnected systems, making continuous appraisal and quality control difficult and that bacteriological testing is often inadequate. It has also revealed that an unexpectedly large number of people are served by tank truck delivery of drinking water.

Question. Like so many of these problems, this one sounds as though it will cost the tax-payers a great deal of money to solve.

JOHNSON. I'm afraid so. It seems clear that during the next few years it will be necessary for many local jurisdictions to invest substantially in expanding and updating their water treatment systems. Water supply in this country already represents an investment of more than $50 billion, second only to the electric power industry.

Question. What would be the most advantageous ways for funds to be spent?

JOHNSON. One problem of increasing concern is the use of reclaimed waste water for human consumption. If we cannot maintain the quality of surface waters, it will be necessary for us to learn much more about detecting and removing viruses, hormones, antibiotics, and a whole range of industrial wastes from these waters. Another problem of direct and immediate concern to many industries is the hazard which can arise when systems of nonpotable water are installed for some processing use where possibility of accidental cross connection with the plant's or the community's drinking water can exist.

Question. Mr. Johnson, are you optimistic about solving all these problems?

JOHNSON. Yes, with industry's help. But it will require careful reexamination of traditional goals and prerogatives by industry, government, and the public itself. In an age such as ours, it is unthinkable that we should not hold pollution levels compatible with the requirements of human health and well-being. It is unworthy of the American system, which has created so much good for all men. Common sense demands and, increasingly, the public which we all serve insists that government and industry join hands to prove the American system can meet these unique challenges of our time.

## HOUSING ACT OF 1969— CONFERENCE REPORT

Mr. PATMAN submitted the following conference report and statement on the bill (S. 2864), the Housing Act of 1969:

CONFERENCE REPORT (H. REPT. No. 91-740)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2864) to amend and extend laws relating to housing and urban development, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Housing and Urban Development Act of 1969".

SEC. 2. Section 305(g) of the National Housing Act is amended—

(1) by striking out "$1,000,000,000" and inserting in lieu thereof "$2,500,000,000";

(2) by inserting "at par" immediately after "and to purchase": and

(3) by striking out "$15,000", "$17,500", and "$22,500" and inserting in lieu thereof "$17,500", "$20,000", and "$25,000", respectively.

### TITLE I—MORTGAGE CREDIT

#### EXTENSION OF PROGRAMS

SEC. 101. (a) Section 2(a) of the National Housing Act is amended by striking out "January 1, 1970" in the first sentence and inserting in lieu thereof "October 1, 1970".

(b) Section 217 of such Act is amended—

(1) by striking out "title VIII, or title X" and inserting in lieu thereof "section 235, section 236, title VIII, title X, or title XI"; and

(2) by striking out "January 1, 1970" and inserting in lieu thereof "October 1, 1970".

(c) Section 221(f) of such Act is amended by striking out "January 1, 1970" in the fifth

sentence and inserting in lieu thereof "October 1, 1970".

(d) Section 235 of such Act is amended by adding at the end thereof the following new subsection:

"(m) No mortgage shall be insured under this section after October 1, 1971, except pursuant to a commitment to insure before that date."

(e) Section 236 of such Act is amended by adding at the end thereof the following new subsection:

"(n) No mortgage shall be insured under this section after October 1, 1971, except pursuant to a commitment to insure before that date."

(f) Section 809(f) of such Act is amended by striking out "January 1, 1970" in the second sentence and inserting in lieu thereof "October 1, 1970".

(g) Section 810(k) of such Act is amended by striking out "January 1, 1970" in the second sentence and inserting in lieu thereof "October 1, 1970".

(h) Section 1002(a) of such Act is amended by striking out "January 1, 1970" in the second sentence and inserting in lieu thereof "October 1, 1970".

(i) Section 1101(a) of such Act is amended by striking out "January 1, 1970" in the second sentence and inserting in lieu thereof "October 1, 1970".

LOWER DOWNPAYMENTS FOR FHA-FINANCED SALES HOUSING

SEC. 102. (a) Section 203(b)(2) of the National Housing Act is amended by striking out "$20,000" each place it appears and inserting in lieu thereof "$25,000".

(b) Section 220(d)(3)(A)(i) of such Act is amended by striking out "$20,000" each place it appears and inserting in lieu thereof "$25,000".

(c) Section 222(b)(3) of such Act is amended by striking out "$20,000" each place it appears and inserting in lieu thereof "$25,000".

(d) Section 234(c) of such Act is amended by striking out "$20,000" each place it appears and inserting in lieu thereof "$25,000".

MOBILE HOMES

SEC. 103. (a)(1) Section 207(a) of the National Housing Act is amended—

(A) by striking out "trailer coach mobile dwellings" in paragraph (1) and inserting in lieu thereof "mobile homes";

(B) by striking out "trailer court or park" in paragraph (6) and inserting in lieu thereof "mobile home court or park"; and

(C) by striking out "trailer coach mobile dwellings" in paragraph (6) and inserting in lieu thereof "mobile homes".

(2) Section 207(c)(3) of such Act is amended by striking out "trailer courts or parks" and inserting in lieu thereof "mobile home courts or parks".

(b) Section 207(c)(3) of such Act is amended by striking out "$1,800 per space or $500,000 per mortgage" and inserting in lieu thereof "$2,500 per space or $1,000,000 per mortgage".

(c) Section 2 of such Act is amended—

(1) by inserting "(i)" after the words "for the purpose of" in the first sentence of subsection (a);

(2) by inserting "; and for the purpose of (ii) financing the purchase of a mobile home to be used by the owner as his principal residence" before the period at the end of the first sentence of subsection (a);

(3) by inserting "(other than mobile homes)" after "new residential structures" in clause (1) of subparagraph (iii) of the second paragraph of subsection (a);

(4) by inserting the following new sentence at the end of subsection (a): "The Secretary is hereby authorized and directed, with respect to mobile homes to be financed under this section, to (i) prescribe minimum property standards to assure the livability and durability of the mobile home and the suitability of the site on which the mobile home is to be located; and (ii) obtain assurances from the borrower that the mobile home will be placed on a site which complies with the standards prescribed by the Secretary and with local zoning and other applicable local requirements.";

(5) by inserting ", except that an obligation financing the purchase of a mobile home may be in an amount not exceeding $10,000" before the semicolon at the end of clause (1) in the first sentence of subsection (b);

(6) by inserting ": *Provided*, That an obligation financing the purchase of a mobile home may have a maturity not in excess of twelve years and thirty-two days" before the semicolon at the end of clause (2) in the first sentence of subsection (b); and

(7) by striking out "real property" each place it appears in subsection (c)(2) and inserting in lieu thereof "real or personal property".

MAXIMUM MORTGAGE AMOUNT UNDER SECTION 220 MULTIFAMILY HOUSING PROGRAM

SEC. 104. Section 220(d)(3)(B)(i) of the National Housing Act is amended to read as follows:

"(i) not exceed $50,000,000,".

MORTGAGE INSURANCE ON CONDOMINIUM UNITS FOR SERVICEMEN

SEC. 105. Section 222(b)(1) of the National Housing Act is amended by inserting "or 234(c)," immediately after "221(d)(2),".

ASSISTANCE PAYMENTS UNDER SECTION 235 FOR PURCHASER ASSUMING MORTGAGE

SEC. 106. (a) Section 235(c) of the National Housing Act is amended by striking out "subsection (j)(4)" and inserting in lieu thereof "subsection (i) or (j)(4)".

(b) Section 235(b)(2) of such Act is amended by striking out the first proviso and inserting in lieu thereof the following: ": Provided, That if any cooperative member who has received assistance payments transfers his membership and occupancy rights to another person who satisfies the eligibility requirements prescribed by the Secretary and undertakes the obligation to pay occupancy charges, the new cooperative member may qualify for assistance payments upon the filing of an application with respect to the dwelling unit involved to be occupied by him".

AUTHORIZATION FOR ASSISTANCE PAYMENTS UNDER SECTIONS 235 AND 236

SEC. 107. (a) The second sentence of section 235(h) of the National Housing Act is amended by striking out "$100,000,000 on July 1, 1969, and by $125,000,000 on July 1, 1970" and inserting in lieu thereof "$125,000,000 on July 1, 1969, by $125,000,000 on July 1, 1970, and by $170,000,000 on July 1, 1971".

(b) The second sentence of section 236(i)(1) of such Act is amended by striking out "$100,000,000 on July 1, 1969, and by $125,000,000 on July 1, 1970" and inserting in lieu thereof "$125,000,000 on July 1, 1969, by $125,000,000 on July 1, 1970, and by $170,000,000 on July 1, 1971".

INTEREST REDUCTION PAYMENTS UNDER SECTION 236 ON CERTAIN PROJECTS FINANCED UNDER STATE OR LOCAL HOUSING PROGRAMS

SEC. 108. The proviso in section 236(b) of the National Housing Act is amended by striking out "with respect to a rental or cooperative housing project" and inserting in lieu thereof "with respect to a mortgage or part thereof on a rental or cooperative housing project".

ASSISTANCE PAYMENTS WITH RESPECT TO EXISTING DWELLINGS UNDER SECTION 235

SEC. 109. Section 235(h)(3) of the National Housing Act is amended—

(1) by inserting "and" at the end of subparagraph (A); and

(2) by striking out subparagraphs (B) and (C) and inserting in lieu thereof the following:

"(B) 30 per centum of the total additional amount of contracts for assistance payments authorized by appropriation Acts to be made prior to July 1, 1971,".

PREFERENCES IN SECTION 237 MORTGAGE INSURANCE PROGRAM

SEC. 110. Section 237(d) of the National Housing Act is amended—

(1) by inserting "and in providing counseling services" after "applications"; and

(2) by inserting "(1) to families which are eligible for assistance payments under section 235, and (2)" after "this section".

EXPANSION OF THE FHA NURSING HOME PROGRAM TO INCLUDE INTERMEDIATE CARE FACILITIES

SEC. 111. Section 232 of the National Housing Act is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) The purpose of this section is to assist in the provision of facilities for either of the following purposes or for a combination of such purposes;

"(1) The development of nursing homes for the care and treatment of convalescents and other persons who are not acutely ill and do not need hospital care but who require skilled nursing care and related medical services.

"(2) The development of intermediate care facilities for the care of persons who, while not in need of nursing home care and treatment, nevertheless are unable to live fully independently and who are in need of minimum but continuous care provided by licensed or trained personnel.";

(2) by striking out "and" at the end of paragraph (1) of subsection (b);

(3) by redesignating paragraph (2) of subsection (b) as paragraph (3) and inserting after paragraph (1) of such subsection the following new paragraph:

"(2) the term 'intermediate care facility' means a proprietary facility or facility of a private nonprofit corporation or association licensed or regulated by the State (or, if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located) for the accommodation of persons who, because of incapacitating infirmities, require minimum but continuous care but are not in need of continuous medical or nursing services; and";

(4) by striking out "a new or rehabilitated nursing home" in the introductory text of subsection (d) and inserting in lieu thereof "a new or rehabilitated nursing home or intermediate care facility or combined nursing home and intermediate care facility";

(5) by striking out "operation of the nursing home" in subsection (d)(2) and inserting in lieu thereof "operation of the home or facility or combined home and facility";

(6) by striking out paragraph (4) of subsection (d) and inserting in lieu thereof the following:

"(4) The Secretary shall not insure any mortgage under this section unless he has received, from the State agency designated in accordance with section 604(a)(1) of the Public Health Service Act for the State in which is located the nursing home or intermediate care facility or combined nursing home and intermediate care facility covered by the mortgage, a certification that (A) there is a need for such home or facility or combined home and facility, and (B) there are in force in such State or in the municipality or other political subdivision of the State in which the proposed home or facility or combined home and facility is to be located reasonable minimum standards of licensure and methods of operation governing it. No such mortgage shall be insured under this section unless the Secretary has received such assurance as he may deem satisfactory

from the State agency that such standards will be applied and enforced with respect to any home or facility or combined home and facility located in the State for which mortgage insurance is provided under this section."; and

(7) by adding at the end thereof the following new subsections:

"(g) The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section relating to intermediate care facilities, after consulting with the Secretary of Health, Education, and Welfare with respect to any health or medical aspects of the program which may be involved in such regulations.

