

to the Committee on Post Office and Civil Service.

By Mr. BRADEMAS (for himself, Mr. PERKINS, Mr. SCHEUER, Mr. REID of New York, Mr. HANSEN of Idaho, Mrs. MNK, Mr. DELLENBACK, Mr. WILLIAM D. FORD, Mr. MEEDS, Mr. THOMPSON of New Jersey, Mr. DENT, Mr. HATHAWAY, Mr. O'HARA, Mr. GAYDOS, Mr. HELSTOSKI, Mr. MORSE, Mr. HAWKINS, Mr. STOKES, Mr. HOSMER, Mr. CLAY, Mr. MACGREGOR, Mr. HAMILTON, Mr. WHITEHURST, and Mr. YATES):

H.R. 15288. A bill to authorize the U.S. Commissioner of Education to establish educational programs to encourage understanding of policies and support of activities designed to enhance environmental quality and maintain ecological balance; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Mr. SCHEUER, Mr. REID of New York, Mr. HANSEN of Idaho, Mr. PODELL, Mr. McCLORY, Mr. REES, Mr. BUTTON, Mr. SYMINGTON, Mr. RIEGLE, Mr. UDALL, Mrs. HECKLER of Massachusetts, Mr. KOCH, Mr. DINGELL, Mr. MIKVA, Mr. BROWN of California, Mr. ROONEY of Pennsylvania, Mr. BINGHAM, Mr. OTTINGER, Mr. ST. ONGE, Mr. PEPPER, Mr. MOLLOHAN, Mr. PIKE, and Mr. FARBSTEIN):

H.R. 15289. A bill to authorize the U.S. Commissioner of Education to establish educational programs to encourage understanding of policies and support of activities designed to enhance environmental quality and maintain ecological balance; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Mr. SCHEUER, Mr. REID of New York, Mr. HANSEN of Idaho, Mr. MOORHEAD, Mr. BIAGGI, Mr. KASTENMEIER, Mr. OBEY, Mr. ANDERSON of California,

Mr. TUNNEY, Mr. FRIEDEL, and Mr. GILBERT):

H.R. 15290. A bill to authorize the U.S. Commissioner of Education to establish educational programs to encourage understanding of policies and support of activities designed to enhance environmental quality and maintain ecological balance; to the Committee on Education and Labor.

By Mr. BRASCO:

H.R. 15291. A bill to amend title XVIII of the Social Security Act to provide payment for chiropractors' services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. COHELAN:

H.R. 15292. A bill to establish a Joint Committee on Environmental Quality; to the Committee on Rules.

By Mr. FARBSTEIN:

H.R. 15293. A bill to amend title XVIII of the Social Security Act to provide payment for chiropractors' services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 15294. 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 Judiciary.

By Mr. KOCH (for himself, Mr. COHELAN, Mr. CULVER, Mr. HAWKINS, Mr. HUNGATE, Mr. JACOBS, Mr. O'HARA, and Mr. ROYBAL):

H.R. 15295. A bill to provide for the establishment of a Commission on Marlhuana; to the Committee on the Judiciary.

By Mr. PETTIS:

H.R. 15296. A bill to establish a Joint Committee on Environmental Quality; to the Committee on Rules.

By Mr. WIDNALL:

H.J. Res. 1034. Joint resolution to extend

for 2 months the authority to limit the rates of interest or dividends payable on time and savings deposits and accounts; to the Committee on Banking and Currency.

By Mr. FISH:

H.J. Res. 1035. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on Judiciary.

By Mr. DAWSON:

H. Res. 752. Resolution providing for the expenses of conducting studies and investigations authorized by rule XI(8) incurred by the Committee on Government Operations; to the Committee on House Administration.

By Mr. WIGGINS (for himself, Mr. ZWACH, Mr. CHARLES H. WILSON, Mr. WHITEHURST, Mr. WEICKER, Mr. WALDIE, Mr. SHIPLEY, Mr. SCHNEEBELI, Mr. St GERMAIN, Mr. PETTIS, Mr. PATTEN, Mr. MATSUNAGA, and Mr. LUKENS):

H. Res. 753. Resolution for amendment to rule XV, Rules of the House of Representatives relating to calls of the roll and House; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON of California:

H.R. 15297. A bill for the relief of In Kyong Yi; to the Committee on the Judiciary.

By Mr. FRASER:

H.R. 15298. A bill for the relief of Norma Blanchard; to the Committee on the Judiciary.

By Mr. FUQUA:

H.R. 15299. A bill for the relief of Clarenia Sherburn; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

DILLARD OF THE WORLD COURT

(The writer of the following guest editorial, Eberhard P. Deutsch of New Orleans, is a former chairman of the American Bar Association Committee on Peace and Law Through United Nations and is now editor of *The International Lawyer*, the publication of the Section of International and Comparative Law.)

The election of Hardy Cross Dillard as a member of the International Court of Justice must inevitably give a measure of confidence in that tribunal to even its most cynical critics.

Judge Dillard was born in New Orleans in 1902, son of a distinguished educator, Dr James Hardy Dillard, Dean of arts and sciences at Tulane University and founder of Dillard University. He received his bachelor's degree from the United States Military Academy at West Point in 1925. In 1927 he was graduated in law from the University of Virginia, and from 1930 to 1931 he was a Carnegie fellow in international law at the University of Paris.

With the exception of a year in private practice in New York, his legal career has been exclusively in teaching—primarily at the University of Virginia Law School, of which he was dean from 1963 until his recent retirement. He also has been visiting professor of law at Columbia University, Fulbright lecturer at Oxford, Carnegie lecturer at the Hague Academy of International Law, and director of studies at the School of Military Government of the United States Army and at the National War College.

During World War II he had a distinguished military career in various command and staff assignments, and he is the holder of the Legion of Merit with Oak Leaf Cluster and of the Bronze Star.

Judge Dillard is a past president of the American Society of International Law, a member of the council of the American Law Institute, a fellow of the American Bar Foundation, and a member of the board of editors of the *American Journal of International Law*. He is a member of Phi Beta Kappa, Phi Delta Phi and the Order of the Coif. Reference has aptly been made to Judge Dillard as "one of America's leading legal scholars and a worthy successor in that role to the late Dean Roscoe Pound" (51 A.B.A.J. 237 (1965)).

Aside from his impressive educational and professional background, which fits him so eminently for the high judicial post for which he has been chosen, Judge Dillard is endowed with a charming personality and a delightful sense of humor, both of which qualities he applies somewhat whimsically to his keen perspective of the science of the law. This characteristic has won him a host of admirers among international lawyers and lay diplomats alike.

Judge Dillard will bring to the International Court of Justice a humanistic insight into its juridical affairs which, coupled with his basic understanding of the philosophy of the law and the absolute integrity of his devotion to its principles, should do much to shore up the world's ebbing confidence in the efficacy of that tribunal.

PROF. HARDY CROSS DILLARD ELECTED MEMBER OF INTERNATIONAL COURT OF JUSTICE

HON. WILLIAM B. SPONG, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, December 16, 1969

Mr. SPONG. Mr. President, the most recently elected member of the International Court of Justice at the Hague is Prof. Hardy Cross Dillard, former Dean of the University of Virginia Law School. Hardy Dillard is well known to many Members of the Senate. He was a law classmate at Virginia of our colleague, Senator JOHN STENNIS. Senators KENNEDY, PEARSON, SCOTT, and I, as alumni of the law school at Charlottesville, have had occasion to observe the humor, charm, and "keen perspective of the science of the law" mentioned in an editorial about Judge Dillard, published in the *American Bar Association Journal* for December 1969.

I ask unanimous consent that the editorial be printed in the Extensions of Remarks.

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

OPERATION NOEL

HON. W. E. (BILL) BROCK

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 16, 1969

Mr. BROCK. Mr. Speaker, last week I attended a Christmas party in the Longworth Building cafeteria, which to me, exemplified the real meaning of Christmas—the time of sharing.

The occasion was a Christmas party for servicemen in Washington area hospitals, and called Operation NOEL, which means no one ever lonely. The idea was conceived 2 days before Thanksgiving by Joe Westner, the husband of Fran Westner, who is legislative assistant to our good colleague from North Dakota, TOM KLEPPE.

Fran mentioned it to Mrs. Olive Hunt, a member of my staff, who promptly introduced Fran to Mrs. Kathy Pierpan, secretary to our good colleague from New York, OTIS PIKE. After having introduced the two, Olive then had to return to our congressional district in Tennessee, but she had performed a most valuable service to the success of Operation NOEL, by introducing two congressional secretaries who knew how to get the job done.

By the time Operation NOEL was organized, 2 weeks remained before the event which was planned for December 10, and the details were becoming more and more involved. After an invitation went out to Members of Congress, with a plea for contributions, donations poured into the two offices. WMAL radio carried messages throughout each day, and offers of assistance came from all over the Washington area.

Those of you who had an opportunity to attend the Christmas party last week know what a tremendous success it was. At one time, nearly 1,500 honored guests, Members of Congress, servicemen and hostesses crowded the cafeteria, enjoyed entertainment provided by the Marine Corps Band, a buffet dinner, Christmas gifts for the servicemen, Christmas carols by the Prince Georges Chorus, with the overall assistance of Jim Evans of WMAL as the master of ceremonies.

The highlight of the evening for many was the appearance of Mrs. Mamie Eisenhower, who traveled from Gettysburg in driving rain.

As Mrs. Eisenhower, Gen. William Westmoreland, Gen. Lewis Walt, and Fran and Kathy cut a five-tiered cake with a Marine sword, she said:

I just wanted the boys to know we cared. I wouldn't have missed this for anything.

Secretary of Defense Melvir Laird arrived early in the evening intending to stay for 15 or 20 minutes, and stayed more than an hour, going from table to table chatting with the servicemen.

I was tremendously impressed by the atmosphere at the party, as I looked around and saw pretty congressional secretaries steering servicemen to tables, making certain they had plenty to eat and drink, and carrying out the theme of the party—no one ever lonely. I was

tremendously impressed as I looked around the room and saw Members of Congress from all over the country sit down with servicemen and literally spend the evening with them.

Mr. Speaker, in my years on Capitol Hill, I have never had the privilege of attending a function which drew so many of my colleagues for one reason only—to say Merry Christmas and many thanks—without any motivation other than to spend an evening with our servicemen who have done so much for us.

A great deal of credit goes to those who worked so hard, and it is impossible to list the names, but my colleagues know how hard their staffs worked to make Operation NOEL a success. To Fran and Joe Westner, to Kathy Pierpan, and to Olive Hunt who introduced them, and to our colleagues TOM KLEPPE and OTIS PIKE, I extend my sincerest thanks.

At this time, I include two articles which appeared in the Washington Evening Star:

[From the Evening Star, Dec. 5, 1969]

CHRISTMAS FOR 2,000 GIs

(By M. M. Flatley)

With lots of ambition, hard work and co-operation from husbands, bosses, co-workers and outside organizations, two congressional secretaries have, in less than three weeks, organized a day of pre-Christmas partying that will include all of the more than 2,000 wounded servicemen convalescing in six local hospitals.