"(h) The Secretary shall also consult with the Secretary of Health, Education, and Welfare as to the need for and the availability of intermediate care facilities in any area for which an intermediate care facility is proposed under this section."

RENT SUPPLEMENT UNITS IN SECTION 236 PROJECTS

SEC. 112. Section 101(j)(1)(D) of the Housing and Urban Development Act of 1965 is amended by inserting before the period at the end thereof a comma and the following: "except that the foregoing limitation may be increased to 40 per centum of the dwelling units in any such property if the Secretary determines that such increase is necessary and desirable in order to provide additional housing for individuals and families meeting the requirements of subsection (c)".

INCREASE IN MAXIMUM MORTGAGE AMOUNTS UNDER FHA INSURANCE PROGRAMS

SEC. 113. (a)(1) Section 203(b)(2) of the National Housing Act is amended by striking out "$30,000", "$32,500", and "$37,500" wherever they appear and inserting in lieu thereof "$33,000", "$35,750", and "$41,250", respectively.

(2) Section 203(h) of such Act is amended by striking out "$12,000" and inserting in lieu thereof "$14,400".

(3) Section 203(i) of such Act is amended by striking out "$13,500" and inserting in lieu thereof "$16,200".

(4) Section 203(m) of such Act is amended by striking out "$15,000 and inserting in lieu thereof "$18,000".

(b)(1) Section 207(c)(3) of such Act is amended by striking out "$9,000", "$12,500", "$15,000", "$18,500", and "$21,000" wherever they appear and inserting in lieu thereof "$9,900", "$13,750", "$16,500", "$20,350", and "$23,100", respectively.

(2) Section 207(c)(3) of such Act is further amended by striking out "$10,500", "$18,000", "$22,500", and "$25,500" and inserting in lieu thereof "$11,550", $19,800", "$24,750", and "$28,050", respectively.

(c)(1) Section 213(b)(2) of such Act is amended by striking out "$9,000", "$12,500", "$15,000", "$18,500", and "$21,000 wherever they appear and inserting in lieu thereof "$9,900", "$13,750", "$16,500", "$20,350", and "$23,100", respectively.

(2) Section 213(b)(2) of such Act is further amended by striking out "$10,500", "$18,000", "$22,500", and "$25,500" and inserting in lieu thereof "$11,550", "$19,800", "$24,750", and "$28,050", respectively.

(d)(1) Section 220(d)(3)(A)(i) of such Act is amended by striking out "$30,000", "$32,500", "$37,500", and "$7,000" wherever they appear and inserting in lieu thereof "$33,000", "$35,750", "$41,250", and "$7,700", respectively.

(2) Section 220(d)(3)(B)(iii) of such Act is amended by striking out "$9,000", "$12,500", "$15,000", "$18,500" and "$21,000" wherever they appear and inserting in lieu thereof "$9,900", "$13,750", "$16,500", "$20,350", and "$23,100", respectively.

(3) Section 220(d)(3)(B)(iii) of such Act is further amended by striking out "$10,500", "$18,000", "$22,500", and "$25,500" wherever they appear and inserting in lieu thereof "$11,550", "$19,800", "$24,750", and "$28,050", respectively.

(4) Section 220(h)(2) of such Act is amended by striking out "$10,000" and inserting in lieu thereof "$12,000".

(e)(1) Section 221(d)(2) of such Act is amended by striking out "$15,000", "$17,500", "$20,000", "$27,000", and "$33,000" wherever they appear and inserting in lieu thereof "$18,000", "$21,000", "$24,000", "$32,400", and "$39,600", respectively.

(2) Section 221(d)(2) of such Act is further amended by striking out "$25,000", "$32,000", and "$38,000", and inserting in lieu thereof "$30,000", "$38,400", and "$45,600", respectively.

(3) Section 221(d)(3)(ii) of such Act is amended by striking out "$8,000", "$11,250", "$13,500", "$17,000", and "$19,250" wherever they appear and inserting in lieu thereof "$9,200", "$12,937.50", "$15,525" "$19,550", and "$22,137.50", respectively.

(4) Section 221(d)(3)(ii) of such Act is further amended by striking out "$9,500", "$16,000", "$20,000", and "$22,750" and inserting in lieu thereof "$10,925", "$18,400", "$23,000", and "$26,162.50", respectively.

(5) Section 221(d)(4)(ii) of such Act is amended by striking out "$8,000", "$11,250", "$13,500", "$17,000", and "$19,250" wherever they appear and inserting in lieu thereof "$9,200", "$12,937.50", "$15,525", "$19,550", and "$22,137.50", respectively.

(6) Section 221(d)(4)(ii) of such Act is further amended by striking out "$9,500", "$16,000", "$20,000", and "$22,750" and inserting in lieu thereof "$10,925", "$18,400", "$23,000", and "$26,162.50", respectively.

(7) Section 221(h)(6)(A) of such Act is amended by striking out "$15,000" and inserting in lieu thereof "$18,000".

(f) Section 222(b)(2) of such Act is amended by striking out "$30,000" and inserting in lieu thereof "$33,000".

(g)(1) Section 231(c)(2) of such Act is amended by striking out "$8,000", "$11,250", "$13,500", "$17,000", and "$19,250" wherever they appear and inserting in lieu thereof "$8,800", "$12,375", "$14,850", "$18,700", and "$21,175", respectively.

(2) Section 231(c)(2) of such Act is further amended by striking out "$9,500", "$16,000", "$20,000", and "$22,750" and inserting in lieu thereof "$10,450", "$17,600", "$22,000", and "$25,025", respectively.

(h)(1) Section 234(c) of such Act is amended by striking out "$30,000" and inserting in lieu thereof "$33,000".

(2) Section 234(e)(3) of such Act is amended by striking out "$9,000", "$12,500", "$15,000", "$18,500", and "$21,000" wherever they appear and inserting in lieu thereof "$9,900", "$13,750", "$16,500", and "$20,350", and "$23,100", respectively.

(3) Section 234(e)(3) of such Act is further amended by striking out "$10,500", "$18,000", "$22,500", and "$25,500" and inserting in lieu thereof "$11,550", "$19,800", "$24,750", and "$28,050", respectively.

(i) Section 235 of such Act is amended by striking out "$15,000", "$17,500", and "$20,000", wherever they appear and inserting in lieu thereof "$18,000", "$21,000", and "$24,000", respectively.

(j) Section 237(c)(2) of such Act is amended by striking out "$15,000", and "$17,500" and inserting in lieu thereof "$18,000" and "$21,000", respectively.

INCREASE IN GNMA PURCHASE AUTHORITY

SEC. 114. Section 302(b) of the National Housing Act is amended—

(1) by striking out "exceeds or exceeded $17,500" in clause (3) of the proviso in the first sentence and inserting in lieu thereof "exceeds or exceeded $22,000";

(2) by striking out "that exceeds $17,500" in the second sentence and inserting in lieu thereof "that exceeds the otherwise applicable maximum amount"; and

(3) by striking out "did not exceed $17,500" in the second sentence and inserting in lieu thereof "did not exceed the otherwise applicable maximum amount".

GNMA SPECIAL ASSISTANCE PURCHASES

SEC. 115. Section 305 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"(j) Notwithstanding any other provision of this Act, the Association is authorized to purchase pursuant to commitments or otherwise mortgages otherwise eligible for purchase under this section at a price equal to the unpaid principal amount thereof at the time of purchase, with adjustments for interest and any comparable items, and to sell such mortgages at any time at a price within the range of market prices for the particular class of mortgages involved at the time of sale as determined by the Association. Mortgages insured under title V of the Housing Act of 1949, except mortgages for above moderate income families insured under section 517(a) of such Act, are eligible for purchase under this section."

## TITLE II—URBAN RENEWAL AND HOUSING ASSISTANCE PROGRAMS

URBAN RENEWAL GRANT AUTHORITY

SEC. 201. Section 103(b) of the Housing Act of 1949 is amended—

(1) by inserting before the period at the end of the first sentence the following: ", and by $1,700,000,000 on July 1, 1970"; and

(2) by inserting after the first sentence the following new sentence: "Not less than 35 per centum of the amounts available to the Secretary for grants under this title during each of the fiscal years beginning July 1, 1969, and July 1, 1970, shall be for grants under part B."

EXTENSION OF URBAN RENEWAL ASSISTANCE TO THE TRUST TERRITORY OF THE PACIFIC ISLANDS AND TO INDIAN TRIBES

SEC. 202. (a) Section 110(h) of the Housing Act of 1949 is amended by striking out the second sentence and inserting in lieu thereof the following: "The term 'State' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, the territories and possessions of the United States, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States."

(b) The first sentence of section 116 of such Act is amended by striking out "and counties" and inserting in lieu thereof "counties, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States".

(c) The first sentence of section 117 of such Act is amended by striking out "and counties" and inserting in lieu thereof "counties, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States".

(d) The first sentence of section 118 of such Act is amended by striking out "and counties" and inserting in lieu thereof "counties, and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States".

EXTENSION OF PERIOD OF ELIGIBILITY OF LOCAL GRANTS-IN-AID FOR CERTAIN URBAN RENEWAL AND NEIGHBORHOOD DEVELOPMENT PROJECTS

SEC. 203. (a) The second paragraph of section 110(d) of the Housing Act of 1949 is amended—

(1) by inserting "(except the second sentence of this paragraph)" after "any other provision of this subsection"; and

(2) by adding at the end thereof the following new sentence: "In connection with any project for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and which has not received Federal recognition (other than a project to which clause (2) of the second sentence of section

133(a) applies), the three-year period referred to above shall be extended to a period of four years prior to the authorization by the Secretary of a contract for loan or capital grant for the project."

(b) Section 112(b) of such Act is amended—

(1) by striking out "No expenditure" and inserting in lieu thereof "Subject to the second sentence of this subsection, no expenditure"; and

(2) by adding at the end thereof the following new sentence: "In connection with any project for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and which has not received Federal recognition (other than a project to which clause (2) of the second sentence of section 133(a) applies), the seven-year period referred to in clause (1) of the preceding sentence shall be extended to a period of eight years prior to the authorization by the Secretary of a contract for a loan or capital grant for the project."

(c) Section 133(a) of such Act is amended—

(1) by striking out "For" and inserting in lieu thereof "Except as otherwise provided in this subsection, for";

(2) by striking out "the second paragraph" and inserting in lieu thereof "the first sentence of the second paragraph"; and

(3) by adding at the end thereof the following new sentence: "In connection with any neighborhood development program for which an application is filed not later than the date of the enactment of the Housing and Urban Development Act of 1969 and for which no contract for financial assistance under the program has been authorized by the Secretary, the three-year and seven-year periods referred to above shall be extended to periods of four and eight years, respectively, prior to authorization of (1) the first contract for financial assistance under the program which includes the urban renewal area benefited by the public improvement or facility (or the expenditures) for which credit is claimed, or (2) a contract for a loan or capital grant for an urban renewal project authorized after the date of the enactment of the Housing and Urban Development Act of 1969 in an area which is benefited by the public improvement or facility (or the expenditures) for which credit is claimed and which was included in the neighborhood development program application."

INCLUSION OF ENCLOSED PEDESTRIAN MALLS AS ELIGIBLE URBAN RENEWAL ACTIVITIES

SEC. 204. (a) Section 110(c)(3) of the Housing Act of 1949 is amended by inserting after "playgrounds," the following: "pedestrian malls and walkways (including in the case of an enclosed mall or walkway any necessary roofs, walls, columns, lighting, and climate control facilities),".

(b) The first sentence of the second unnumbered paragraph following paragraph (10) of section 110(c) of such Act is amended by inserting after "provided" the following: "in paragraph (3) with respect to enclosed pedestrian malls and walkways and as provided".

REHABILITATION GRANTS

SEC. 205. Section 115(c) of the Housing Act of 1949 is amended by striking out "or (2) $3,000" and inserting in lieu thereof "or (2) $3,500".