Mrs. Fran Westner, secretary to Rep. Thomas Kleppe of North Dakota, and Mrs. Kathy Pierpan, secretary of Rep. Otis Pike of New York, hope Operation NOEL (No One Ever Lonely) will serve as the kick-off for all-inclusive servicemen's parties in other states.

"There are always some left out," Fran said recently, "but Operation NOEL won't forget anybody this year."

Planned as a joint venture with the National Capital Area, USO, the operation will include a buffet dinner party Wednesday from 6 to 9 p.m. in the Longworth Office Building.

The women expect upwards of 300 wounded veterans to attend, many in wheelchairs or stretchers and more on crutches and canes. Congressional guests and their staffs, as well as prominent government officials, are expected to carry attendance past 500.

GIFTS TO HOSPITALS

For the majority of soldiers, sailors, Marines and airmen who cannot go to the Longworth party, House and Senate volunteers will distribute gifts in the wards of the Bethesda Naval, Walter Reed Army, Quantico Marine, Ft. Belvoir and Ft. Meade hospitals.

Two patients from Andrews Air Force Base will attend the evening buffet.

Volunteers also will meet Medivac planes scheduled to arrive at Andrews Wednesday afternoon. They will present each Vietnam veteran with a Christmas present as he deplanes.

Credit for conceiving the servicewide, area-wide party goes to Fran and her husband Joe, formerly of the Marine Corps.

For the last few years the Westners have invited two Marines from Quantico to share Thanksgiving dinner with themselves and their two small children.

This year they were discussing the hundreds of men who would not have holiday plans and two days before Thanksgiving, Fran "made a few calls" to see what could be done on short notice for Christmas.

JOIN FORCES

A mutual friend introduced her to Kathy, who organized Christmas parties for hospitalized Marines in 1967 and 1968. The parties had been sponsored by her boss and Rep. Bob Mathias of California, both former Marines.

The USO was anxious to help, and commercial firms, when contacted, volunteered refreshments, decorations and wrapping paper.

The girls still need donations of gift items such as cigarettes, slippers, razor blades and shaving cream.

Party invitations printed in a routine newsletter made no mention of money or other donations needed, but both office phones "rang off the hook" as staffers and their bosses called to volunteer time and donate money.

"A lot of people said they had wanted to do something, but didn't know how to go about it," Fran said.

Jim Evans of WMAL will emcee Wednesday evening. The Marine Band, Nick Jaggi Quartet and Prince Georges Chorus will entertain.

"One of our greatest calls," Kathy said, "was from Rep. Bob Michel who is a wonderful singer—he's going to do that."

[From the Evening Star, Dec. 11, 1969]

YULE PARTY FOR GI'S UNRANKED SUCCESS

(By M. M. Flatley)

There were no Spec. 4's or Pfc's at last night's joint Congressional-USO party for wounded Vietnam veterans.

For a few short hours there were just some 300 men in uniform and civvies who had come to enjoy a buffet dinner, beer, champagne and the company of an almost equal number of young girls acting as hostesses.

"Would you believe this is the first time I've danced in over eight months?" asked one young soldier now recuperating at the Ft. Belvoir hospital.

Like the other men, he had listed only his name and home town on his name tag . . . no rank, serial number or branch of service.

Last night's party, dubbed Operation NOEL (No One Ever Lonely), was the work mainly of two congressional secretaries, Mrs. Kathy Pierpan, secretary to Rep. Otis G. Pike of New York, and Mrs. Fran Westner, secretary to Rep. Thomas S. Kleppe of North Dakota.

In less than three weeks' time, with the help of their bosses, husbands and coworkers they pulled together a party that drew veterans from all six military hospitals in the Washington area, a few headliner guests and more senators and representatives than anyone could count.

Three bands played throughout the evening, Jim Evans of WMAL served as emcee and Rep. Robert H. Michel of Illinois led a few Christmas carols that were practically drowned out by the people talking and laughing at tables holding an even number of young men and women . . . except when the women were in the majority.

Earlier in the day, volunteers distributed Christmas gift packages to veterans at all hospitals who were unable to attend the Longworth Office Building party.

Among those table hopping to shake hands and pat shoulders were Secretary of Defense Melvin Laird, Mrs. Mamie Eisenhower, Army Chief of Staff Gen. William C. Westmoreland, Assistant Commandant of the Marine Corps Gen. Louis Walt and Brig. Gen. Fred Haynes, USMC.

Two Marines offered impromptu toasts to those giving the party.

Sgt. Ken Altazan, who spent a year in overseas hospitals and expects to leave the Bethesda Naval Hospital seven months and two leg operations from now, said to loud applause:

"We're not looking for sympathy; just some backing for the guys still over there."

Sgt. E. J. Wentworth said he had enjoyed the party especially because he was reunited with some of the men he met briefly in Vietnam.

Sgt. Wentworth lost his left hand and leg after seven and a half months as a squad leader in Vietnam. He expects to spend about another year and a half at Bethesda "trying to put myself together."

The party had been scheduled to end at 9 p.m. but continued unabated almost two hours longer.

"This is the first party for Vietnam servicemen I've been to," said one congressman, "where the GIs really participated and everyone really mingled."

COLOR-TV SALES IN TROUBLE

HON. PAUL J. FANNIN

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Tuesday, December 16, 1969

Mr. FANNIN. Mr. President, Arizona is bound up in the manufacture of consumer electronics as a major portion of our manufacturing. Therefore, anything which adversely affects the electronics industry will inevitably and adversely affect Arizonans.

Yesterday the Wall Street Journal published a story citing the fourth quarter slump in sales of color-TV sets. In part, I believe, this decline is due to inflation that leaves people with less discretionary income; and also I am sure the import rate of new color-TV sets, which has been doubling every year, has affected the ability of domestic manufacturers to compete.

I ask unanimous consent, Mr. President, that the article to which I refer, be printed in the RECORD.

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

PICTURE GOES BLOOEY—COLOR-TV MAKERS HIT BY SLUMP IN SALES IN 4TH QUARTER; '69 TOTAL SEEN TRAILING '68

(By Dan Rottenberg)

CHICAGO.—Color-television makers no longer beat around the bush when asked how sales are doing. "We've been hit like a ton of bricks," says Syl Argentin, director of market research for Admiral Corp.

That's hardly an exaggeration. Distributors' unit sales of American-label color-TV sets, up a healthy 5.4% in the first nine months of 1969, have been so disastrous in the fourth quarter—running about 20% below comparable 1968 figures—that totals for the year already have fallen behind those of last year and show no hope of catching up.

It's expected December sales will be 15% below last December's; in fact, industry sources say the number of color sets sold in the fourth quarter, normally the distributors' strongest period, won't even equal third quarter sales.

The decline in the number of sets sold is only part of the story, because color-TV buyers increasingly are choosing lower-priced models. The average price of a color receiver sold today is under \$350, according to the National Association of Radio-TV Dealers. Less than two years ago the average was \$650.

The sudden softening of the color-set market is a bitter pill for American companies, which have concentrated increasingly on color television as imports have gained in the lower-priced radio, tape, phonograph and

black-and-white TV markets. Foreign-label items already account for about 80% of all tape players, 60% of all radios, 25% of black-and-white TV sets and 20% of phonographs sold in the U.S. And the imports are showing healthy gains in all home-entertainment categories while American-label items, with the exception of tape players, will be uniformly down in 1969.

BIG-DOLLAR STRATEGY

"U.S. companies have all but abdicated the low end of the price scale to the importers," says a spokesman for the dealers' association. "Domestic producers have been banking on their big-dollar items, most notably color TV." American-label color-TV volume exceeded \$2 billion in 1968 while sales of imports were just \$39 million.

Unfortunately for this strategy, big-ticket items are the first to suffer in periods of tight credit and economic uncertainty. Just as auto sales were affected early by Government anti-inflation measures, color-TV sales have sagged for the same reason.

More than 65% of color-TV buyers use financing, a route that is closed to them if funds are too expensive or unavailable. Also, "A man's not likely to commit himself to a loan if he's afraid he'll be laid off," says Admiral's Mr. Argentin. He adds that consumers are "more conservative, more negative" than they were three or four months ago.

Earlier this year, spokesmen confidently predicted color sales by distributors of anywhere from six million to 6.3 million sets, up from last year's 5.8 million. Now the figure appears likely to fall between 5.7 million and 5.8 million.

Despite the suddenness of the dip, storm warnings have been out for some time. In June the association said its dealer members reported sharp decreases in color sales during the first half of the year and noted a rise in dealer inventories. At the time, factory sales were up and factory inventories were low. But the lessening of demand for sets by dealers has inflated current color-TV inventories at both factory and distributor levels to 25% higher than at this time last year.

That may be good news for consumers. Most dealers won't be cutting prices before Christmas, reasoning that December is their best opportunity to make up for earlier losses. But factories and distributors, anxious to unload inventories, may already be cutting prices to dealers. "Pricing to the retailer is less than firm right now," says Jules Steinberg, executive vice president of the dealers group. Some of the factory price cuts may be passed on to consumers during post-Christmas sales. The annual Magnavox Co. post-Christmas sales will feature cuts of \$20 to \$50 on retail set prices. RCA Corp., the Pennsylvania unit of General Telephone & Electronics Corp. and several other companies earlier this month cut prices as much as 10% on the color-picture tubes they sell to set makers, citing "overcapacity."

But while consumers smile, color-set makers and dealers are feeling a variety of effects, all of them negative.

Several companies have said earnings forecasts for 1969 would have to be reduced. RCA President David Sarnoff last week expressed doubts that his company—the leader in color-TV sales—could equal last year's \$2.37 per share net, as it had earlier expected to do. He cited a shift in color-TV purchases to the lower end of the price spectrum as one of the recent negative factors.

Warwick Electronics Inc., a majority owned subsidiary of Whirlpool Corp., recently said it won't break even in 1969 as it had earlier expected because of "the general softening" of the consumer electronics market in October and November. Warwick, a major supplier of television sets and other electronics products to Sears, Roebuck & Co., had a net loss of \$4.7 million in 1968 and another \$4 million

in the first half of 1969, but earned \$676,000 in the third quarter and expected higher earnings in the fourth quarter.

LAYOFFS IN PLANTS

The slowdown also has meant layoffs at companies anxious to dispose of inventory. RCA in October said it laid off 1,325 workers at three color-TV plants, citing a drop in sales of portable and small table-model color-TV sets. Warwick last week said a drop in orders from Sears caused it to lay off indefinitely 600 of 2,200 employees at its Forrest City, Ark., plant, which makes color sets.

Color-TV dealers, who felt the slowdown months before the industry did now find themselves "in a precarious financial position," says Mr. Steinberg. He says the association has a record number of requests from dealers anxious to sell their stores.

"Most retailers are accustomed to working on a hand-to-mouth basis," Mr. Steinberg says. "When sales fall and the cost of financing inventory rises, some dealers are in hot water." Mr. Steinberg says the number of color sales by dealers will be off at least 5% for the year and dollar volume will fall at least 15%.