LOCAL GRANTS-IN-AID CREDIT FOR CERTAIN FACILITIES BUILT ON BEHALF OF PUBLIC UNIVERSITIES

SEC. 206. Clause (A)(ii) of the second proviso in section 110(d) of the Housing Act of 1949 is amended by striking out "by a public university" and inserting in lieu thereof "by or on behalf of a public university."

INCOME LIMITATION UNDER REHABILITATION LOAN PROGRAM

SEC. 207. Section 312(a) of the Housing Act of 1964 is amended by striking out the last sentence and inserting in lieu thereof the following: "In making loans with respect to residential property under this section, priority shall be given to applications made by persons whose annual income, as determined pursuant to criteria and procedures established by the Secretary, is within the limitations prescribed by the Secretary for occupants of projects financed with below-market interest rate mortgages insured (in the area involved) under section 221(d)(3) of the National Housing Act."

SUPPLEMENTAL GRANTS TO ENCOURAGE URBAN RENEWAL LOANS FROM PRIVATE SOURCES

SEC. 208. The proviso in the first paragraph of section 102(c) of the Housing Act of 1949 is amended—

(1) by striking out ", if";

(2) by striking out ", the interest rate on such a loan from a source other than the Federal Government is greater than the rate at which funds could be made available under the Federal loan contract,";

(3) by striking out "from such sources" and inserting in lieu thereof "from a source other than the Federal Government"; and

(4) by inserting "or a supplemental grant in an amount which he determines is necessary to enable a local public agency to obtain funds from a source other than the Federal Government" immediately after "contract rate".

REVIEW OF RELOCATION PLANS UNDER URBAN RENEWAL PROGRAM

SEC. 209. Section 105(c) of the Housing Act of 1949 is amended by adding at the end thereof the following new paragraph:

"(3) Within one year after the date of the enactment of this paragraph, and every two years thereafter, the Secretary shall review each locality's relocation plan under this subsection and its effectiveness in carrying out such plan."

REPLACEMENT OF HOUSING UNITS WHERE PROJECT INVOLVES DEMOLITION OR REMOVAL OF RESIDENTIAL STRUCTURES

SEC. 210. Section 105 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsection:

"(h) If any urban renewal project which receives Federal recognition after the date of the enactment of this subsection includes the demolition or removal of any residential structure or structures (whether or not it is a project taken into account for purposes of applying subsection (f)), there shall be provided in the area within which the local public agency has jurisdiction (by construction or rehabilitation) standard housing units for occupancy by low and moderate income families (including but not limited to units provided under Federal- or State-assisted housing programs and including units of low-rent housing in private accommodations assisted under section 23 of the United States Housing Act of 1937) at least equal in number to the number of units occupied by such families prior to the demolition or removal of such structure or structures: Provided, That the Secretary shall have authority where he deems it appropriate to take into account suitable housing outside such area for purposes of meeting the requirement of this subsection. If the Secretary finds that the percentage of vacancies for all existing housing units in the area within which the local public agency has jurisdiction is 5 per centum or greater, he may waive the requirements of this subsection to the extent that he determines there are existing standard housing units in such area which will be available for occupancy by low and moderate income families who are being displaced by the urban renewal project."

LOANS FOR PUBLIC HOUSING PROJECTS

SEC. 211. Section 9 of the United States Housing Act of 1937 is amended by striking out the third sentence.

PUBLIC HOUSING ANNUAL CONTRIBUTIONS

SEC. 212. (a) The proviso in section 10(b) of the United States Housing Act of 1937 is amended by inserting after "any contract" the following: ", although not limited to debt service requirements,".

(b) The first sentence of section 10(e) of such Act is amended by striking out "$150,000,000 on July 1 in each of the years 1969 and 1970" and inserting in lieu thereof "$225,000,000 on July 1, 1969, and $170,000,000 on July 1, 1970".

REDUCED RENTALS FOR VERY LOW INCOME TENANTS OF PUBLIC HOUSING PROJECTS

SEC. 213. (a) The second paragraph of section 2(1) of the United States Housing Act of 1937 is amended by inserting after "rents" the following: "(which may not exceed one-fourth of the family's income, as defined by the Secretary)".

(b) The requirement in section 2(1) of the United States Housing Act of 1937 that the rents fixed by public housing agencies may not exceed one-fourth of a low-rent housing tenant's income shall be effective not later than ninety days following the date of the enactment of this Act. The requirement shall not apply in any case in which the Secretary of Housing and Urban Development determines that limiting the rent of any tenant or class of tenants, as provided by such section 2(1), will result in a reduction in the amount of welfare assistance which would otherwise be provided to such tenant or class of tenants by a public agency.

(c) The second sentence of section 14 of the United States Housing Act of 1937 is amended by inserting after "Government," the following: "or is necessary to insure the low-rent character of the project involved,".

NOTIFICATIONS TO APPLICANTS FOR ADMISSION TO PUBLIC HOUSING PROJECTS

SEC. 214. Section 10(g) of the United States Housing Act of 1937 is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (3) a new paragraph as follows:

"(4) the public housing agency shall promptly notify (i) any applicant determined to be ineligible for admission to the project of the basis for such determination and provide the applicant upon request, within a reasonable time after the determination is made, with an opportunity for an informal hearing on such determination, and (ii) any applicant determined to be eligible for admission to the project of the approximate date of occupancy insofar as such date can be reasonably determined."

ROOM COST LIMITATIONS FOR PUBLIC HOUSING PROJECTS

SEC. 215. The first sentence of section 15(5) of the United States Housing Act of 1937 is amended—

(1) by striking out "$2,400 per room ($3,500 per room" and inserting in lieu thereof "$2,800 per room ($3,900 per room";

(2) by striking out "$3,500 per room and $4,000 per room" and inserting in lieu thereof "$4,000 per room and $4,500 per room"; and

(3) by striking out "$750 per room" and inserting in lieu thereof "$1,500 per room in the case of accommodations designed specifically for elderly families, or $1,400 per room in any other case,".

MANAGEMENT AND SERVICES IN PUBLIC HOUSING PROJECTS

SEC. 216. The last sentence of section 15(10) of the United States Housing Act of 1937 is

amended by striking out "July 1, 1970" and inserting in lieu thereof "July 1, 1971".

ELIMINATION OF WORKABLE PROGRAM REQUIREMENT WITH RESPECT TO LOW-RENT HOUSING IN PRIVATE ACCOMMODATIONS AND OTHER LOW-RENT PUBLIC HOUSING, AND WITH RESPECT TO MORTGAGE INSURANCE UNDER SECTION 221(d)(3) PROGRAM

SEC. 217. (a) Section 101(c) of the Housing Act of 1949 is amended—

(1) by striking out "or for annual contributions or capital grants pursuant to the United States Housing Act of 1937, as amended, for any project or projects not constructed or covered by a contract for annual contributions prior to August 1, 1956,";

(2) by striking out "or section 221(d)(3)";

(3) by striking out "(i)", and "or (ii) section 221(d)(3) of the National Housing Act if payments with respect to the mortgaged property are made or are to be made under section 101 of the Housing and Urban Development Act of 1965,", in the first proviso; and

(4) by striking out "or a contract for annual contributions or capital grants was entered into pursuant to the United States Housing Act of 1937,".

(b) The second proviso in section 10(e) of the United States Housing Act of 1937 is amended by striking out "no such new contract" and all that follows down through "Housing Act of 1949, and"

(c) Section 23(f) of the United States Housing Act of 1937 is amended by striking out all that follows "this Act" where it first appears and inserting in lieu thereof "shall not apply to low-rent housing assisted or to be assisted under this section."

AUTHORIZATION FOR HOUSING FOR THE ELDERLY OR HANDICAPPED

SEC. 218. Section 202(a)(4) of the Housing Act of 1959 is amended to read as follows:

"(4) There is authorized to be appropriated for the purposes of this section not to exceed $500,000,000, which amount shall be increased by $150,000,000 on July 1, 1969. Amounts so appropriated shall constitute a revolving fund to be used by the Secretary in carrying out this section."

AUTHORIZATION FOR COLLEGE HOUSING DEBT SERVICE GRANTS

SEC. 219. Section 401(f)(2) of the Housing Act of 1950 is amended by striking out all that follows "exceed" and inserting in lieu thereof "$20,000,000, which amount shall be increased by $4,200,000 on July 1, 1970."

ASSISTANCE FOR HOUSING IN ALASKA

SEC. 220. Section 1004(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by striking out "$7,500" and inserting in lieu thereof "$10,875".

## TITLE III—MODEL CITIES AND METROPOLITAN DEVELOPMENT PROGRAMS

AUTHORIZATION FOR MODEL CITIES PROGRAM

SEC. 301. (a) Section 111(b) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by striking out "and" the third time it appears;

(2) by inserting before the period at the end thereof the following: ", and not to exceed $600,000,000 for the fiscal year ending June 30, 1971"; and

(3) by adding at the end thereof the following new sentence: "Under regulations prescribed by the Secretary, 10 per centum of the amounts appropriated pursuant to this subsection for the fiscal year ending June 30, 1970, and for any fiscal year thereafter shall be used for assistance to city demonstration agencies in cities or counties having a population (according to the most recent decennial census) of less than 100,000, and may be so used (to the extent specifically provided in such regulations) without regard to the limitation set forth in the first sentence of section 105(c)."

(b) Section 111(c) of such Act is amended by striking out "1970" and inserting in lieu thereof "1971".

AUTHORIZATION FOR COMPREHENSIVE PLANNING GRANTS

SEC. 302. The fifth sentence of section 701(b) of the Housing Act of 1954 is amended by striking out "and not to exceed $390,000,000 prior to July 1, 1970" and inserting in lieu thereof "and not to exceed $390,000,000 prior to July 1, 1971".

AUTHORIZATION FOR OPEN SPACE, URBAN BEAUTIFICATION, AND HISTORIC PRESERVATION GRANTS

SEC. 303. The first sentence of section 702(b) of the Housing Act of 1961 is amended by striking out "and not to exceed $460,000,000 prior to July 1, 1970" and inserting in lieu thereof "and not to exceed $460,000,000 prior to July 1, 1971".

AUTHORIZATION FOR NEW COMMUNITY SUPPLEMENTARY ASSISTANCE GRANTS

SEC. 304. Section 412(d) of the Housing and Urban Development Act of 1968 is amended by striking out "July 1, 1970" and inserting in lieu thereof "July 1, 1971".

COMMUNITY FACILITIES GRANTS

SEC. 305. (a) Section 702(c) of the Housing and Urban Development Act of 1965 is amended by striking out "1969" in clause (2) and inserting in lieu thereof "1970".

(b) Section 708(b) of such Act is amended by striking out "1970" and inserting in lieu thereof "1971".

(c) The second sentence of section 708(a) of such Act is amended by inserting before the period at the end thereof the following: ", and not to exceed $100,000,000 for the fiscal year commencing July 1, 1970".

URBAN MASS TRANSPORTATION

SEC. 306. (a) The first sentence of section 4(b) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "and" the second time it appears; and

(2) by striking out the period and inserting in lieu thereof "; and $300,000,000 for fiscal year 1971."

(b) Section 5 of such Act is amended by striking out "1970" and inserting in lieu thereof "1971".

TRAINING AND FELLOWSHIP PROGRAMS

SEC. 307. Title VIII of the Housing Act of 1964 is amended to read as follows:

"TITLE VIII—TRAINING AND FELLOWSHIP PROGRAMS

"FINDINGS AND PURPOSE

"SEC. 801. (a) The Congress finds that the rapid expansion of the Nation's urban areas and urban population has caused severe problems in urban and suburban development and created a national need to (1) provide special training in skills needed for economic and efficient community development, and (2) support research in new or improved methods of dealing with community development problems.

"(b) It is the purpose of this title to provide fellowships for the graduate training of professional city planning and urban and housing technicians and specialists, and to assist and encourage the States, in cooperation with public or private universities and colleges and urban centers and with business firms and associations, labor unions, and other interested associations and organizations, to (1) organize, initiate, develop, and expand programs which will provide special training in skills needed for economic and efficient community development to those technical, professional, and other persons with the capacity to master and employ such skills who are, or are training to be, employed by a governmental or public body which has responsibility for community development, or by a private nonprofit organization which is conducting or has responsibility for housing and community development programs, and (2) support State and local research that is needed in connection with housing programs and needs, public improvement programing, code problems, efficient land use, urban transportation, and similar community development problems.

"FELLOWSHIPS FOR CITY PLANNING AND URBAN STUDIES

"SEC. 802. (a) The Secretary is authorized to provide fellowships for the graduate training of professional city planning and urban and housing technicians and specialists as herein provided. Persons shall be selected for such fellowships solely on the basis of ability and upon the recommendation of the Urban Studies Fellowship Advisory Board established pursuant to subsection (b). Fellowships shall be solely for training in public and private nonprofit institutions of higher education having programs of graduate study in the field of city planning or in related fields (including architecture, civil engineering, economics, municipal finance, public administration, and sociology), which programs are oriented to training for careers in city and regional planning, housing, urban renewal, and community development.

"(b) There is hereby established the Urban Studies Fellowship Advisory Board (hereinafter referred to as the 'Board'), which shall consist of nine members to be appointed by the Secretary as follows: Three from public institutions of higher learning and three from private nonprofit institutions of higher education, who are the heads of departments which provide academic courses appropriately related to the fields referred to in subsection (a), and three from national organizations which are directly concerned with problems relating to urban, regional, and community development. The Board shall meet upon the request of the Secretary and shall make recommendations to him with respect to persons to be selected for fellowships under this section. Members of the Board shall be entitled to receive transportation expenses and a per diem in lieu of subsistence as authorized for members of advisory committees created pursuant to section 601 of the Housing Act of 1949.

"MATCHING GRANTS TO STATES

"SEC. 803. (a) Subject to the provisions of this title and in accordance with regulations prescribed by him, the Secretary may make matching grants to States to assist in—

"(1) organizing, initiating, developing, or expanding programs to provide special training in skills needed for economic and efficient community development to those technical, professional, and other persons with the capacity to master and employ such skills who are, or are training to be, employed by a governmental or public body which has responsibilities for community development, or by a private nonprofit organization which is conducting or has responsibility for housing and community development programs; and

"(2) supporting State and local research that is needed in connection with housing programs and needs, public improvement programing, code problems, efficient land use, urban transportation, and similar community development problems, and collecting, collating, and publishing statistics and information relating to such research.

"(b) No grants may be made to a State under this section unless the Secretary has approved a plan for the State which—

"(1) sets forth the proposed use of the funds and the objectives to be accomplished;

"(2) explains the method by which the required amounts from non-Federal sources will be obtained;

"(3) provides such fiscal control and fund

accounting procedures as may be reasonably necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State under this section;

"(4) designates an officer or agency of the State government who has responsibility and authority for the administration of a statewide research and training program as the officer or agency with responsibility and authority for the execution of the State's program under this section; and

"(5) provides that such officer or agency will make such reports to the Secretary, in such form, and containing such information, as may be reasonably necessary to enable the Secretary to perform his duties under this section.

"(c) No grant may be made under this section for any use unless an amount at least equal to such grant is made available from non-Federal sources for the same purpose and for concurrent use.

"STATE LIMIT

"SEC. 804. Not more than 10 per centum of the total amount appropriated for the purposes of this title may be used for making grants to any one State.

"TECHNICAL ASSISTANCE, STUDIES, AND PUBLICATION OF INFORMATION

"SEC. 805. In order to carry out the purpose of this title, the Secretary is authorized to provide technical assistance to State and local governmental or public bodies and to undertake such studies and publish and distribute such information, either directly or by contract, as he shall determine to be desirable. Nothing contained in this title shall limit any authority of the Secretary under any other provision of law.

"APPROPRIATION

"SEC. 806. There is authorized to be appropriated for the purpose of making grants and providing fellowships under this title, without fiscal year limitation, not to exceed $30,000,000. Any amounts appropriated under this section shall remain available until expended.

"MISCELLANEOUS

"SEC. 807. (a) As used in this title the term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands; and the term 'Secretary' means the Secretary of Housing and Urban Development.

"(b) There are authorized to be appropriated such sums as may be necessary for administrative and other expenses in carrying out this title."

EXTENSION OF URBAN INFORMATION AND TECHNICAL ASSISTANCE SERVICES AUTHORIZATION

SEC. 308. Section 906 of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by striking out "July 1, 1970" and inserting in lieu thereof "July 1, 1971".

## TITLE IV—MISCELLANEOUS

FLEXIBLE INTEREST RATE AUTHORITY

SEC. 401. Section 3(a) of the Act entitled "An act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes", approved May 7, 1968, is amended by striking out "January 1, 1970" and inserting in lieu thereof "October 1, 1970".

AUTHORIZATION FOR PROPERTY ACQUISITIONS IN APPLYING ADVANCES IN TECHNOLOGY TO HOUSING AND URBAN DEVELOPMENT

SEC. 402. The first sentence of section 1010(c) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by inserting "(1)" after "authorized"; and

(2) by inserting before the period a comma and the following: "and (2) notwithstanding any other provision of law, to acquire, use and dispose of land and other property as he deems necessary to carry out the purposes of subsection (a)(1) of this section".

EXTENSION OF CERTAIN PROVISIONS OF LAW RELATING TO HOUSING AND URBAN DEVELOPMENT TO THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 403. (a) Paragraph (12) of section 2 of the United States Housing Act of 1937 is amended to read as follows:

"(12) The term 'State' includes the States of the Union, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, and the territories and possessions of the United States."

(b) Section 206 of the Housing Amendments of 1955 is amended by striking out "and the Territories and possessions of the United States" and inserting in lieu thereof "the Trust Territory of the Pacific Islands, and the territories and possessions of the United States."

(c)(1) Section 201(d) of the National Housing Act is amended by inserting "the Trust Territory of the Pacific Islands," after "Guam,".

(2) Section 207(a)(7) of such Act is amended by inserting "the Trust Territory of the Pacific Islands," after "Guam,".

(3) Section 9 of such Act is amended by inserting "the Trust Territory of the Pacific Islands," after "Guam,".

EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS IN CONNECTION WITH HUD-ASSISTED PROJECTS

SEC. 404. Section 3 of the Housing and Urban Development Act of 1968 is amended to read as follows:

"EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS IN CONNECTION WITH ASSISTED PROJECTS

"SEC. 3. In the administration by the Secretary of Housing and Urban Development of programs providing direct financial assistance in aid of housing, urban planning, development, redevelopment, or renewal, public or community facilities, and new community development, the Secretary shall—

"(1) require, in consultation with the Secretary of Labor, that to the greatest extent feasible opportunities for training and employment arising in connection with the planning and carrying out of any project assisted under any such program be given to lower income persons residing in the area of such project; and

"(2) require, in consultation with the Administrator of the Small Business Administration, that to the greatest extent feasible contracts for work to be performed in connection with any such project be awarded to business concerns, including but not limited to individuals or firms doing business in the field of planning, consulting, design, architecture, building construction, rehabilitation, maintenance, or repair, which are located in or owned in substantial part by persons residing in the area of such project."

URBAN PROPERTY PROTECTION AND REINSURANCE—ENTRY INTO REINSURANCE CONTRACTS

SEC. 405. Section 1222(d) of the National Housing Act is amended by striking out all that follows "thereafter" the first time it appears and inserting in lieu thereof a period.

URBAN PROPERTY PROTECTION AND REINSURANCE—STATE SHARE OF REINSURED LOSSES

SEC. 406. Section 1223(a) of the National Housing Act is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) in any State which has not, after the close of the second full regular session of the appropriate State legislative body following the date of the enactment of this title, adopted appropriate legislation, retroactive to the date of the enactment of this title, under which the State, its political subdivisions, or a governmental corporation or fund established pursuant to State law, will reimburse the Secretary for any reinsured losses in that State in any reinsurance contract year, in an amount up to 5 per centum of the aggregate property insurance premiums earned in that State during the calendar year immediately preceding the end of the reinsurance contract year on those lines of insurance reinsured by the Secretary in that State during the contract year, to the extent that reinsured losses paid by the Secretary for such year exceed the total of (A) reinsurance premiums earned in that State during that reinsurance contract year plus (B) the excess of (i) the total premiums earned by the Secretary for reinsurance in that State during a preceding period measured from the end of the most recent reinsurance contract year with respect to which the Secretary was reimbursed for losses under this title over (ii) any amounts paid by the Secretary for reinsured losses that were incurred during such period;".

STUDY OF REINSURANCE AND OTHER PROGRAMS

SEC. 407. Section 1235(b) of the National Housing Act is amended by striking out "one year following the date of the enactment of this title" and inserting in lieu thereof "June 30, 1970".

EMERGENCY FLOOD INSURANCE PROGRAM

SEC. 408. Part A of chapter II of title XIII of the Housing and Urban Development Act of 1968 is amended by adding at the end thereof the following new section:

"EMERGENCY IMPLEMENTATION OF PROGRAM

"SEC. 1336. (a) Notwithstanding any other provisions of this title, for the purpose of providing flood insurance coverage at the earliest possible time, the Secretary shall carry out the flood insurance program authorized under chapter I during the period ending December 31, 1971, in accordance with the provisions of this part and the other provisions of this title insofar as they relate to this part but subject to the modifications made by or under subsection (b).

"(b) In carrying out the flood insurance program pursuant to subsection (a), the Secretary—

"(1) shall provide insurance coverage without regard to any estimated risk premium rates which would otherwise be determined under section 1307; and

"(2) shall utilize the provisions and procedures contained in or prescribed by this part (other than section 1334) and sections 1345 and 1346 to such extent and in such manner as he may consider necessary or appropriate to carry out the purpose of this section."

EXTENSION OF FLOOD INSURANCE PROGRAM TO COVER LOSSES FROM WATER-CAUSED MUDSLIDES

SEC. 409. (a) Section 1302 of the Housing and Urban Development Act of 1968 is amended by adding at the end thereof the following new subsection:

"(f) The Congress also finds that (1) the damage and loss which results from mudslides is related in cause and similar in effect to that which results directly from storms, deluges, overflowing waters, and other forms of flooding, and (2) the problems involved in providing protection against this damage and loss, and the possibilities for making such protection available through a Federal or federally sponsored program, are similar to those which exist in connection with efforts to provide protection against damage and loss caused by such other forms of flooding. It is therefore the further purpose of this title to make available, by means of the methods, procedures, and instrumentalities which are otherwise established or available

under this title for purposes of the flood insurance program, protection against damage and loss resulting from mudslides that are caused by accumulations of water on or under the ground."

(b) Section 1370 of such Act is amended by inserting "(a)" after "SEC. 1370.", and by adding at the end thereof the following new subsection:

"(b) The term 'flood' shall also include inundation from mudslides which are caused by accumulations of water on or under the ground; and all of the provisions of this title shall apply with respect to such mudslides in the same manner and to the same extent as with respect to floods described in paragraph (1), subject to and in accordance with such regulations, modifying the provisions of this title (including the provisions relating to land management and use) to the extent necessary to insure that they can be effectively so applied, as the Secretary may prescribe to achieve (with respect to such mudslides) the purposes of this title and the objectives of the program."

NATIONAL FLOOD INSURANCE PROGRAM—ADOPTION OF LOCAL FLOOD CONTROL MEASURES

SEC. 410. (a) Section 1305(c)(2) of the Housing and Urban Development Act of 1968 is amended by striking out "June 30, 1970, permanent" and inserting in lieu thereof "December 31, 1971, adequate".

(b) Section 1315 of such Act is amended—

(1) by striking out "June 30, 1970" and inserting in lieu thereof "December 31, 1971"; and

(2) by striking out "permanent" and inserting in lieu thereof "adequate".

(c) Section 1361(c) of such Act is amended by striking out "permanent" and inserting in lieu thereof "adequate".