Most industry spokesmen say they expect anti-inflation measures—and the sluggishness on color-TV sales—to linger at least through the first half of 1970; that view has been expressed recently by officials of RCA, Zenith Radio Corp., Admiral and Magnavox, among others.

But the industry expects to reap a big harvest when anti-inflation measures are lifted.

"The latent demand for our product is there," says Walter Fisher, president of Zenith Sales Corp., marketing arm of Zenith. "The purchase of a color TV is something that can be delayed, but it can't be denied ultimately. By June of next year, consumers' caution could be replaced by confidence, and three out of five consumers have yet to buy their first color set."

Mr. Steinberg sees another reason for hope: The need of consumers to replace the more than four million old sets they throw out each year.

"No matter what the economic climate," Mr. Steinberg says, "I can't conceive of a consumer failing to replace a set which is beyond repair. And when an old black-and-white set no longer works, it's likely to be replaced by a color set."

YEAREND REPORT REACHES TENTH DISTRICT CITIZENS

HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 16, 1969

Mr. BURKE of Florida. Mr. Speaker, I have just completed the yearend report which I make annually to the people of the 10th Congressional District, an area composed of Broward and north Dade Counties in South Florida, whom I have the honor to represent in the U.S. House of Representatives. I am submitting it for the RECORD as part of the official proceedings of the House.

The following is my report:

BURKE YEAR-END REPORT

HIGHLIGHTS OF THE 91ST CONGRESS

DEAR FRIEND: I am delighted to send you this special year-end report on the activities of the first session of the 91st Congress.

This Congress has been in session since January 10, 1969, but President Nixon did not take office until January 20. The Executive

Branch therefore is under the control of a Republican President, while the Congress is controlled by the Democrats who, as of this writing, hold the U.S. House by a margin of 244 to 189 and the U.S. Senate by 57 to 43.

This partisan division between the Executive and Legislative Branch has therefore made the pace of the 91st Congress thus far appear rather slow, and although the record of the Congress has been more deliberative with respect to the legislation it has passed in comparison to others of recent years, I feel there will be much good legislation enacted before the 91st Congress finally adjourns on December 31, 1970.

In fact, I feel that perhaps the initial slowness may result in a review of some of the past rubber stamp and experimental legislation enacted by some past Congresses. Certainly, most can agree that quality legislation is preferable to quantity legislation.

This has been a busy year for me as your Congressman and I have received more mail than ever before from my constituents. My staff and I are delighted when we can be of assistance to you.

I am also grateful for your letters expressing your opinions and I want to take this opportunity to thank you for allowing me the privilege of being of service to you, to the extent that I am able, as your Representative in Congress.

With kindest wishes,
Sincerely,

J. HERBERT BURKE.

TENTH DISTRICT IS BOOMING

The U.S. Census Bureau has estimated the area of Broward and North Dade Counties, which comprises the 10th Congressional District, as the fastest growing area in the Nation.

CONGRESSMAN BURKE REPORTS

I am glad to be able to work with our local officials in assisting whenever I am able. The following are a few of the federal assistance grants which we have obtained for the benefit of our area:

New Social Security Office for S. Broward . . . Computer Record System for Broward County Drivers . . . Job training, housing for Seminoles . . . Law Enforcement Assistance . . . Additions to Sunland Training Center in N. Dade . . . Job Training for Underprivileged in District . . . New Post Office facilities at Ft. Lauderdale, Plantation, Hollywood Hills, Margate, Carol City, and others being planned . . . Housing Aid for North Dade and Broward . . . Expansion of airport facilities at Ft. Lauderdale-Hollywood International, Ft. Lauderdale Executive, and Opa-Locka General . . . Hospital Expansion for Holy Cross . . . Area Planning for Broward, Dade, Hollywood, Pembroke Pines . . . Additions for Pediatric Center, Ft. Lauderdale . . . Headstart and other educational funds for District . . . Park Assistance for Broward County . . . Computer Information Network on crime statistics between Florida and other large states . . . Housing, Job Training for South Florida Migrants . . . Water, sewer funds for Ft. Lauderdale, Hollywood, Wilton Manors, Miami and North Miami.

91ST CONGRESS ACTS ON MAJOR ISSUES

My report card to you on key votes follows:

Water Pollution Control Act—For.
Limit farm subsidies—For.
Retain 10 percent surtax—Against.
School lunch program—For.
Elementary Education Act—For.
Additional tax funds for Kennedy Center—Against.
Postal employee pay raise—For.
Draft Reform—For.
Allow banks to engage in nonbanking activities—Against.
Drug Abuse Education Act (Burke co-sponsored bill)—For.

Electoral College Reform—For.
Foreign Aid Appropriation—Against.
Tax Reform—For.
Support President's efforts for peace in Vietnam (Burke co-sponsored bill)—For.
Create House Committee on Crime—For.
Appropriate \$480 Million for the International Development Fund—Against.
Assure confidentiality of census (Burke co-sponsored bill)—For.
Create environmental control board—For.
Airport Expansion Act—For.
Clean Air Act—For.

REPRESENTATIVE BURKE INTRODUCES LEGISLATION FOR—OUR FIGHTING MEN

H. Res. 619: Support President's efforts in ending the Vietnam war. H.R. 10859: Provide Vietnam tax benefits for those servicemen serving in Korea. H. Con. 355: Assure relief of Prisoners of War. H.R. 13195: Allow American flags to be presented to parents of deceased servicemen.

OUR VETERANS

H.R. 220: Equalize pay for retired military. H.R. 8271: Establish a National Cemetery in Tenth District. H.R. 8273: Provide vets with travel allowance equal to that of federal employees, when traveling on official business. H.R. 8841: Permit release of vets from liability relating to U.S. guaranteed mortgages.

SENIOR CITIZENS

H.R. 12342: Provide for regular cost of living increases for social security recipients. H.R. 8272: Extend period of post-hospital extended care under Medicare. H.R. 8270: Increase civil service retirement annuity. H.R. 8269: Allow designation of civil service 2nd spouse annuity. H.R. 8281: Provide 100% social security benefits to women with 120 quarters of participation. H.R. 2068: Remove all outside earnings limitation placed on social security recipients.

(I am hopeful that increased social security will become a reality, effective January 1, 1970. It is my further hope that there will be at least a 15% or perhaps a 20% boost in benefits, which would be in conformity with a request I made on the House floor on October 6th. JHB.)

THE AMERICAN TAXPAYER

H.R. 3855: Create modern-day Hoover Commission to continually investigate duplication and waste in federal government. H.R. 8840: Repeal the 1969 pay raise for top federal officials and Members of Congress. H.R. 8842: Raise personal income tax exemption from \$600 to \$1200 per individual. H.R. 14273: Permit individuals to deduct all medical expenses for income tax purposes.

ALL CITIZENS

H.R. 2065: Provide assistance to industry to train unskilled. H.R. 2066: Asks that a federal judge sit in Fort Lauderdale. H.R. 3778: Limit categories of census questions. H.R. 4794: Allow citizens who change residency to vote for President. H.R. 7870: Provide increased aid to train; hire air traffic controllers. H.R. 9331: Update mechanisms of Congress. H.R. 10136: Suspend aid to colleges and teachers engaged in rioting. H.R. 10554: Establish an urban mass transit fund. H.R. 12886: Call for humane treatment of lab animals in testing. H.R. 12745: Create an Eisenhower silver dollar. H.R. 13603: Allow grants to local officials and schools to educate students on drug dangers (Passed the House on October 31st). H.R. 13686: Make unlawful the transportation of drugs in interstate. H.R. 14061: Regulate sexually provocative mall. H.R. 14295: Eliminate practice of sorning Tennessee walking horses. H. J. Res. 880: Rename Cape Kennedy back to historical name of Canaveral. H. J. Res. 535: Amend Constitution to permit prayer in schools. H.J. Res. 895: Create a National Student Congress allowing students to debate issues of the day in the Congress.

URBAN INSTITUTE

HON. JACOB K. JAVITS

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Tuesday, December 16, 1969

Mr. JAVITS. Mr. President, in 1968 the Urban Institute was established as a private, nonprofit research organization devoted to the study of urban problems with Arjay Miller as chairman of its board of trustees. In its first full year of operation it has made a promising start, and has assisted policymakers at all levels of government in dealing with the full range of urban issues. The institute has undertaken programs and studies in the major urban issues which this Nation will face in the 1970's and the decades beyond. These include income maintenance, housing, health, public finance, transportation, and law enforcement.

In the past year the Urban Institute has organized highly qualified professional staff which has undertaken research and evaluation projects and programs of support and assistance to city officials charged with administering existing Federal programs.

The institute has recently published a detailed outline of its work program for 1969-70, and I ask unanimous consent that the outline be printed in the Record.

There being no objection, the outline was ordered to be printed in the Record, as follows:

THE URBAN INSTITUTE WORK PROGRAM FOR 1969-70

INTRODUCTION: THE URBAN INSTITUTE AND THE CITIES OF THE 1970'S

The Urban Institute is a private, nonprofit research corporation devoted to the study of urban problems. Its program is generally shaped by the need for specific information to deal effectively with the many problems confronting the nation's urban communities. Where basic information about urban problems exists, the Institute attempts to facilitate application of this knowledge to policy and program formulation. Where effective public policy is severely hampered by ignorance of the underlying causes of problems, the Institute conducts or sponsors basic research. Where experimentation appears the most promising—or the only—approach, the Institute will evaluate programs already under way, and offer support and guidance to others not yet established.

The Institute serves and cooperates with the Federal agencies which deal with city problems, particular cities or groups of cities, associations of local government officials, and the academic community that focuses on city matters.

Key Issues: The major urban issues of the 1970's practically coincide with the nation's domestic agenda: urbanization itself, the continuing concentration of people in metropolitan areas . . . the volatile issue of equal status in society for minorities . . . economic segregation . . . rising wealth and incomes on the one hand, and continued poverty and disparities of distribution on the other . . . pollution of the environment . . . the related matters of filth and ugliness . . . the narrowing opportunities for low-skilled workers to earn living wages . . . the congestion and inconvenience of urban transportation . . . the persistence of miserable housing conditions . . . the growth of crime . . . the disunity between cities and their suburbs . . . weaknesses of small towns and rural America which increase migration to

and add to the strains on larger cities . . . political breakdowns which leave some cities hardly able to govern themselves and many subcommunities without effective voices . . . dissatisfaction with institutional arrangements, especially in education . . . and the severe budget strains at the local, state and Federal levels for dealing with all of these.

The Institute does not encourage any false hopes that some quick, easy, never-before-imagined panacea will emerge from its research program to dispel these problems. Rather, the Institute assumes that an orderly, systematic study of these matters can make a steady, constructive contribution toward rational solutions.

The Institute will seek to bring not only the expertise of its own staff, but that of the academic world in general, to the better service of those on the action fronts in America's cities.