INTERSTATE LAND SALES

SEC. 411. Section 1403(a)(10) of the Housing and Urban Development Act of 1968 is amended to read as follows:

"(10) the sale or lease of real estate which is free and clear of all liens, encumbrances, and adverse claims if each and every purchaser or his or her spouse has made a personal on-the-lot inspection of the real estate which he purchased and if the developer executes a written affirmation to that effect to be made a matter of record in accordance with rules and regulations of the Secretary. As used in this subparagraph, the terms 'liens', 'encumbrances', and 'adverse claims' do not refer to property reservations which land developers commonly convey or dedicate to local bodies or public utilities for the purpose of bringing public services to the land being developed, nor to taxes and assessments imposed by a State, by any other public body having authority to assess and tax property, or by a property owners' association, which, under applicable State or local law, constitute liens on the property before they are due and payable, nor to beneficial property restrictions which would be enforceable by other lot owners or lessees in the subdivision, if (A) the developer, prior to the time the contract of sale or lease is entered into, has furnished each purchaser or lessee with a statement, the form and content of which has been approved by the Secretary, setting forth in descriptive and concise terms all such reservations, taxes, assessments, and restrictions which are applicable to the lot to be purchased or leased, and (B) receipt of such statement has been acknowledged in writing by the purchaser or lessee, and a copy of the acknowledged statement is filed with the Secretary in accordance with such rules and regulations as he may require."

REPORTS

SEC. 412. (a) Section 1603 of the Housing and Urban Development Act of 1968 is amended by striking out "January 15," and inserting in lieu thereof "February 15,".

(b) The last sentence of section 235(h)(2) of the National Housing Act is amended by striking out "annually" and inserting in lieu thereof "semiannually".

(c) The last sentence of section 236(i)(2) of the National Housing Act is amended by striking out "annually" and inserting in lieu thereof "semiannually".

RURAL HOUSING

SEC. 413. (a) Sections 513, 515(b)(5), and 517(a)(1) of the Housing Act of 1949 are each amended by striking out "January 1, 1970" wherever it appears and inserting in lieu thereof "October 1, 1973".

(b) Section 517(c) of such Act is amended by striking out all that follows "section" and inserting in lieu thereof a period.

(c) Section 517 of such Act is amended by adding at the end thereof the following new subsection:

"(k) Any sale by the Secretary of loans individually or in blocks, pursuant to subsections (c) and (g), shall be treated as a sale of assets for the purposes of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement with the purchaser, holds the debt instruments evidencing the loans and holds or reinvests payments thereon as trustee and custodian for the purchaser."

(d) Section 517 of such Act is further amended by adding at the end thereof (after subsection (k), as added by subsection (c) of this section) the following new subsection:

"(l) The Secretary may also, upon the application of lenders, builders, or sellers and upon compliance with requirements specified by him, make commitments upon such terms and conditions as he shall prescribe to make or insure loans under this section to eligible applicants."

(e)(1) Section 517 of such Act is further amended by adding at the end thereof (after subsection (l), as added by subsection (d) of this section) the following new subsection:

"(m) The assets and liabilities of, and authorizations applicable to, the Rural Housing Direct Loan Account are hereby transferred to the Fund, and such Account is hereby abolished. Such assets and their proceeds, including loans made out of the Fund pursuant to this section, shall be subject to all of the provisions of this section."

(2) The first sentence of section 517(d) of such Act is amended—

(A) by striking out "(a) and (b)" and inserting in lieu thereof "(a), (b), and (m)"; and

(B) by inserting "or otherwise acquired by" after "loans made from".

(3) Section 518 of such Act is repealed.

(4) Section 519 of such Act is amended by striking out "or the Rural Housing Direct Loan Account" and "or Account".

(f)(1) Title V of such Act is amended by adding at the end thereof a new section as follows:

"FINANCIAL ASSISTANCE TO NONPROFIT ORGANIZATIONS TO PROVIDE SITES FOR RURAL HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES

"SEC. 524. (a) The Secretary may make loans, on such terms and conditions and in such amounts as he deems necessary, to public or private nonprofit organizations for the acquisition and development of land as building sites to be subdivided and sold to families, nonprofit organizations, and cooperatives eligible for assistance under section 235 or 236 of the National Housing Act or section 521 of this Act. Such a loan shall bear interest at a rate prescribed by the Secretary taking into consideration a rate determined annually by the Secretary of the Treasury as the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, and shall be repaid within a period not to exceed two years from the making of the loan or within such additional period as may be authorized by the Secretary in any case as being necessary to carry out the purposes of this section.

"(b) In determining whether to extend financial assistance under this section, the Secretary shall take into consideration, among other factors, (1) the suitability of the area to the types of dwellings which can feasibly be provided, and (2) the extent to which the assistance will (i) facilitate providing needed decent, safe, and sanitary housing, (ii) be utilized efficiently and expeditiously, and (iii) fulfill a need in the area which is not otherwise being met through other programs, including those being carried out by other Federal, State, or local agencies."

(2) Section 517(b) of such Act is amended by striking out "and 515" and inserting ", 515", and by adding after "(b)(4))," the following; "and 524,".

SALE OF LAND FOR HOUSING

SEC. 414. (a) Notwithstanding the provisions of the Federal Property and Administrative Services Act of 1949, any surplus real property within the meaning of such Act may in the discretion of the Administrator of General Services be transferred to the Secretary of Housing and Urban Development at his request for sale or lease by him at its fair value for use in the provision of rental or cooperative housing to be occupied by families or individuals of low or moderate income. Any such sale or lease of surplus land shall be made only to (1) a public body which will use the land in connection with the development of a low-rent housing project assisted under the United States Housing Act of 1937, or under a State or local program found by the Secretary of Housing and Urban Development to have the same general purposes as the Federal program under such Act, or (2) a purchaser or lessee who will use the land in connection with the development of housing (A) with respect to which annual payments will be made to the housing owner pursuant to section 101 of the Housing and Urban Development Act of 1965, (B) financed with a mortgage which receives the benefits of the interest rate provided for in the proviso in section 221(d)(5) of the National Housing Act, or (C) with respect to which interest reduction payments will be made under section 236 of the National Housing Act: *Provided*, That prior to any such sale or lease to a purchaser or lessee other than a public body, the Secretary shall notify the governing body of the locality where the land is located of the proposed sale or lease and no such sale or lease shall be made if the local governing body, within ninety days of such notification, formally advises the Secretary that it objects to the proposed sale or lease. If the United States paid valuable consideration for any such land the Secretary shall not sell it for less than its cost to the United States at the time of acquisition. In addition, if such land contains improvements constructed by the Federal Government which have potential use in the provision of housing for low- or moderate-income families or individuals, the improvements shall be separately appraised for such use and the price for which such land is sold shall include an amount which is not less than the value of such improvements as so appraised.

(b) As a condition to any sale or lease of surplus land under this section to a purchaser or lessee other than a public body, the Secretary shall obtain such undertakings as he may consider appropriate to assure that the property will be used in the provision of rental or cooperative housing to be occupied by families or individuals of low or moderate income for a period of not less than forty years. If during such period the property is used for any purpose other than the purpose for which it was sold or leased it

shall revert to the United States (or, in the case of leased property, the lease shall terminate) unless the Secretary, after the expiration of the first twenty years of such period, has approved the use of the property for such other purpose. The Secretary shall notify the Committees on Banking and Currency of the Senate and House of Representatives whenever any surplus land is sold or leased by him, or he approves a change in the use of any surplus land theretofore sold or leased by him, pursuant to the authority of this section.

AUTHORITY TO TRANSFER ADDITIONAL AMOUNTS FROM GENERAL INSURANCE FUND TO SPECIAL RISK INSURANCE FUND

SEC. 415. Section 238(b) of the National Housing Act is amended by striking out "the sum of $5,000,000" in the first sentence and inserting in lieu thereof ", at such times and in such amounts as he may determine to be necessary, a total sum of $20,000,000".

SAVINGS AND LOAN ASSOCIATIONS

SEC. 416. (a) Section 5 of the Federal Home Loan Bank Act (12 U.S.C. 1425) is amended to read as follows:

"SEC. 5. No institution shall be admitted to or retained in membership or granted the privileges of nonmember borrowers, if the combined total of the amounts paid to it for interest, commission, bonus, discount, premium, and other similar charges, less a proper deduction for all dividends, refunds, and cash credits of all kinds, creates an actual net cost to the home owner in excess of the lawful contract rate of interest applicable to such transactions, or, in case there is no lawful contract rate of interest applicable to such transactions, in excess of such rates as may be prescribed in writing by the Board acting in its discretion from time to time. This section applies only to home mortgage loans on single-family dwellings."

(b) Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by adding at the end thereof the following new paragraph:

"Without regard to any other provision of this subsection, any such association is authorized to invest in shares of stock issued by a corporation authorized to be created pursuant to title IX of the Housing and Urban Development Act of 1968, and is authorized to invest in any partnership, limited partnership, or joint venture formed pursuant to section 907(a) or 907(c) of that Act."

(c)(1) Section 404(d)(2)(B) of the National Housing Act (12 U.S.C. 1727(d)(2)(B)) is amended by striking out "1966" and inserting in lieu thereof "1965".

(2) Section 6(b) of the Act of September 21, 1968 (Public Law 90–505), is amended by striking out "1968" and inserting in lieu thereof "1965".

RESTRAINTS AGAINST USE OF NEW AND IMPROVED TECHNOLOGIES

SEC. 417. Section 1010(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (3) a new paragraph as follows:

"(4) assure, to the extent feasible, in connection with the construction, major rehabilitation, or maintenance of any housing assisted under this section, that there is no restraint by contract, building code, zoning ordinance, or practice against the employment of new or improved technologies, techniques, materials, and methods or of preassembled products which may reduce the cost or improve the quality of such construction, rehabilitation, and maintenance, and therefore stimulate expanded production of housing under this section, except where such restraint is necessary to insure safe and healthful working and living conditions."

MISCELLANEOUS AND TECHNICAL AMENDMENTS

SEC. 418. (a) Section 235(c) of the National Housing Act is amended by inserting immediately before the period at the end of the first sentence the following: ": *Provided further*, That the Secretary is authorized to continue making such assistance payments where the mortgage has been assigned to the Secretary".

(b) Section 236(b) of such Act is amended by striking out "*Provided*, That" and inserting in lieu therof the following: "*Provided*, That the Secretary is authorized to continue making such interest reduction payments where the mortgage has been assigned to the Secretary: *Provided further*, That".

(c) Section 223(d) of such Act is amended by inserting the following new sentence at the end thereof: "A loan involving a project covered by a mortgage insured under section 213 that is the obligation of the Cooperative Management Housing Insurance Fund shall be the obligation of such fund, and loans involving projects covered by a mortgage insured under section 236 or under any section of this title pursuant to subsection (e) of this section shall be the obligation of the Special Risk Insurance Fund."

(d) Section 223(e) of such Act is amended to read as follows:

"(e) Notwithstanding any of the provisions of this Act except section 212, and without regard to limitations upon eligibility contained in any section of this title or title XI, the Secretary is authorized, upon application by the mortgagee, to insure under any section of this title or title XI a mortgage executed in connection with the repair, rehabilitation, construction, or purchase of property located in an older, declining urban area in which the conditions are such that one or more of the eligibility requirements applicable to the section or title under which insurance is sought could not be met, if the Secretary finds that (1) the area is reasonably viable, giving consideration to the need for providing adequate housing or group practice facilities for families of low and moderate income in such area, and (2) the property is an acceptable risk in view of such consideration. The insurance of a mortgage pursuant to this subsection shall be the obligation of the Special Risk Insurance Fund."

(e) Section 214 of such Act is amended by inserting in the first sentence after "construct dwellings" the words "or mobile home courts or parks".

(f) Section 1101(c)(2) of such Act is amended—

(1) by striking out "value of the property or project" and inserting in lieu thereof "replacement cost of the property or project"; and

(2) by striking out "The value" and inserting in lieu thereof "The replacement cost".

And the House agree to the same.

WRIGHT PATMAN,
WILLIAM A. BARRETT,
LEONOR K. SULLIVAN,
THOMAS L. ASHLEY,
WILLIAM B. WIDNALL,
FLORENCE P. DWYER,
GARRY BROWN,
*Managers on the Part of the House.*

JOHN SPARKMAN,
WILLIAM PROXMIRE,
HARRISON A. WILLIAMS, Jr.,
EDMUND S. MUSKIE,
WALLACE F. BENNETT,
JOHN TOWER,
EDWARD W. BROOKE,
*Managers on the Part of the Senate.*

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2864) to amend and extend laws relating to housing and urban development, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the House amendment and the Senate bill. Except for technical, clarifying, and conforming changes, the following statement explains the differences between the House amendment and the substitute agreed to in conference.

TITLE I—MORTGAGE CREDIT

*FHA mortgage limits*

The House amendment contained a provision increasing all per unit and per room dollar ceilings in FHA title II mortgage insurance programs by 10 percent. The Senate bill provided that mortgage limits on FHA single- and multi-family housing be changed annually in accordance with the percentage change in average sales price of new homes since 1965; increased all section 203(b) mortgage limits by $2,500; and increased section 221(d)(2) and 235 limits in high cost areas up to 45 percent (existing law provides $2,500 increase in high cost areas over basic $15,000 and $17,500 mortgage limits).

The conference substitute (1) increases by 10 percent the dollar limits on section 203(b), section 207 (except for mobile home courts), section 213, section 220 (except subsection (h)), section 222, section 231, and section 234 housing; (2) increases by 15 percent the dollar limits on section 221 and section 236 multifamily housing; and (3) increases by 20 percent the dollar limits on section 203(h), section 203(i), section 203(k), section 203(m), section 220(h), section 221(d)(2), section 221(h), section 235 and section 237 housing.

*FHA mortgage insurance for mobile home courts*

The Senate bill contained a provision not in the House amendment increasing the maximum loan amount of FHA insured mortgages on mobile home courts from $500,000 to $1 million. The conference substitute includes the Senate provision.

The House amendment contained a provision not in the Senate bill limiting the maximum maturity of FHA insured mortgages on mobile home courts to 20 years (by administrative action, this term was increased from 15 to 40 years earlier this year). The conference substitute does not include the House amendment, but the conferees feel that this long-term insurance should not be granted without careful attention to urban planning considerations; therefore, the conferees expect the Secretary to make a determination, before granting insurance for the maximum term, that the location of the proposed court is not inconsistent with comprehensive planning for the area where such planning exists, or can reasonably be expected to be consistent with desirable growth patterns in the foreseeable future.

*Authorization for sections 235 and 236 interest subsidy programs*

The Senate bill contained a provision not in the House amendment authorizing increases of $170 million for fiscal year 1972 for each of the interest subsidy programs under sections 235 and 236. The conference substitute includes the Senate provision.

The conference substitute also extends to October 1, 1971, the mortgage-insuring au-

thority for these two sections (sections 235 and 236).

*Rentals in rent supplement and section 236 projects*

The House amendment provided that (a) rent supplement payments shall not exceed the difference between the fair market rental of a dwelling unit and 20 percent (instead of the present 25 percent) of a tenant's income; and (b) rentals in section 236 projects (in excess of basic rental charge) shall be based on 20 percent (instead of the present 25 percent) of a tenant's income. The Senate bill contained no similar provision and none is contained in the conference substitute.

*Section 236 projects for the elderly and handicapped*

The House amendment provided that (a) projects for the elderly or handicapped shall be administered, to the maximum extent possible, under the same terms as section 202 program; (b) the requirement for computation of rents based on income shall not apply to projects designed primarily for lower income elderly or handicapped families; (c) income verification for tenants in such projects shall be every 5 years (rather than 2 years); and (d) "Exception income limits" for the elderly or handicapped shall be $5,500 for individuals and $6,000 for couples, in lieu of 90 percent of 221(d)(3) BMIR limit otherwise applicable. There was no comparable provision in the Senate bill and none is contained in the conference report.

*Preferences in section 237 program*

The Senate bill contained a provision not in the House amendment giving applicants for section 235 assistance preference in receiving section 237 counseling services. The conference substitute contains the Senate provision.

*Intermediate care facilities*

The Senate bill contained a provision not in the House amendment expanding the FHA section 232 nursing home program to include intermediate care facilities for persons who do not need full nursing home care, but do need the aid of trained personnel. The conference substitute contains the Senate provision.

*GNMA ("Tandem") plan*

The Managers for the House prevailed in retaining the House version of section 114 which would authorize GNMA to purchase certain mortgages at par for subsequent resale at the market price to FNMA and others. This provision was amended on the House floor to make it clear that it applied to low and moderate income mortgages insured by the Farmers Home Administration under section 517(a) of the Housing Act of 1949. To assure that this action of the House is not negated, the Managers wish to emphasize that it is absolutely essential that the Administration expand its proposed use of this provision to all low and moderate income mortgages insured by the Federal Housing Administration as well as these Farmers Home Administration mortgages. It is the intent of the Congress that this authority be used to support cooperative and limited dividend mortgages, as well as nonprofit mortgages, under HUD's 236 and rent supplement programs. It is also Congress' intent that it be used to support single-family home mortgages under section 517(a) and HUD's 235 program.

*Rent supplements in section 236 projects*

The Senate bill continued a provision not in the House amendment authorizing the Secretary of HUD to increase where he deems it desirable the maximum percentage of rent supplement units in section 236 projects from 20 to 40 percent. The conference substitute contains the Senate provision.

TITLE II—URBAN RENEWAL AND HOUSING ASSISTANT PROGRAMS

*Urban renewal authorization*

The Senate bill authorized additional urban renewal grant funds of $1.3 billion for fiscal year 1971 and $1.7 billion for fiscal year 1972. The House amendment authorized an increase of $2 billion for fiscal year 1971. The conference substitute provides an increase of $1.7 billion for fiscal year 1971.

The House amendment contained a provision not in the Senate bill reserving a minimum of $400 million in fiscal year 1970 and 35 percent of the funds authorized for fiscal year 1971 for neighborhood development programs. The conference substitute provides that not less than 35 percent of the funds available in each of the fiscal years 1970 and 1971 shall be used for financing neighborhood development programs.

The House amendment required the Secretary to give priority to urban renewal projects that are part of model city programs. There was no similar provision in the Senate bill and none is contained in the conference substitute.

*Neighborhood development programs*

The House amendment authorized neighborhood development program projects to be carried out on the basis of 2-year increments instead of the 1-year increment provided in existing law. There was no comparable provision in the Senate bill and none is contained in the conference substitute.

*Eligibility for urban renewal*

The Senate bill contained a provision not in the House amendment extending urban renewal assistance to Indian tribes and the Trust Territories of the Pacific. The conference substitute contains the Senate provision.

*Residential redevelopment in urban renewal*

The House amendment contained a provision not in the Senate bill requiring that (a) each urban renewal project involving demolition of any residential structures include the provision of standard housing units for low- and moderate-income families equal in number to the number of such units demolished or removed in the project area; and (b) residential redevelopment for low- and moderate-income families account for 35 percent of the total cost of redevelopment, or the ratio between the total appraised value of residential structures before demolition and the appraised value of all structures in the urban renewal area before demolition, whichever is greater.

The conference substitute contains a provision which requires that any housing units demolished by urban renewal projects which receive Federal recognition after the date of enactment of the bill must be replaced in the area with standard housing units for occupancy by low- and moderate-income families on a one-for-one basis. This requirement could be waived if the Secretary finds that there is a vacancy rate in the locality of 5 percent or more.

The term "area" means the city, county, or other political subdivision within which the local public authority has jurisdiction, with the further provision that the Secretary of HUD has authority to take into account housing beyond those limits in cases where he deems such housing to be appropriate to carry out the requirement of this section.

*Additional aid for very low-income tenants*

The Senate bill contained a provision not in the House amendment adding a new section 24 to the U.S. Housing Act of 1937 authorizing up to $75 million per year in contracts for annual rental assistance payments to public housing agencies to cover the amount by which rental charges allocated to a unit exceed 25 percent of the tenant's income and to provide improved operating and maintenance services.

Both the Senate (sec. 206(a)) and House (sec. 210(a)) bills also contained a provision making it clear that the Secretary of HUD has authority to fix the amount of annual contributions in excess of debt service requirements of the project so long as the fixed contribution does not exceed the statutory annual maximum.

The conference substitute retains the basic concept of section 211 of the Senate bill by generally limiting rents that may be charged public housing tenants to no more than 25 percent of their income. It provides Federal funds to cover the amount by which the appropriate rental charges exceed 25 percent of the income of the tenant and to cover the cost of adequate operating and maintenance services.

The conferees were concerned, however, that in a number of jurisdictions the benefits of limiting the rent which may be charged a tenant of public housing would not inure to those tenants receiving public welfare assistance, but would be captured by the public agencies administering the programs of assistance to these families.

The conferees realize the impracticality of attempting to provide through additional public housing subsidies the funding needed to make adequate the welfare payments provided by the various States. The conferees, therefore, have made clear that the requirements that the rents fixed by public housing agencies may not exceed one-fourth of a tenant's income shall not apply in any case in which the Secretary of HUD determines that limiting the rent of any tenant, or class of tenants, will result in a reduction in the amount of welfare assistance which would otherwise be provided to such tenant, or class of tenants, by the public agency.

The conferees are disturbed by the growing practice of stretching an inadequate welfare budget by placing in public housing increasing numbers of families who cannot pay even the operating costs of the unit they occupy. The conferees are hopeful that within the context of the welfare program, some means can be found to provide as much support for a welfare family in public housing as would be provided for that family in private housing. Accordingly, the Secretaries of HEW and HUD are requested to study the feasibility of developing a uniform policy concerning the rents which shall be paid in public housing for families whose rents come from public assistance.

The conference substitute deletes the provisions in section 211 of the Senate bill which authorized $75 million in contracts for rental assistance payments under a new section 24, on the basis that assistance for this purpose can be provided within the existing annual contributions framework as clarified by the bill, and transfers the $75 million to the authorization for annual contributions contracts provided under section 10(e) of the U.S. Housing Act of 1937.

The conferees intend that the Secretary's authority to make annual contributions in excess of debt service requirements may be used, to the extent that the statutory annual maximum permits, for (1) payments to cover existing operating deficits of public housing agencies and enable them to maintain adequate operating and maintenance services and reserve funds, and (2) additional payments to make up the amount by which the proportionate share of operating and maintenance expenses attributable to a public housing tenant's dwelling unit exceeds

25 percent of the tenant's income. The additional payments which are contemplated in clause (2) above may not be made with respect to a dwelling unit unless the rent paid for the unit is one-fourth of the tenant's income and such payments shall not be provided to make up any reduction in the amount of welfare assistance which is provided to a tenant.

The committee is deeply concerned over cases of lax management in many public housing projects which have led to high operating costs, deterioration of property, and an intolerable environment for the families who live there. Among the reasons given to the committee to demonstrate the need for additional subsidies for existing housing projects, a sharp increase in vandalism was frequently mentioned together with a sharp increase in crime which has driven many occupants out of these projects. Much of the blame for these conditions lies with project managers and local government officials. Too frequently individual projects have filled up with problem families to the exclusion of others with resulting vacancy rates which have caused local budget deficits.

The low-rent public housing program has a fundamental role to play in meeting the needs of low income families and a special importance in making possible urban renewal and other programs which result in displacement. It would be disastrous if the small but growing number of cases of mismanagement undercut the program by giving rise to public reaction against them and by driving out responsible families of low income. HUD should undertake promptly a review of its own local management guides with a view toward tightening them where necessary. At the same time it should make its own inspection and review of local practices to assure that project managers know the standards expected of them and fully enforce their own regulations. Project managers who do not enforce these standards are not doing the job expected of them by Congress.

The conferees wish to make it clear that the benefits of subsidized public housing, including those provided by this section, cannot be achieved without tenant responsibility, including responsibility for the protection and care of property. Irresponsible tenant behavior jeopardizes the future of this program and cannot be tolerated.