The research program of the Institute is not so firmly jelled as the descriptions that follow might indicate. Gaps, such as urban education, need to be filled. The findings from early projects and changing circumstances are likely to alter research priorities and directions. What follows, then, is a snapshot of a program in the process of development.

INCOME AND OPPORTUNITIES

The Institute is doing work in four areas having a direct bearing on anti-poverty efforts—Income maintenance, housing, health, and employment. Much of the research in these areas has been underway for about a year, but new areas of study also are being developed.

Income maintenance

Our present "welfare" system, especially the Aid to Families with Dependent Children program (AFDC), is widely recognized as a failure. Payments vary widely from state to state, incentives for self support are uneven or non-existent, and many poor persons are not aided.

Moreover, welfare payments constitute a tremendous burden on state and local governments. The problem is particularly acute in major cities where the cost of all public services—health, education, police protection, transportation—is rising precipitously.

Recent Developments: Recently President Nixon proposed major changes in both the coverage and content of the nation's welfare program. The most important is the proposal to replace AFDC. In place of AFDC, Nixon proposed:

A family assistance program for all needy families with children, including families of the working poor, to be financed and run by the Federal government.

Supplementary aid above the Federal minimum to be financed mostly by the states.

If passed, it may provide for the first time a vehicle for making budgetary choices between helping the needy through income or through services. Experience will begin to indicate whether, for example, the goal of better housing for low income families will be best served by giving them money or by subsidizing the construction, operation, interest payments or rents of housing.

Whether or not general income maintenance is enacted, research will be needed to assist in making the choices between cash and services.

Institute Program: The Institute's research effort in this field is designed to facilitate such comparisons.

First, we intend to pull together in one framework the presently known relations between income and a number of key areas of public policy. The levers or potential levers of government action will then be tested out in this "policy response" model. A series of studies is being prepared on the impact of income maintenance on employment, housing, education and health services. Analyses will also be made of the effects of

income maintenance on programs already linked to low-income groups such as Medicaid and public housing. How will the numbers of eligible persons change? To what degree will the required subsidy change? The policy response model will be linked to a model of the entire economy so that overall changes in the nation's economic health or rate of growth can be taken into account in evaluating alternative income maintenance and other public programs.

Second, better data will be sought for estimating relationships between income and other social and economic factors through participation in the design and evaluation of several new income maintenance experiments being undertaken by the Department of Health, Education and Welfare. This will be a long-term effort. It will add to the experimental data due from the Office of Equal Opportunity's negative income tax experiment, already under way in New Jersey.

Finally, because of the active political consideration now being given to the President's welfare reform legislation and the major departure which it proposes, we think it is desirable to provide a group of key legislators and their advisors and administration officials an opportunity to become acquainted with a common base of factual and analytical information which bears on this reform. To this end a seminar series on income maintenance, organized around background papers by Institute members and outside experts, was planned.

Housing

Many households do not have enough income to buy adequate housing. This is true of many current recipients of public assistance and is likely still to be true of most of those who would benefit from the President's welfare reform measure. The actual and proposed aid levels are far below what is necessary to support an adequate level of housing services. The term "housing services" includes not only the physical dwelling unit, but also the utilities, security, upkeep, cleanliness and so forth.

Low income also contributes to the deterioration and loss of the housing stock. Many buildings that were built originally to high standards are experiencing accelerated decay because of poor maintenance. Existing statistics do not portray adequately the rapid deterioration and abandonment of these units. In many older cities, destroyed buildings and even vacant blocks attest to the force of this process. If these buildings were of fundamentally substandard quality, this process might be considered socially desirable—a kind of slum clearance. But, in many instances, these buildings are of intrinsically sound construction and, along with new construction, should contribute toward meeting the needs stated in national housing goals.

In the face of rising costs, owners of rental housing tend to let maintenance and other services decline, needed capital improvements are omitted, and the process of deterioration is intensified. Inflationary trends in prices and wages, heavier real estate taxes and more expensive financing have caught the provider of housing services in a squeeze. Some expenditures such as real estate taxes and utility costs cannot be reduced, and therefore the pressure is shifted to remaining cost components. Further reductions in expenditures for housing maintenance is one likely result; another is the reduction in labor intensive services, such as trash removal.

This process contributes to the increasing conflict in our cities between landlords and tenants. Where housing choice is limited by racial discrimination and when the landlord is white and the tenant is black or brown, such conflicts nurture racial disharmony. The tenant perceives the lack of housing services as a result of the owner's unconscionable profit-taking. The owner feels that his re-

turns are more than justified by his risks. A reinforcing cycle of negative behavior accelerates the destruction of buildings and takes a toll in human frustration.

Current Federal Posture: The Federal response to these problems has been to stress new housing construction. It is reasoned that by encouraging capital investment, the housing stock will be expanded at gradually higher quality levels so that the public in all income brackets will find better housing services available.

This strategy has been at least partially successful over the past score of years. The nation has been producing new dwellings at the rate of 1.5 million units a year while population has grown at the rate of 1.0 million households annually. The half-million unit difference is a replacement for units that are lost from the stock, many of which are "substandard" (i.e., structurally dilapidated or lacking plumbing). Thus, along with providing for new households, the overall quality of the stock has been improved, and it is estimated that out of a total of about 68 million units, there are now about 7 million "substandard" units in the nation compared to 11.4 million in 1960 and 17 million in 1950.

Yet, two presidential commissions expressed concern recently that we are not pursuing adequately our public interest in housing. Their reports concluded that while the nation's housing markets have been working reasonably well for higher income groups, lower income and minority group households continue to live in inadequate housing. New national housing production goals have been prepared in response; they call for an accelerated production rate with an average of 2.6 million dwellings a year over a decade. Of these, an average of 600,000 a year would receive some form of subsidy and be earmarked for low and moderate income households.

The Department of Housing and Urban Development (HUD) has announced a program, Operation Breakthrough, which seeks to expand the nation's capability to produce housing and to lower production costs through greater industrialization and housing market aggregation.

Institute Program: We are providing analytical assistance to HUD in the course of the Department's efforts to secure greater industrialization and market aggregation in the production of housing. We are currently analyzing possible measures for easing the problem of acquiring sites in metropolitan areas for subsidized housing.

However, even with a boost in production, most lower income households will not be benefitted by new construction for some time. The vital process of building and upgrading the housing stock is relatively slow and offers few immediate alternatives for the family living in the slum. To this family, housing is today's problem.

Since the lack of adequate income is clearly a central element in the inability of many to purchase adequate shelter and related services, the Institute is examining how various income assistance proposals such as housing allowances or the Family Assistance Program would assist lower income families in escaping from substandard housing services. The Institute will also attempt to measure the impact of income assistance and other programs on rents, interest rates and other housing costs.

Various constraints in the housing market prevent supply from keeping pace with demand. One of the initial studies about these constraints focuses on housing codes—how they are administered and enforced, and how they affect total supply, housing quality and rent levels.

The Institute also will investigate various ownership mechanisms for lower income households, such as "payments" of labor instead of money to achieve equity, or cooperatives, and innovative schemes involving greater tenant participation as means of gen-

erating better housing management, maintenance and other services.

It is also important to understand those aspects of the Federal income tax and local property tax which tend to discourage both the repair of existing housing and the construction of new housing, especially for low and moderate income families. The Institute's work on housing site acquisition and the analysis being made of operating costs of the existing housing stock (plus the analysis of local tax reforms described later) will, taken together, contribute to a better understanding of this issue and provide improved bases for assessing proposed public action. It is possible that substantial gains in housing services for the poor may be achieved by public measures that channel more private and public funds and administrative resources into the existing housing stock.

Health

In addition to direct cash assistance and housing subsidies, health care is a third major government-provided supplement to current income.

Federal involvement in the health sector has increased rapidly since the enactment of Medicare and Medicaid in 1965, and rapid growth is expected to continue.

In 1966, of the \$42 billion total national expenditures for health, Federal funds accounted for 13 percent; state and local sources, 13 percent; and private sources, 74 percent. In 1968, national expenditures for health rose to \$53 billion of which Federal funds financed 24 percent; state and local, 13 percent; and private sources dropped to 63 percent. By 1975, it is estimated that total national expenditures on health services and supplies will approach \$100 billion. Health services in that year will account for approximately 7 percent of GNP compared to 5½ percent of a much smaller GNP in 1965. This means that the cost of health services per person will nearly double to a sum in excess of \$400 a year. A simple linear extrapolation of the present Federal share suggests that Federal health expenditures in 1975 may be about \$30 billion—a six-fold increase in a ten-year period.

The increase in public sector expenditures during the last few years has saturated the existing system with increases in the demand for health services and has been accompanied by only small changes in supply. The result has been to intensify the upward pressure on prices and costs in the health sector. Further aggravation of this problem is likely.

Recent Developments: This prospect has led HEW to introduce tighter administrative controls over the Medicare and Medicaid Programs by:

Placing an upper limit on physicians' charges; in effect making a partial move toward a fee schedule and away from the "usual and customary" formula.

Requiring, in the Medicaid Program, formal review procedures to investigate hospital and physical utilization.

Concern over the rapid rise in medical care costs and prices led to the Senate Finance Committee's hearings on Medicare and Medicaid this year. In July, Congress also passed amendments to the Medicaid Program extending the deadlines for the states to meet the objectives set in the 1965 legislation. The original law required the states to enact their own Medicaid legislation to cover persons on welfare by January 1, 1970, and to extend coverage to all "medically needy" by 1975 or lose their Federal money. The new amendments allow the states until 1975 to cover welfare recipients, and until 1977 to cover the "medically needy."

Institute Program: The problems of achieving some reasonable balance between supply and demand and controlling the increases in medical service costs are reflected in the Institute's proposed research and

analysis. Both the supply and demand sides of the market for health services will be examined in evaluating alternative Federal health programs.

The Institute has begun development of a policy response model focusing on the following issues:

What impact would further extensions or limitations of Medicaid and Medicare have on medical care costs and prices and on the distribution of health services by age, race, and income class?

What would be the impact of a more general system of national health insurance?

What are the most effective means for overcoming severe shortages of physicians and their assistants and nurses? And how would these measures affect the current rise in health prices and costs and the maldistribution of health services?

What direction should the Federal government take in supporting modernization and construction of facilities to encourage a more efficient health system? What other governmental actions are available for promoting greater efficiency in the health section?

Employment

The three areas described above—Income maintenance, housing, and health—are among the most important means which the government currently uses for raising the living standards of poor families by income supplementation. For the vast majority of current beneficiaries, these programs constitute important sources of help for acquiring the necessities of life. However, these beneficiaries account for only a fraction of persons presently classified as poor. The group that is largely excluded is the working poor.

Historically, Americans have supported three lines of attack on the problem of the working poor. First, we have used the powers of the government to try to ensure high levels of employment. Second, we have used minimum wage legislation which was designed to reduce the number of people working for very low wages and to put a floor under the earnings of the employed. Third, more recently, we have used education and training programs designed to raise the employability and productivity of those who work. Public employment programs explicitly designed to provide jobs for the unemployed—so important in the 1930's—have virtually disappeared in recent years.

As noted earlier, the welfare reforms proposed by President Nixon mark a new direction in Federal policy for dealing with the working poor since they would provide, for the first time, direct income supplementation to this group.

Nevertheless, wages will continue to be the main source of income for most families. Although the unemployment rate has been lower than we usually have achieved, it is high compared with that of many other countries, and we still have very high unemployment rates in some geographic areas and among some population groups. Persistently low incomes among the partially employed and many of the fully employed are another indication of the roadblocks to participating effectively in the income earning opportunities of society. It is unclear at present how much this problem arises from the characteristics and behavior of the unemployed and low-wage workers, and how much from discrimination against them by the opportunity-creating institutions.

What is clear is that the urban employment problem is far more complex than it was thought to be in the 1950s. The determinants of labor demand and supply and the processes by which they are matched are not sufficiently well understood to design an effective, efficient program either to "mop up" the hard core unemployed or to give chronically low-paid workers a chance at adequate earned incomes.

Current State of Knowledge: This lack of understanding is one source of uncertainty about the effectiveness of governmental efforts to reduce poverty by raising the earning power of the poor through manpower training and retraining programs. These programs, costing about \$2.5 billion in Federal funds in 1968, have been based on the following line of reasoning: the poor lacked access to good jobs because they lacked skills; manpower training programs could overcome this problem; as a result, poverty among the employed or unemployed able-bodied poor would decrease. The vitality of this idea is demonstrated in the numerous manpower programs which have been created in the last several years.

However, we still lack adequate evidence that manpower programs have had immediate or lasting effects on the earning power of the poor. Moreover, the vast majority of low-income persons have not been enrolled in the programs. It has been estimated that only about 400,000 poor persons have completed the manpower training programs of the Department of Labor and the Office of Economic Opportunity, although the remaining "universe of need" for these programs in 1969 was about 12 million poor persons. Finally, it is not certain that the training programs resulted in a net increase in earned income for the working poor. The successful trainee may simply have replaced another poor worker who would have gotten the job. Many difficult problems in obtaining and evaluating data account for this lack of knowledge.

Institute Program: The nation will have to know more about the operation of labor markets *per se* before the impact of present and alternative public policies can be evaluated.

The primary focus of the Institute's analysis will be on understanding the operation of labor markets and sub-markets within the metropolitan areas. The operation of these markets, however, both conditions and are conditioned by forces that go beyond the local markets. In general terms, we are concerned with those forces which determine: (1) the size, type (by occupation and wage level), and location of employment opportunities (demand for labor); (2) the size, type, and location of population and labor force (supply of labor); and (3) the means of establishing and maintaining satisfactory employment and income levels arising from the interaction of (1) and (2).

Work is proceeding on construction of labor market models at both national and metropolitan levels. These will be used to explain the complex factors at work in these labor markets and to analyze the costs and effects of public policies aimed at reducing unemployment or increasing earnings.

These models and the research required to develop them will help answer the following kinds of questions:

Inflation and Unemployment: How do the composition and duration of unemployment and vacancies change with changes in aggregate demand? What are the relationships between inflation and unemployment in the United States since 1946? How can manpower programs be structured in order to increase the chance of achieving lower levels of unemployment without inflation?

The Operation of the National Labor Market: What are the probabilities in a given time that various age, race, sex, and occupational groupings will find work, quit and be laid off? How do these occurrences change hourly earnings and respond to changes in hourly earnings? What are the major influences on the rates of unemployment, hiring, quits, layoffs, and earned income changes in the national economy? What manpower policies can be developed to respond effectively to these influences?

Poverty, Unemployment and Employment

at Low Income Levels: Are institutional barriers, low productivity, inadequate motivation, job shortages or other factors the major obstacles to income improvement for the working poor?

Employment and Occupational Growth in Metropolitan Areas: What are the implications of current trends in employment, by industry and occupation, in metropolitan areas? Should there be more emphasis on persuading industry to locate in metropolitan areas or on public employment support in these areas than is true of present policies? How effective would a wage subsidy be in inducing employers to hire, train and upgrade low-skilled workers?

Changes in the Supply of Labor in Metropolitan Area: What effect does migration have on the labor force in metropolitan areas? How do local labor market conditions affect the proportion of the population which enters and leaves the labor force? How do these conditions affect the distribution of the work force by various age, sex, and racial groups? What effects do education and training programs have on the productivity and income of low income urban workers?

Changes in Labor Market Processes: How does the search process of workers and employers affect the wage and other aspirations of workers and employers? What would be the potential of improved information and transportation flows in matching employers and job seekers? How can government institutions, such as the employment service, more effectively serve both potential employers and employees in getting satisfactory training (when required) and jobs?

Inequities in the Labor Market: A common thread through much of the work is an attempt to understand how to reduce discrimination and inequities in jobs and earning opportunities.

PERFORMANCE OF STATE AND LOCAL GOVERNMENTS

The Urban Institute's work in income maintenance, housing, health, and employment, already described, focuses in large measure on poverty as a core ingredient of social ills, and addresses itself to Federal policies and policy makers. This, however, is only a part of the Institute's program.

Work also is underway to improve the fiscal and management capabilities of state and local governments. The availability of finances and the programs they support under these governments have, of course, great implications for the quality and distribution of public services for all citizens. In FY 1967-1968, local governments spent over \$70 billion; states spent \$44 billion directly, and distributed \$68 billion.

The recent trend towards decentralization of decision making from the Federal government to state and local governments is intended to make government more effective and responsive to public needs. The proposals for revenue sharing, manpower program block grants, and transit aid, along with the existing Model Cities program and the Law Enforcement Assistance program mean more money and more control in the hands of state and local governments.

Another strong trend is toward greater participation and involvement in government decisions. Desirable as decentralization and citizen participation are, these complex and often explosive issues confront local governments with new challenges.

Local governments also frequently lack modern management tools. Relevant, timely information to aid in decisions is rare. Many state and local government agency heads are not accountable to elected officials. Since no organization can be better than the people who run it, the difficulties faced by local governments in attracting and holding qualified personnel also must be counted as severe handicaps.

A multitude of local governments often
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work independently to provide selected services to overlapping constituencies. For example, a city dweller may receive health and welfare services from the county; police, fire, and waste collection services from the city; recreation and transportation may be "shared" service among city, county and state governments; education from an independent school board; housing and transit from quasi-governmental authorities; and regional planning from a council of government that relies on voluntary compliance rather than on executive powers.

Public finance

Restricted revenue bases in relation to the demand for public services is a continuing and serious problem of the cities. The Institute has several projects under way in this area:

Evaluation of Reforms in City Finances: Limited growth of the property tax base, together with taxpayer resistance to rate increases for financing urgent city needs, are forcing public officials to concern themselves with a wide range of reforms for easing the fiscal problems of state and local governments. A number of reform measures are being recommended and some have been implemented. The reforms deal with government structure, taxation, methods of resource allocation and management, and capital funding.

The objective of one Institute project is to examine and evaluate a limited number of reforms that have been implemented. What were the problems of implementation? Were the purposes sought actually achieved? The findings will be disseminated with the cooperation of national organizations of state and local government officials.

Advance Fiscal Planning: Fiscal stringency is forcing public officials to look to improved tools of budget management. Longer-run fiscal planning is needed to project program requirements and revenue sources five or more years in the future.

The Institute's objective is to: Determine the feasibility of advance fiscal projections in local areas where many economic factors, such as new plant location, are isolated, disconnected events.

Provide experience with procedures for cooperative research with local governments that could "cement in place" local work on advance fiscal planning.

Develop fiscal planning materials that could be used by local governments and states generally.

To carry out these purposes, a test effort will be developed in cooperation with individual localities and the state government in a single state.

External Aids: A number of proposals are currently being advanced to "free up" the use of Federal funds by states and local governments—that is, to untie many of the grant-in-aid strings—and to build in to Federal and state aids appropriate incentives for effective and efficient program design.

The Administration recently advanced two proposals:

Legislative authority for grant-in-aid consolidation by the Executive.

A revenue sharing plan that would provide unconditional aid.

Each of these proposals raises a fundamental issue: Can public services be provided effectively in the face of increasing separation between the level of government that spends and the level that taxes?

The research work that has so far been done on grants-in-aid consolidation and revenue sharing has not, either in concept or in program design, given sufficient emphasis to the purposes intended or the incentives for achieving them. Without strings attached, how can localities be induced—in education or housing, for instance—to carry out important national goals?

The staff developed proposals for the Na-

tional League of Cities and others that would assure funds to cities and give incentives to states for augmenting their revenue sharing with cities. The purpose of our project is to further develop concepts of fiscal federalism and to carry out empirical work that can show how best to achieve the basic program purposes.

Capital Outlays and Debt Financing: State and local governments are heavy investors. They regularly devote one-fourth of their direct spending to public facilities or "capital improvements." Including the investment in human capital through expenditures on education, the ratio rises to over one-half. Many primarily urban expenditures are very capital intensive (30 to 40 percent for general government, urban development, parks, and recreation); others are predominantly capital in nature (60 to 70 percent for water and sewer and for transportation).

A very high proportion of these capital expenditures are financed by long-term borrowing, about 50 percent for the state and local sector as a whole. But for local governments, typically 70 percent of capital expenditure is funded by long-term debt. In the decade of the 1960's, state and local debt outstanding and capital outlays doubled.

The tax exemption (from Federal income taxes) makes the municipal bond market uniquely dependent upon the resources of high income taxpayers, primarily commercial banks and wealthy individuals. Since 1966, with only a couple of respites, this supply of funds has come under increasing pressure as commercial banks—reacting to a tight monetary policy—have withdrawn from the market.

These difficulties have brought forth a host of proposals for reform. There are, however, conflicting priorities in what the reform should accomplish. The U.S. Treasury has long complained that tax exemption distorts the income tax and, moreover, that it is an inefficient subsidy in that only \$2 of every \$3 in avoided taxes are passed along to state and local governments in the form of reduced borrowing costs. State and local officials, while concerned about broadening and stabilizing the supply of funds for their securities in order to lower their borrowing costs, are wary of Federal control over their borrowing prerogatives and political autonomy.

The public finance project is addressing these issues. We are, first of all, providing technical assistance to city, county, and state governmental groups. Also, we have been reviewing suggestions for supporting state and local securities, such as the Patman/Proxmire subsidy plan and the Sparkman URBANK proposal, to clarify the points of contention.

As a result of this review, we have developed two proposals as alternative or complementary means of supporting the municipal market. These proposals could bring to the municipal market the considerable resources of the state reserves in the unemployment trust fund (over \$12 billion) and in the state and local retirement funds (over \$44.5 billion) at little or no net cost to the U.S. Treasury. Further work contemplated in this area will investigate state and local planning for financing public facilities.

User Charges: Expanded and increased use of charges for public services has been urged as one way of increasing the cities' own capacity to raise revenues. At present, city governments raise about 60 cents through charges for every dollar of taxes. As part of general revenues, the importance of charges varies inversely with the size of government, smaller governments collecting a larger part of their revenues out of current charges.