The conferees do not intend that all tenants in public housing should pay 25% of income for rent. Prior to the enactment of the Housing Act of 1959 giving local authorities autonomy over this and other tenant relationships, Federal law set as a rule that rents in public housing should be no more than ⅛ of income. Regrettably, upward pressures on local authority costs have forced cities to raise rents. The Congress has on several occasions provided special additional payments to maintain the low income character of public housing projects to meet the basic financial needs of local authorities through provisions such as the supplementary $10 per month provided for the elderly and handicapped and for families of very low income and for large families. The conferees wish to make it clear that nothing in this or any other section of this bill is intended as a substitute for such existing authorized contributions. The additional $75 million authorized by section 211 of the Senate bill is being provided as additional annual contributions contract authorization specifically for the payments contemplated above.

*Notification to applicants for admission to public housing*

The Senate bill contained a provision not in the House amendment requiring that local housing authorities (a) give prompt notice to applicants of any decision on eligibilty; (b) provide an opportunity for a hearing for those found ineligible; and (c) give eligible applicants the approximate date of occupancy. The conference substitute contains the Senate provision, with a clarifying amendment assuring that such hearings will be provided upon request and will be informal in nature.

*Room cost limits in public housing*

The Senate bill increased room construction cost limits in high-cost areas up to 45 percent (in place of the present $750 allowance) and authorized HUD to change their basic room cost limits (now $2,400) annually by the change in construction costs since 1965. The House amendment would have increased both the basic and high-cost area statutory room cost limits by 10 percent. The conference report provides for the increases shown below:

PER ROOM COST CEILINGS IN PUBLIC HOUSING

| | Regular area | High-cost area |
|---|---|---|
| Basic program: | | |
| Present law | $2,400 | $3,150 |
| Conference report | 2,800 | 4,200 |
| Elderly persons: | | |
| Present law | 3,500 | 4,250 |
| Conference report | 4,000 | 5,500 |

Note: Comparable increases are applied to the special limitations applicable to Alaska.

*Housing for the elderly and handicapped*

The Senate bill increased the authorization for direct loans under section 202 of the Housing Act of 1959 by $80 million in each of the fiscal years 1970, 1971, and 1972. The House amendment increased the authorization by $150 million upon enactment. The conference substitute contains the House provision.

The conferees want to emphasize their strong support for this valuable program. The Committees on Banking and Currency in both the House and Senate heard extensive testimony on problems which sponsors of housing for the elderly projects are confronted with in changing their applications from the 3-percent loan program to the new section 236 interest subsidy program. The conferees wish to emphasize their understanding that conversion to section 236 was intended to be voluntary on the part of the sponsor and that there was no intention that sponsors be required by administrative regulation to convert their project.

*Housing in Alaska*

The Senate bill contained a provision not in the House amendment increasing the maximum amount per dwelling unit under the remote area loan program from $7,500 to $10,875. The conference substitute contains the Senate provision.

TITLE III—MODEL CITIES AND METROPOLITAN DEVELOPMENT PROGRAMS

*Model cities authorization*

The Senate bill authorized $287.5 million for model city grants for fiscal year 1971 and $1.5 billion for fiscal year 1972; and made all authorized but unappropriated funds available through fiscal year 1972. The House amendment would have extended the availability of existing authorization for one year and authorized an additional $750 million for fiscal year 1971. The conference substitute extends the availability of existing authorization and authorizes an additional $600 million through fiscal year 1971.

*Model cities in smaller communities*

The House amendment contained a provision not in the Senate bill authorizing the use of 10 percent of the funds appropriated in fiscal year 1970 and thereafter in smaller communities without regard to the requirement that supplementary grants cannot exceed 80 percent of the local share of the cost of other federally aided programs involved in the locality's model cities program. The conference substitute retains the House provision with an amendment defining smaller areas to mean cities and counties of less than 100,000 population.

*Use of private planners in section 701 comprehensive planning program*

The Senate bill contained a provision not in the House amendment requiring that any funds granted for comprehensive planning be used in a manner consistent with the Federal Government's policy of relying on the private enterprise system to provide those services which are reasonably and expeditiously available through ordinary business channels. The conference committee deleted this provision. Present law contains language encouraging assisted governments to engage private consultants where their professional services are deemed appropriate. Although the Senate provision was deleted, the conferees wish to make clear that local assisted governments should have freedom to determine for themselves whether to use the services of private planning consultants or whether to use local, state, or regional planning facilities. The conferees expect the Department of Housing and Urban Development to assure that this option is fully available to all assisted governments.

*Small communities—Urban information and technical assistance program*

The Senate bill extended the availability of existing authorization for the urban information and technical assistance program for small cities through fiscal year 1972. The House amendment consolidated this program with the section 701 comprehensive planning grant program, using section 701 funds. The conference substitute contains the Senate provision.

TITLE IV—MISCELLANEOUS

*FHA–VA interest rates*

The Senate bill extended to April 1, 1970, the authority of the Secretary of HUD to set maximum interest rates on FHA and VA mortgage loans. The House amendment extended to October 1, 1971, the authority of the Secretary of HUD to set the FHA interest rate and authorized the Veterans' Administration Administrator to set interest rates on VA loans until October 1, 1971. The conference substitute extends to October 1, 1970, the authority of the Secretary of HUD to set maximum interest rates on FHA and VA mortgage loans.

*Trust Territory of the Pacific Islands*

The Senate bill contained a provision not in the House amendment extending to Trust Territory of the Pacific Islands eligibility for FHA mortgage insurance and property improvement loans, public housing, and the public facility loan program. The conference substitute contains the Senate provision.

*Interstate land sales*

The Senate bill contained a provision (1) adding to the existing exemption from registration requirements (for property which is free and clear of liens, encumbrances, and adverse claims if the purchaser has personally inspected his lot) property subject to (a) taxes and assessments imposed by property owners' associations (State and local taxes and assessments are now exempt); and (b) covenants, conditions and restrictions imposed to control future use of property and types of structures to be built; and (2) making existing and new exemptions available only if the purchaser receives a statement by the developer describing all applicable restrictions, taxes, and assessments.

The House amendment contained a pro-

vision (1) adding to the existing exemption property subject to restrictions on future use, if restrictions are beneficial to purchaser and enforceable by other lot owners; and (2) making existing and new exemptions available only if (a) there is personal "on-the-lot" inspection of property by purchaser, and (b) purchaser receives statement by developer, approved by HUD as to form and content, describing restrictions, taxes, and assessments.

The conference substitute contains the House provision with an amendment providing for an exemption from registration requirements for property subject to taxes and assessments by property owners' associations.

*HUD reports on sections 235 and 236 assistance programs*

The Senate bill contained a provision not in the House amendment requiring the Secretary of HUD to report semiannually rather than annually on the income levels of families assisted under section 235 (home ownership assistance) and section 236 (rental assistance). The conference substitute contains the Senate provision.

*Extension of rural housing programs*

The Senate bill extended for 4 years (to Oct. 1, 1973) the farm housing programs authorized by title V of the Housing Act of 1949. The House amendment extended these programs for 1 year (to Oct. 1, 1970). The conference substitute contains the Senate provision.

*Funding of rural housing programs*

The Senate bill increased the maximum amount of outstanding loans under title V of the Housing Act of 1949 that can be held at any one time in the Rural Housing Insurance Fund from $100 million to $350 million. The House amendment removed the $100 million limitation but in addition discontinued the Rural Housing Direct Loan Account and transferred all of its assets, liabilities, and authorizations to the Rural Housing Insurance Fund.

The conference substitute contains the House amendment. The conferees want to make it clear that by transferring the uncommitted funds from the Rural Housing Direct Loan Account to the Rural Housing Insurance Fund there is no intention of discontinuing or curtailing the use of the existing rural housing direct loan authorizations.

*Land acquisition loans for rural housing*

The Senate bill contained a provision not in the House amendment authorizing financial assistance to public or private nonprofit organizations for acquisition and development of building sites for low and moderate income families. The conference substitute retains the Senate provision.

*Population limitation on areas eligible for rural housing programs*

The House amendment contained a provision not in the Senate bill removing the 5,500 population limit on areas eligible for Farmers Home Administration programs. The conference substitute deletes this provision. However, the conferees recognize that a distinct gap does exist in those parts of rural America which have populations of more than 5,500 and which are not adequately served by either the housing programs administered by the Development of Housing and Urban Development or the Department of Agriculture. It was agreed that the two Departments should conduct a joint study of this problem with the view toward achieving greater coordination and cooperation in filling the housing needs of these areas, and report back to the Congress as soon as possible next year.

*Sale of surplus Federal land for housing*

The Senate bill contained a provision not in the House amendment authorizing the sale or lease of excess Federal land at its fair value for use for low- and moderate-income housing. The conference substitute retains the Senate provisions with amendments (1) requiring the land to be "surplus", rather than "excess", and (2) authorizing the Secretary of HUD to assure that the property will be used for low- and moderate-income housing for not less than 40 years, but permitting a changed use after the initial 20 years upon approval of the Secretary. The conferees do not intend that a special priority be given to the use of surplus land for low- and moderate-income housing.

*Federal home loan banks*

The House amendment contained a provision permitting a Federal Home Loan Bank, subject to Board regulation, to acquire, hold, or dispose of FHA-insured low- and moderate-income housing loans. There was no comparable provision in the Senate bill and none is contained in the conference substitute.

*Safety standards for medicine cabinets*

The House amendment included a provision requiring HUD and VA to establish safety standards for latches on medicine cabinets in all federally assisted housing programs. There was no comparable provision in the Senate bill and none is included in the conference substitute. However, the conferees agree that the objective of this provision was desirable, but could be adequately accomplished administratively and that HUD and VA should take such appropriate regulatory action, promptly and fully.

*Group medical practice facilities*

The Senate bill contained a provision not in the House amendment authorizing FHA insurance of group medical practice facilities in declining areas under the special risk fund under section 223(e). The conference substitute contains the Senate provision.

WRIGHT PATMAN,
WM. A. BARRETT,
LEONOR K. SULLIVAN,
THOMAS L. ASHLEY,
WILLIAM B. WIDNALL,
FLORENCE P. DWYER,
GARRY BROWN,
*Managers on the Part of the House.*

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. EILBERG (at the request of Mr. ST. ONGE) for today on account of illness.

## 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. STOKES); to revise and extend their remarks and include extraneous material:)

Mr. ROONEY of Pennsylvania, for 60 minutes, today.

Mr. GONZALEZ, for 10 minutes, today.

Mr. HALPERN (at the request of Mr. MESKILL), for 10 minutes, today; to revise and extend his remarks and include extraneous matter.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

All Members (at the request of Mr. FINDLEY) to extend their remarks during his special order today and to include extraneous matter.

Mr. ANDREWS of Alabama during consideration of the conference report on H.R. 13763 and to include extraneous matter.

Mr. CELLER during his remarks in the Committee of the Whole on H.R. 4249.

Mr. GERALD R. FORD during his remarks in the Committee of the Whole on H.R. 4249 and to include a letter from the President of the United States and a copy of H.R. 12695.

Mr. MIZELL immediately prior to the Committee rising today.

Mr. VANIK and to include extraneous material.

Mr. ANDERSON of California immediately prior to the Committee rising today.

Mr. RIEGLE (at the request of Mr. MCCLOSKEY) following the remarks of Mr. GERALD R. FORD in the Committee of the Whole today.

(The following Members (at the request of Mr. MESKILL) and to include extraneous matter:)

Mr. HALL.
Mr. WYMAN in two instances.
Mr. RHODES.
Mr. BROWN of Ohio.
Mr. CRAMER.
Mr. THOMSON of Wisconsin.
Mr. MORSE.
Mr. KUYKENDALL.
Mr. BUSH.
Mr. KLEPPE.
Mr. COLLINS in four instances.
Mr. O'KONSKI.
Mr. ASHBROOK.
Mr. WIDNALL.
Mr. MIZELL.
Mr. LIPSCOMB.

(The following Members (at the request of Mr. STOKES) and to include extraneous matter:)

Mr. EDWARDS of California.
Mr. HÉBERT.
Mr. OTTINGER.
Mrs. CHISHOLM.
Mr. RARICK in three instances.
Mr. FRASER in three instances.
Mr. BURTON of California in two instances.
Mr. RODINO in two instances.
Mr. MATSUNAGA.
Mr. BOGGS.
Mr. CHAPPELL in two instances.
Mr. GRIFFIN in two instances.
Mr. SCHEUER in two instances.
Mr. DORN in three instances.
Mr. HATHAWAY.
Mr. GONZALEZ in two instances.

## SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1646. An act to create an additional judicial district in the State of Louisiana, and for other purposes; to the Committee on the Judiciary.

S. 2624. A act to improve the judicial machinery in customs courts by amending the statutory provisions relating to judicial ac-

tions and administrative proceedings in customs matters, and for other purposes; to the Committee on the Judiciary.

## 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. 2238. An act to provide for the relief of certain civilian employees paid by the Air Force at Tachikawa Air Base, Japan;

H.R. 4744. An act for the relief of Mrs. Ezra L. Cross; and

H.R. 12785. An act to declare that the United States holds in trust for the Southern Ute Tribe approximately 214.37 acres of land.

## BILLS PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 4744. An act for the relief of Mrs. Ezra L. Cross; and

H.R. 12785. An act to declare that the United States holds in trust for the Southern Ute Tribe approximately 214.37 acres of land.

## ADJOURNMENT

Mr. STOKES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 28 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, December 11, 1969, at 10 o'clock a.m.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1403. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements of the Student Loan Insurance Fund, fiscal year 1968, Office of Education, Department of Health, Education, and Welfare (H. Doc. No. 91–203); to the Committee on Government Operations and ordered to be printed.

1404. A letter from the Chairmen, National Endowment for the Arts, National Endowment for the Humanities, transmitting a draft of proposed legislation to amend the National Foundation for the Arts and the Humanities Act of 1965, as amended; to the Committee on Education and Labor.

1405. A letter from the Secretary, Export-Import Bank of the United States, transmitting a report on the amount of Export-Import Bank loans, insurance, and guarantees issued in October 1969 in connection with U.S. exports to Yugoslavia, pursuant to the provisions of the Export-Import Bank Act of 1945, as amended; to the Committee on Foreign Affairs.

1406. A letter from the Postmaster General, transmitting a report of claims paid during fiscal year 1969, pursuant to the provisions of the Military Personnel and Civilian Employees' Claims Act of 1964; to the Committee on the Judiciary.

## 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. DAWSON: Committee on Government Operations. Customs control over petroleum imports (13th report) (Rept. No. 91–729). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 6971. A bill to require a radiotelephone on certain vessels while navigating upon specified waters of the United States; with an amendment (Rept. No. 91–730). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARING: Committee on Interior and Insular Affairs. S. 1108. An act to waive the acreage limitations of section 1(b) of the act of June 14, 1926, as amended, with respect to conveyance of lands to the State of Nevada for inclusion in the Valley of Fire State Park (Rept. No. 91–731). Refererd to the Committee of the Whole House on the State of the Union.

Mr. DENT: Committee on House Administration. H.R. 9366. A bill to change the limitation on the number of apprentices authorized to be employees of the Government Printing Office, and for other purposes; with an amendment (Rept. No. 91–733). Referred to the Committee of the Whole House on the State of the Union.

Mr. DENT: Committee on House Administration. H.R. 14300. A bill to amend title 44, United States Code, to facilitate the disposal of Government records without sufficient value to warrant their continued preservation, to abolish the Joint Committee on the Disposition of Executive Papers, and for other purposes; with amendments (Rept. No. 91–734). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 14086. A bill to amend the Community Mental Health Centers Act to extend the program of assistance under that act for community mental health centers and facilities for the treatment of alcoholics and narcotic addicts, and for other purposes; with an amendment (Rept. No. 91–735). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 13816. A bill to improve and clarify certain laws affecting the Coast Guard; with amendments (Rept. No. 91–736). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 13716. A bill to improve and clarify certain laws affecting the Coast Guard Reserve; with an amendment (Rept. No. 91–737). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. H.R. 15165. A bill to establish a Commission on Population Growth and the American Future; with an amendment (Rept. No. 91–738). Referred to the Committee of the Whole House on the State of the Union.

Mr. ZABLOCKI: Committee on Foreign Affairs. House Concurrent Resolution 454. Concurrent resolution calling for the humane treatment and release of American prisoners of war held by North Vietnam and the National Liberation Front; with an amendment (Rept. No. 91–739). Referred to the House Calendar.

Mr. PATMAN: Committee of Conference. Conference report on S. 2864 (Rept. No. 91–740). Ordered to be printed.

## REPORTS OF COMMITTEES ON PRIVATE 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. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 1497. A bill to permit the vessel *Marpole* to be documented for use in the coastwise trade; without amendment (Rept. No. 91–732). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of Alabama:

H.R. 15178. A bill to prohibit public officials from operating dual school systems, and from requiring racial balance in school systems, and for other purposes; to the Committee on Education and Labor.

By Mr. BROYHILL of Virginia:

H.R. 15179. A bill to prohibit the use of the name of any of certain deceased servicemen unless consent to so use the name is given by the next of kin of the serviceman; to the Committee on the Judiciary.

By Mr. CHAPPELL:

H.R. 15180. A bill to provide additional penalties for the use of firearms in the commission of certain crimes of violence; to the Committee on the Judiciary.

H.R. 15181. A bill to amend title II of the Social Security Act to provide that an individual may qualify for disability insurance benefits and the disability freeze if he has 40 quarters of coverage, regardless of when such quarters were earned; to the Committee on Ways and Means.

By Mr. EDMONDSON:

H.R. 15182. A bill to provide for the disposition of funds appropriated to pay judgments in favor of the Miami Tribe of Oklahoma and the Miami Indians of Indiana in Indian Claims Commission dockets No. 255, 256, 124–C, D, E, and F, and of funds appropriated to pay a judgment in favor of the Miami Tribe of Indians in the Commission's docket No. 251–A, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JACOBS:

H.R. 15183. A bill to amend the Internal Revenue Code of 1954 to allow an income tax deduction for expenses of trash and garbage collection; to the Committee on Ways and Means.

By Mr. McKNEALLY:

H.R. 15184. A bill to provide for an additional payment of $165,000 (plus contingencies) to the village of Highland Falls, N.Y., toward the cost of the water filtration plant constructed by such village; to the Committee on Armed Services.

By Mr. MARSH:

H.R. 15185. A bill to amend the Social Security Act to provide for the disposition of certain moneys due the estate of a deceased beneficiary, and for other purposes; to the Committee on Ways and Means.

By Mr. MINSHALL:

H.R. 15186. A bill providing for the Secretary of Health, Education, and Welfare, after consultation with the Surgeon General, to report annually to the Congress concerning the health consequences of using marihuana; to the Committee on Interstate and Foreign Commerce.

By Mr. REID of New York (for himself, Mr. HORTON, Mr. WYDLER, Mr. VANDER JAGT, Mr. GUDE, Mr. McCLOSKEY, Mr. BUCHANAN, Mr. STEIGER of Arizona, and Mr. MYERS):

H.R. 15187. A bill to establish a Commission on Population Growth and the American Future; to the Committee on Government Operations.

By Mr. SAYLOR (for himself and Mr. OBEY):

H.R. 15188. A bill to amend the Fish and Wildlife Act of 1956 to provide a criminal penalty for shooting at certain birds, fish, and other animals from an aircraft; to the Committee on Merchant Marine and Fisheries.

By Mr. WHALEN (for himself, Mr. ASHLEY, Mr. BINGHAM, Mr. BOLAND, Mr. BURTON of California, Mr. CONYERS, Mr. DIGGS, Mr. EDWARDS of California, Mr. LEGGETT, Mr. LOWENSTEIN, Mr. MIKVA, Mr. MOSHER, Mr. MOSS, Mr. OTTINGER, Mr. PUCINSKI, Mr. REES, Mr. ROSENTHAL, Mr. ST GERMAIN, Mr. SCHEUER, Mr. STAFFORD, Mr. STOKES, Mr. TAFT, Mr. CHARLES H. WILSON, and Mr. YATES):

H.R. 15189. A bill to amend title 10, United States Code, in order to improve the judicial machinery of military courts-martial by removing defense counsel and jury selection from the control of a military commander who convenes a court-martial and by creating an independent trial command for the purpose of preventing command influence or the appearance of commad influece from adversely affecting the fairness of military judicial proceedings; to the Committee on Armed Services.

By Mr. CHARLES H. WILSON:

H.R. 15190. A bill to amend title 39, United States Code, to restrict the mailing of unsolicited credit cards; to the Committee on Post Office and Civil Service.

By Mr. DAWSON (for himself, Mr. GARMATZ, Mr. MOSS, Mr. FASCELL, Mr. REUSS, Mr. MONAGAN, Mr. MOORHEAD, Mr. WRIGHT, and Mr. HICKS):

H.R. 15191. A bill to establish a Commission on Population Growth and the American Future; to the Committee on Government Operations.

By Mr. MILLER of Ohio:

H.R. 15192. A bill to amend the Clean Air Act to authorize appropriations to carry out such act through fiscal year 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. WINN:

H.R. 15193. A bill to establish the Interagency Committee on Mexican-American Affairs, and for other purposes; to the Committee on Government Operations.

By Mr. JACOBS:

H.J. Res. 1029. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. MOSS:

H.J. Res. 1030. Joint resolution to repeal legislation relating to the use of the Armed Forces of the United States in certain areas outside the United States and to express the sense of the Congress on certain matters relating to the war in Vietnam, and for other purposes; to the Committee on Foreign Affairs.

By Mr. CHARLES H. WILSON:

H.J. Res. 1031. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. CHAPPELL:

H. Con. Res. 466. Concurrent resolution expressing the sense of the Congress with respect to the elimination of the Castro-Communist regime in Cuba; to the Committee on Foreign Affairs.

By Mr. DADDARIO:

H. Con. Res. 467. Concurrent resolution terminating the joint resolution of August 10, 1964, relating to the maintenance of international peace and security in Southeast Asia; to the Committee on Foreign Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. GILBERT introduced a bill (H.R. 15194) for the relief of Nicola Augelletta, his wife, Ida Augelletta, and their children Rosa Augelletta, Maria Carmela Augelletta, and Susanna Augelletta, which was referred to the Committee on the Judiciary.

# SENATE—*Wednesday, December 10, 1969*

*(Legislative day of Tuesday, December 9, 1969)*

The Senate met at 9 o'clock a.m., on the expiration of the recess, and was called to order by Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota.

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

O Lord, who hast promised that "they that wait upon the Lord shall renew their strength," come upon Thy servants here with renewing power. When the days are long, the labor strenuous, and the hours tedious, spare them from giving up or giving in until the best has been accomplished for all the people. Strengthen them in weakness, fortify them in fatigue, help them to surmount discouragement, and give them the assurance that underneath are the everlasting arms. Amen.

## DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will read a communication to the Senate.

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, D.C., December 10, 1969.*

*To the Senate:*

Being temporarily absent from the Senate, I appoint Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota, to perform the duties of the Chair during my absence.

RICHARD B. RUSSELL,
*President pro tempore.*

Mr. BURDICK thereupon took the chair as Acting President pro tempore.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, December 9, 1969, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar, beginning with "New Reports."

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

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated, as requested by the Senator from Montana.

## U.S. CIRCUIT COURT

The assistant legislative clerk read the nomination of Henry L. Brooks, of Kentucky, to be U.S. circuit judge for the sixth circuit.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

## U.S. DISTRICT JUDGES

The assistant legislative clerk proceeded to read sundry nominations of U.S. district judges.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

## DEPARTMENT OF JUSTICE

The assistant legislative clerk read the nomination of Robert W. Rust, of Florida, to be U.S. attorney for the southern district of Florida, and Harry Connolly, of Oklahoma, to be U.S. marshal for the northern district of Oklahoma.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

## LAW ENFORCEMENT ASSISTANCE

The assistant legislative clerk read the nomination of Clarence M. Coster, of Minnesota, to be an Associate Administrator of Law Enforcement Assistance.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

## U.S. PATENT OFFICE

The assistant legislative clerk read the nomination of John Henry Schneider, of