Better pricing of public services by city and other local governments might contribute to other purposes:

Utilizing public facilities more efficiently.

Signalling the need for more—or less—public investment.

Changing private decisions by requiring individuals to pay more of the social costs stemming from their actions.

Learning in what cases or to what degree it would be equitable to finance public services from payments by specific beneficiaries rather than from general revenues.

City services being analyzed include harbors, airports, city parking facilities, water supply, waste disposal, fire protection, education, and health. Field studies in individual cities will determine how the demand for services varies with price and income, and how cost of services varies with the level of use. A counterpart effort will be made to define the constraints on the cities in imposing public prices—constraints that include economic competition and statutory or constitutional restrictions, as well as contractual obligations to bond holders. Experimental designs will be formulated for cities desiring to experiment with pricing patterns for particular services.

Public order and safety

The principal objective of the Institute's work in public order is to assist city governments in improving their ability to deal more effectively with crime and civil disorders.

Aspects of the Problem: The most likely victims of major crimes are poor blacks living in the central city. Victimization rates for violent crimes such as homicides and forcible rape are about five times greater in the central city than in small cities and rural areas. The rates for property crimes are twice as great.

Control of crime and disorder has until recently been almost exclusively the responsibility of local governments. The multitude of independent police departments in the United States—more than 40,000 of them—have not adequately exchanged information. The departments, their personnel and even students of police administration have inadequate knowledge of policies, practices and innovations around the country. Besides being unfamiliar with the experiences from other cities that could be helpful, many city officials are insufficiently informed regarding the problems, strengths or weaknesses of their own police departments. Coordinating mechanisms are few and relatively ineffective. The closed personnel systems (often civil service) of most large police departments restrict the experience of almost all policemen, from patrolman to chief, to only their one department.

The Institute Program: The Institute's first efforts focus primarily on improving the management and operation of police forces. Instead of spreading these efforts too thin, the Institute considers it prudent to concentrate on a small group of cities. The staff has begun to develop a close and continuing working relationship with the mayors of the 12 largest cities in the country. It happens that these cities account for 25 percent of reported serious crimes, including 50 percent of reported robberies, in the nation.

The mayors are a pivotal group in crime control because they have formal responsibility for police operations and, more than any other officials, they have the prestige as elected executives to begin the crucial job of coordinating the criminal justice system. This system—police, prosecutors, courts, jails, prisons, parole and probation officers, reform schools and so forth—is unbelievably fragmented. Federal officials, while they now have enlarged power, have a limited potential to influence the traditionally local field of criminal justice. Even state legislators and officials typically have played a minor part in planning or influencing criminal justice systems. Corrections officials and judges play important roles, but rarely occupy a central position from which they can coordinate the diverse parts of the system. Police chiefs, for a variety of reasons, seldom have been in-

clined to assert leadership in improving operations of the whole system.

To identify better policies and practices—just to know what produces good results and what does not—will require basic data that is not currently available. A prerequisite to the collection of such data is a greater willingness than yet exists within most police departments to permit access to records and to participate in standardized records keeping.

The Institute seeks to improve the situation by:

Providing leadership in data collecting and in the designing and conducting of research with this data. An important aspect of this is encouraging the participation of profession groups.

Guiding mayors, city managers, police and other criminal justice administrators in making better use of newly available Federal funds provided by the Law Enforcement Assistance Administration (LEAA) to accomplish urgently needed changes. The efforts to develop sophisticated, professional police-justice systems involve work with the International City Management Association, National League of Cities, U.S. Conference of Mayors, International Association of Chiefs of Police, university administrators in this field, and other groups.

Without some minimum level of understanding and respect between the community and its police department, effective crime control is not possible. If police-community relations deteriorate to a certain level, this even becomes an invitation to public disorder. The Institute is concerned about an aspect of this involving the policeman on the beat. For many years the general practice has been to rotate police officers frequently from beat to beat, preventing close relations between officers and other citizens. The policeman indeed has become a stranger, often with quite negative effects on his ability to deal constructively with the community in maintaining order. The Institute is designing a pilot program that aims to give the policeman greater opportunities to function in an atmosphere of trust, and not merely as a distant and feared authority.

Transportation

The Institute's transportation work is focused on improving the ability of Federal and local officials to make good transport policy. Among other important issues, research will be addressed to these questions: Should added resources for urban transport be allocated to private or public transportation systems? If the latter, which mode is preferable: rapid transit, commuter railroad, bus or some other?

Being able to forecast lies at the very heart of answering such questions. If we cannot approximate how much travel will take place on a given urban travel network at a given point in time, then clearly we cannot characterize much less evaluate the quality of the system performance, the benefits stemming from travel, the resources expended for such movement, the external effects resulting from such travel, or the incidence of the benefits and costs.

However, valid estimates cannot be made with existing analytical techniques. We expect to improve travel forecasting significantly by adopting a radically different analytical approach. We intend to formulate static models to describe the amount of trip making on some specific system at some particular point in time. At a later stage we will develop dynamic long-run models which would incorporate the interaction between the transport system (and its performance characteristics) and the location and character of land use.

Such an approach would have these major features:

Taking account of changes in choice of transportation mode, route, and destination.

Distinguishing between travel demand and system supply.

Studying trip making not only by mode, but also by time of day. This will get to the most crucial issue—peak travel: how long the peaks last, how many trips are involved, what costs are involved and what limitations are recognized.

Once static forecasting models are developed so that the amount of trip making, link speeds, and traffic mixes can be estimated, it will then be possible, and necessary to estimate the external effects stemming from urban trip making. That is, given the amount of travel on a particular system and in a specific region, the extent of air and noise pollution and other effects which are external to and which do not influence the trip making can be determined. While for many of these external effects we may not presently be able to determine the costs or the value associated with their reduction, we can contribute to the state of the art by estimating the costs and effectiveness of alternate ways of controlling these effects.

It is intended that these models will be applied to a well defined, small-scale hypothetical transport network and land-use pattern. As experience and confidence builds with respect to the validity of the models—at least conceptually and operationally—they will be applied to real conditions, using one or more small, isolated transport systems.

While it will be impossible to isolate a small-scale transport system that incorporates all the features of the full-scale urban transport system and environment, it seems wise to follow this limited approach. Primarily, this conclusion is based upon experience gained from hundreds of previous attempts to model the overall urban transport system: they failed to develop relationships essential for prediction. Only after the conceptual framework is more fully developed and tested will it become clear what data and other essential elements must be obtained for modeling entire urban and regional transport systems. The ultimate objective is to create models which can evaluate transport systems in terms of other aspects of the urban scene.

Cooperative research

Analytical Help to Cities: While many of the functional area studies described earlier will be conducted in cities, they are principally addressed to Federal policy issues. In addition, several Institute efforts are aimed at providing analytical help directly to city governments.

One effort just being initiated is directed at developing analytical techniques that can be used by local and state governments in their decision making. Systems analysis, planning-programming-budgeting systems, and other tools of the management sciences will be adapted to the special political, financial and legal environment of state and local governments. This work will be undertaken jointly with governmental personnel for whom the analytical tools are intended. Dissemination of the research results will be undertaken through the major governmental associations.

The Institute supports, as an innovative model for marrying research with action, a project to assist the City of Oakland in budget allocations and programming. The work is conducted by the director and graduate students of the New School of Urban Affairs (University of California, Berkeley) and deals with such diverse matters as the civil service system, the black community, the antipoverity and Model Cities programs, the schools, and the police. The offices of the mayor and city manager provide close cooperation.

Decentralization Studies: The problems, processes and opportunities associated with the redistribution of authority are the object

of a set of Institute studies. The work on decentralization includes one conceptual and one empirical study on citizen participation, both by university scholars. The latter study focuses on the laws, administrative guidelines and actual practices of the Federal government in respect to citizen participation in a variety of programs.

Field analysis by the Institute includes evaluation of the school decentralization demonstration districts of New York City. The study examines a highly controversial series of events from the perspective of students, parents, Negro and Puerto Rican communities, teachers and school administrators, the mayor's office and an actively involved private foundation.

URBAN POLICY EVALUATION

A prime mission of the Institute is to put its research and analysis to the service of governments at all levels so they may deal more effectively with urban problems. The premise of the research described thus far is that "the urban problem" can usefully be separated for purposes of analysis and action into many smaller, more tractable parts. In such an all-encompassing field, it is a practical necessity to allow for a division of labor.

A good case can be made, however, that at least part of "the urban problem" stems from a failure to think about the separate pieces of the problem systematically in terms of their connections with each other. The Institute, therefore, will devote considerable research effort to enlarging the perspective in which problems are viewed. This is being done through several Institute projects—evaluation of federal social programs, Model Cities studies, and the Urban Fellowship program.

The study of urban indicators—measures of the quality of urban life—is another Institute effort to provide a comprehensive view of urban problems. Urban policy makers and administrators do not have objective and reliable indicators of a city's present health or changing condition. The Institute is seeking to identify and define crucial indicators, to obtain efficient means of measuring them, and to devise methods of using them to pinpoint problem areas.

Federal evaluation practice

The Institute has been studying the Federal government's practices in evaluating its own programs. Few would argue with the assumption that urban planners and policy makers need to know the effectiveness of existing programs. Yet the Institute finds that almost no Federal program is being evaluated satisfactorily at this time, according to a year-long study of evaluation practices in 15 programs administered by the Departments of Housing and Urban Development; Health, Education and Welfare; and Labor, as well as by the Office of Economic Opportunity.

The Institute study describes current Federal evaluation practices and provides a large number of recommendations for improving the situation. The Institute is assisting several agencies with implementation of the study recommendations.

Model cities

By the winter of 1969-1970, the Model Cities Administration was expected to have approved plans and made supplemental grants to approximately 75 cities for the implementation of programs directed at improving the lives of model neighborhood residents. Within one year, as many as 75 additional cities could get a similar green light for their first-year action programs.

The Urban Institute has been asked to develop the instruments for evaluating the impact of Model City programs on neighborhood residents. The evaluation will rely primarily on a sample survey of population groups both within and outside the model neighborhoods. The survey is being designed

jointly by the Institute's evaluation team and the Survey Research Center of the University of Michigan, with active participation of the Department of Housing and Urban Development.

The design phase of the project is scheduled to be completed in early 1970. At that time, we will have completed the pretesting of the survey questionnaires for the first group of interviews, the detailed sampling design, schedules and data gathering procedures, a detailed plan for the field operations necessary to conduct the surveys, a general analysis plan with recommended content and formats for special topical and analytic reports, a description of the information system characteristics, and a plan for data and analyses dissemination.

The successful completion of these tasks will enable the project to advance to the second phase in which the survey instruments will be applied.

It is clear that the project will assemble data suitable for far more analyses than will be undertaken under this project. These files will be unique in their richness of data on the urban poor. The availability of such data will make an important contribution to other Urban Institute projects, and urban related projects elsewhere.

Urban fellowship program

The Urban Institute charter calls for promoting and supporting "improvement in the quality of urban life," which requires particular attention to those who are confined in the blighted zones commonly referred to as inner city ghettos. Within this broad objective, the Institute will seek to analyze and propose solutions for the pathologies which characterize much of the urban environment, central to the achievement of this objective are studies and research directly related to strengthening the black communities. The Urban Fellowship program was conceived to help carry out such studies and research.

The Fellowship program focuses on a dynamic element of social change: the black activists at leadership and planning levels who are influential in the black community. The program recognizes an urgent need for these activists partially to withdraw from the scene of action so they may think more deeply, debate more carefully and plan on a more informed basis. The Fellowship program provides the vehicle for doing this, providing them with the time and facilities to develop improved strategies and programs for the black community in the years ahead. The Fellowship program has the following specific objectives:

Providing black activists with the opportunity to analyze and review critically existing and proposed public policies and programs affecting ghetto residents.

Enhancing and increasing the depth of research and analytical skills of black activists to improve their effectiveness in designing and implementing programs to benefit their communities.

Affording activists the opportunity to develop theories, models and strategies based on their independent research.

Maximizing interaction between activists and the research staff of the Institute to encourage research that will have an impact on the pressing community problems as conceived by those who know the ghettos intimately.

Developing a skilled cadre with specific capabilities for training staff and leaders of community organizations and for providing effective guidance for social action and community development projects.

Urban Fellows spend a year at the Institute. Currently they are engaged in research projects dealing with development activities and self-help projects in black communities. The long-range aims of the research effort are to measure the scope and

impact of current efforts and to determine the prerequisites for achieving maximum progress. The present research covers four specific aspects of community development:

The impact of black elected officials on social change.

Economic development programs.

Political organization.

Identification and quantification of the resources of black communities.

ADDRESS OF THE HONORABLE LUIS A. FERRÉ

HON. JORGE L. CORDOVA

RESIDENT COMMISSIONER FROM PUERTO RICO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 16, 1969

Mr. CORDOVA. Mr. Speaker, on November 20, 1969, Gov. Luis A. Ferré, of Puerto Rico, addressed our friends of the fourth estate at a luncheon at the National Press Club and told them something of his goals for Puerto Rico during the months and the years ahead.

In his address, the Governor takes a hard, realistic look at the problems on hand in Puerto Rico, and I think that they belong not exclusively to our island but instead are characteristic of those facing many of the world's people.

The Governor, for example, points out the need for a revolution in understanding over the next 20 years to supplement the revolution in communications that has been taking place for the past two decades. This observation regarding Puerto Rico could well apply to most of the U.S. community and indeed, to the community of nations.

I am sure, therefore, that Governor Ferré's address will be of interest to our colleagues and I offer it for inclusion in the RECORD:

ADDRESS OF THE HONORABLE LUIS A. FERRÉ,
GOVERNOR OF PUERTO RICO, NATIONAL PRESS
CLUB, WASHINGTON, D.C., NOVEMBER 20,
1969

As writers and editors you are to be excused a mild feeling of "deja-vu" as each year Puerto Rico reports growth of nearly 10 percent in factories, jobs and income, despite the fact that growth at such a rate has rarely been equalled anywhere.

I am not here today to re-instill your excitement in what has now become a routine occurrence. I want to take this opportunity to thank the press of the United States for a superb job in documenting what has been happening in Puerto Rico. Our growth would certainly not have been possible if the press of America had not revealed to manufacturers and investors the opportunities of Puerto Rico. Our booming tourist business is largely dependent on how newsmen recount the good times they have on our island. And the excellent relationship we have enjoyed with the lawmakers and executives of the Federal Government has been helped by thorough, intelligent coverage of events in Puerto Rico.

Words like "tax exemption," "Operation Bootstrap," "self-government," and "Commonwealth" are familiar to reporters who have covered Puerto Rico in the past and to the readers who have followed such coverage.

Now that surprise over the achievements of contemporary Puerto Rico has subsided, I feel I can discuss with you some of the complexities of a society that has enjoyed unprecedented economic growth and is now facing all the problems of a modern society.

This historical experience gives Puerto Rico a special significance as a pace-setter in the social changes that are to come for all America.

Let us quickly glance back at our past economic history.

In 1950 (it's hard to believe that was only 19 years ago), Puerto Rico's gross national product was only 754 million dollars. Today, it is almost four billion dollars.

In 1950 per capita earnings were 279 dollars a year. Today, the figure is 1,230 dollars—the highest in the Western Hemisphere outside of the United States mainland and Canada. Without major natural resources, it is 50 percent higher than Venezuela's 761 dollars.

This is an impressive record for both the United States and Puerto Rico since this was achieved *without* conflict, without violence and *within* the democratic system.

We've made spectacular progress, but in a very unspectacular style. Thus, I am told, everyone has the impression that Puerto Rico has arrived.

Puerto Rico's economic story has been impressive. But, it is by no means all told.

While we have climbed to the highest standard of living in Latin America, ours is still one-third below the poorest state in the union. One out of every three Puerto Ricans lives in what the Federal Government classifies as substandard housing. A tragic 22 percent of our men between the ages of 20 and 24 are unemployed.

Thus, the issue in last year's Puerto Rican electoral campaign, which culminated in the first change of political and governmental leadership in 28 years, was that our island, which had come along so far, had much farther to go.

In this regard, Puerto Rico is not unlike the mainland. Our young people regard the accomplishments of yesterday as merely the points of departure for tomorrow. While an established political institution can be proud of past accomplishments, it cannot rest on its laurels. It must reach ahead or surrender its leadership to more imaginative men and women.

The people of Puerto Rico decided that old persistent challenges had to be met with new methods and that new methods were most likely to come from a new team, with innovative ideas.

I interpret their confidence as a command to give Puerto Rico "*La Nueva Vida*," The New Life, words which during the campaign summed up our commitment to the people of Puerto Rico. My own political philosophy is easily expressed: I believe we should be revolutionary in ideas, liberal in objectives and conservative in methods. I believe that it is the responsibility of government to generate, through private and public investment, a plateau of security below which no family need live. This plateau should provide for the basic necessities of life. No democratic government can stand silently aside while its people are badly housed, or its people cannot earn enough money to feed their families.

That is not to say a man should retire into this minimum existence. Those who can work should work. Those who need to be trained to work should be trained. Taxpayers should bear in mind that expenditures in such areas are not welfare, but a solid and sound investment in human capital.

Those who cannot work, the aged, the sick, the psychologically destroyed—are the wards of the state and the price a nation must pay for its unsolved problems of yesterday.

In this New Life, the children of poverty must not be permitted to become the parents of poverty. No nation will survive, including our own, unless it can break this cycle.

I am not one of those romantics who believes poverty can be eliminated. But I do

believe that the *extremes* of poverty can and must be wiped out and that the "*inevitability*" of poverty for entire segments of our people can and must be negated. And, I believe that it is "good business" to do it.

This requires a massive and coordinated attack, an operation breakthrough, on such problems as unemployment, education and health. The wealth and technology to carry out this attack are available. The only thing required is a decision to effectively allocate resources to accomplish this goal.

It pays, for example, to borrow money—if necessary—and use it wisely to solve these problems, since the increased human potential will generate income in excess of amortization and interest. In line with this reasoning, we have proceeded in Puerto Rico to establish scholarships for all needy students and have helped those who want to borrow Federal funds by paying a supplementary interest on their loans.

We are tackling the problem of a bankrupt agriculture with a three-pronged approach: we pay the farmhand a supplementary wage to discourage his migration into the urban areas where he gets caught up in problems of slums, unemployment and delinquency; we pay the farmer a 50 percent subsidy to mechanize; and we give him technical aid to improve productivity.

By these actions we hope to reduce the migration to the overcrowded cities, provide the farm worker with a decent wage, and modernize our agricultural sector.

And, while we are taking such extraordinary measures on behalf of the bypassed of society, we must also assist the gifted to climb as high as his talent, training and ambition can carry him.

Can we eliminate the extremes of poverty and at the same time preserve and enhance a system of upward mobility for the more productive members of society? I believe we can.

We have had a revolution in communication during the last 20 years. We need a revolution in understanding during the next 20 years. We are beginning to develop instant awareness, not just of moon walks, but of hunger in Africa, Asia and Latin America. The blinders are being removed so that, while a man moves ahead as far as his talent, training and ambition will take him, he will be less likely to ignore the needs of the less fortunate along the way.

The coming revolution in understanding will not only affect man's relations with his fellow man, but perhaps more dramatically it will revise the relationship between citizens and their government. In Puerto Rico we are already searching for the modern democratic equivalent of the New England town meeting. We are applying both technology and compassion to this task.

For past generations, government in Puerto Rico was inattentive or paternalistic. Today it is responsive and responsible. Instead of demanding blind loyalty and submission, this administration seeks to inform the people, gain their confidence, involve them in the governmental process, and develop a mechanism to hear complaints and take remedial action.

We feel that politics and social technology can be welded together to help improve the very process of government. We are a government of action, not reaction. We want a government by anticipation and not by crisis. In this day and age, there is a tendency for government to drift further and further from the people. Government is so vast, communication so complicated, that the average citizen feels lost or alienated. I am using science to bring government closer to the people.

And we are now working on a system by which with the aid of computer techniques, government may best make a set of facts available to the people and, again with the

aid of computer techniques, obtain a "feedback" of citizen comment and reaction. Thanks to modern social technology, government is better able to know what its citizens want and to act on such needs before they become acute and erupt into discontent and dissatisfaction.

Another innovation indicative of our new approach to government is the Governor's Advisory Council for the Development of Government Programs. This is a bipartisan body, made up of leading citizens of Puerto Rico and advised by the best talent on and off the island. The Council explores for my government the crucial problems facing the island. Some of the areas it is now exploring are: the population explosion, human resource, development of natural resources, conservation and industrial growth. This group keeps us advised on a long-range basis and gives a sense of direction to our day-by-day decisions.

Looking at Puerto Rico's recent political history, there have been notable advances paralleling our economic progress.

American citizens by an Act of Congress since 1917, Puerto Ricans have secured the right to elect their own governor (that was in 1948), and to draft their own constitution of internal government (four years later, in 1952).

We've made steady, peaceful progress and have never been tempted or threatened by extremism. It has all come about through evolution—not revolution.

That has been a story which has made "good news copy". But it is a story that is not finished.

No doubt you're wondering what Puerto Rico's relationship to the United States will be.

Our people have consistently, election after election and by ever-increasing margins, affirmed and reaffirmed their intentions to remain within the framework of the United States Government.

The only question pending is the form of government which this permanent union with our fellow American citizens will take.

There are those who would like to retain forever Puerto Rico's unique and privileged position as a commonwealth—not paying Federal taxes.

And there are those of us—and our numbers are steadily increasing—who visualize the present commonwealth status as a means to improve our economic position until our people can assume the full responsibilities and privileges inherent to citizenship. Commonwealth status, we are convinced, is both a privileged and a prejudicial condition. We do not share the burden of Federal taxation. That much is true. But neither do we share in the ever-increasing power of the Federal Government to make sweeping decisions affecting more and more of the lives of all American citizens. Neither do we share fully in the programs instituted by the Federal Government with its collected revenues.

I am firmly confident that the day is coming when the people of Puerto Rico will petition Congress for admission as a State in the Union. I am equally confident that Congress will consistently prepare Puerto Rico for the day when it may make such a choice.

Statehood for Puerto Rico *will not mean assimilation*, will not mean the disappearance of our cultural tradition or the abandonment of our Spanish language. This, as you well know, is anthropologically impossible and constitutionally unnecessary. For the United States citizens of Puerto Rico, Statehood will mean greater enrichment of our Spanish culture with the addition of English as another language and the further absorption of the democratic tradition and social awareness of the American nation. The State of Puerto Rico, with its culture enriched in this manner, under the principle of "diversity within unity," which is basic to a federal system,

will be an asset to the United States in its relations with Latin America.

The United States is moving away from the illusion of the melting pot and toward the reality of democratic pluralism more consistent with diversity, not only among its states, but also among its ethnic minorities. Such tolerance for diversity is an important feature of the coming revolution in understanding.

I am not here to petition for Statehood now. Only the Puerto Rican people can authorize such a petition by a majority vote in a referendum.

But, there is an area of political growth toward which we are addressing ourselves at this time.

As you know, Congress is now considering a proposal to alter the system under which our President is elected.

Generally speaking, the proposal seeks to abolish the Electoral College, and to replace it with a more direct system of election.

We sincerely believe that all citizens of the United States should participate in the election of their President.

The President, more than any other single elected official in our government, is called upon to speak for and to represent all Americans. He should, therefore, logically be elected by all Americans.

The President is the chief architect of the foreign policy which affects United States citizens everywhere. He should be elected by United States citizens everywhere.

The President is the personal symbol of our national unity. All the citizens of our nation should have an equal voice in the election of such a personal national symbol.

Puerto Rico's Resident Commissioner, the Honorable Jorge Cordova, a non-voting member of the House of Representatives, is currently seeking an addition to the Presidential election reform proposal. It is simply that Congress be empowered to extend the right to vote in presidential elections to other citizens of the United States, now disenfranchised, when and as it may see fit.

In Puerto Rico, the desire to cast a vote in presidential elections transcends all party lines.

This is one element of the Puerto Rican story that the press gathered here in this room can help us to tell. We are part of this nation and at this crossroads of history we are anxious to participate more fully in its decisions.

Pursuant to the recommendations of a joint commission created in 1965 by the President, the Congress and Puerto Rico, I have asked President Nixon to name the mainland counterparts of a specially composed ad-hoc group to study the question of extending the presidential vote to Puerto Rico.

It is my hope that such an ad-hoc committee will consider, among other things, the following arguments favoring such an extension of the presidential franchise to Puerto Rico.

1. Puerto Ricans are drafted into the Armed Forces the same as all other American citizens.

2. Puerto Rico is a segment of the American nation which clearly perceives the American dream of equal opportunity and knows the difficulties in making that dream come true.

3. Puerto Rico is an island known for its racial harmony and as such it has a contribution to make to the Nation as a whole.

4. At a time when the United States is making a new effort at understanding, mutual respect and cooperation with Latin America, it may be very beneficial to the Nation to extend a measure of electoral equality to United States citizens in Puerto Rico who share a common language and a similar culture with the neighbors in the south with whom we are eagerly trying to communicate.

And this brings me to the final thought I

would like to leave with you today. It is precisely this very area of inter-American relations. It is an area in which I believe Puerto Rico can make a most important contribution to the United States.

Nowhere is a revolution in understanding of which I have spoken previously needed more desperately than between North and Latin America. Our lives are intertwined, but motives are misunderstood and prejudice is rampant.

We can talk to a man on the moon, with 400 million other human beings looking on, as the President did to the Apollo 11 crew. But, technology has not been very helpful in bringing understanding between peoples. There seems to be just about as much, if not more, strife and misunderstanding in this world as there was before the development of those elaborate means of communication.

The United States has found it difficult to arrive at a common understanding in Asia. I submit that the chances for arriving at common understanding in this hemisphere are much greater. Most of us in the Americas have a European heritage. We stem from the same Judaeo-Christian tradition. We have a common love for democracy and freedom. We are economically inter-dependent. In keeping with the President's pronouncements on Latin America and the Rockefeller report, I believe that we should make a new effort to achieve solidarity and greater understanding among the nations of this hemisphere.

This might be achieved by a change in our foreign investment policy. We could accentuate more the export of technology. The markets of the future will no longer be dependent on the outmoded colonial concepts of absentee ownership. This new use of capital to develop the "new markets" of tomorrow, will help to reduce the tensions which strain relations between our nation and some of the nations of Latin America.

Puerto Rico, I believe, is uniquely suited to assist in this task. We are a half-way point between North and Latin America—not just geographically and not just linguistically, but culturally and ideologically. We are equally at home in the North American and Latin American cultures. We are a living example of what Latins and North Americans, in cooperation, can achieve. We have adopted the best of North American practices without losing our identity or surrendering our basic values.

I believe that Puerto Rico can act as a bridge to understanding between the North American and Latin American cultures. As American citizens who cherish democracy and speak the language of our Latin American neighbors, we can serve as a meeting place for the two cultures. As individuals, Puerto Ricans can be of service in helping to carry out our nation's foreign policy throughout Latin America.

I have proposed to the President and to the Secretary-General of the Organization of American States the creation of an Inter-American Institute of Social Technology in San Juan to serve both North and Latin America. This Institute would have two main branches: a North-South Center for Educational and Cultural Exchange, and a Center for Applied Research, for the sharing of technical and scientific knowledge. It would be truly international in concept, operated by a consortium of universities, staffed by a faculty from many countries, and engaging in research on problems which the nations of the Americas have in common.

I hope that funds will be forthcoming from both public and private sources throughout the Hemisphere to make this Institute a reality. Over a period of years, through exchanges, conferences, joint research and so forth, I believe that an Institute could make significant contributions toward promoting understanding among the people of this hemisphere.

Seven years from now, we will celebrate the 200th anniversary of the founding of our nation, the first nation created to protect individual freedom and the right to the pursuit of happiness by every citizen. We proclaimed it would be the guiding political principle of this New World. But, we are far from having achieved our purpose.

World Wars I and II and then Korea and Viet Nam drew our attention to Europe and Asia. Perhaps it is time that we look back to our Americas, North and South, and apply knowledge and experience we have gained to its problems.

We have reached the moon by working together as a team. It is time we try the same approach to do away with misunderstanding and prejudice in all the Americas and lead the New World toward higher levels of achievement and justice.

Separately, the peoples of the Western Hemisphere will be forced to wander in the darkness of prejudice. Together, we can use already available knowledge as the light of reason to guide us in finding a truly New World.

Puerto Rico should be a part of this forward thrust of the Western Hemisphere—a united America forward—reaching toward the aspirations of men and nations—to a New Life—Nueva Vida—a better life in freedom and prosperity, where the dream of equality of opportunity in the pursuit of happiness will become a reality for every man—a dream which you in the communications media can help achieve during the coming decades by carrying forward the *revolution in understanding*.

NEEDS OF POSTAL EMPLOYEES RECOGNIZED

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 16, 1969

Mr. ANDERSON of California. Mr. Speaker, I submit for the attention of my colleagues an editorial by Mrs. Lee Whitebrook, publisher of the Hawthorne Press of Hawthorne, Calif. Mrs. Whitebrook simply and clearly points out some of the problems facing the postal employee in her editorial of December 4, 1969. She also urges public support of H.R. 13000, a bill providing postal wage and benefit increases which I was happy to support and which passed the House of Representatives by an overwhelming vote. Mrs. Whitebrook deserves tribute for keeping matters of local and national significance before the public eye and I take great pleasure in commending her continuing efforts.

The editorial follows:

OBSERVATIONS

(By Lee Whitebrook)

Last week we carried an advertisement from the National Association of Letter Carriers asking the public to write to President Nixon "to please sign HR 13000 and help save the postal service." From time to time I have spoken about mail carriers, their trudging hours and poor pay, yet there is no one service man that comes to your place of residence that is more appreciated than your mail man. The wages of the mail carriers average thousands of dollars a year less than the amount determined by the United States Bureau of Labor Statistics as necessary for a "modest but adequate" standard of living. No one of us has yet met an affluent mail carrier, yet thru every kind of weather he delivers the mail. That too, has been curtailed to one de-

livery a day, and no one can depend on at least an approximate time. Postage has been increased, yet not the scale of mail carrier's pay. The entire postoffice department needs reform, and it should begin with adequate pay for the carriers and then down to adequate deliveries. We are in an inflationary pe-

riod, for what we know not, because the cost of everything is going up, it can only discipline people to buy less, and that sounds like poor economy to me. Interest rates are up and that means that the average veteran returning from Viet Nam cannot buy a house, nor can the average worker, if he depends on

only one member of the family working. So like many other Americans postal employees are the victims of this dread word—inflation. You can help your local carrier by writing to President Nixon and asking him to sign HR 13000 and in doing so give a Christmas gift to your letter carrier. He deserves it.

SENATE—Wednesday, December 17, 1969

(Legislative day of Tuesday, December 16, 1969)

The Senate met at 9 o'clock a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

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

"O Grant us light, that we may know
The wisdom Thou alone canst give;
That truth may guide wher-e'er we go,
And virtue bless where'er we live."

—LAWRENCE TUTTIETT, 1864.

Eternal God, who throughout the ages hath imparted wisdom to those who humbly call upon Thee, we beseech Thee to give understanding and clarity of thought to those, who in Thy name and for the Nation's sake are entrusted in this Chamber with power to act for the Republic. Give them, O Lord, a steadfast faith, a sure hope, and the determination and patience to labor for those things for which the people pray.

In the name of Him whose name is above every name. Amen.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATIONS, 1970

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 13111) making appropriations for the Departments of Labor and Health, Education, and Welfare for the fiscal year ending June 30, 1970, and for other purposes.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Committee on the District of Columbia and the Special Subcommittee on Oceanography of the Committee on Commerce be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. BYRD of West Virginia. Mr. President, in accordance with the previous order, I suggest the absence of a quorum, and it will be a live quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

	[No. 246 Leg.]	
Allen	Gore	Moss
Allott	Gurney	Packwood
Baker	Hansen	Pastore
Bellmon	Hatfield	Ribicoff
Boggs	Holland	Scott
Byrd, W. Va.	Hughes	Spong
Cotton	Javits	Stennis
Curtis	Mathias	Stevens
Dodd	McIntyre	Talmadge
Dole	Metcalfe	Young, Ohio
Eagleton	Montoya	

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Georgia (Mr. RUSSELL), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOPER) is absent because of illness in his family.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. BYRD of West Virginia. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Aiken	Goodell	Muskie
Bayh	Gravel	Nelson
Bennett	Griffin	Pearson
Bible	Harris	Pell
Brooke	Hart	Percy
Burdick	Hartke	Prouty
Byrd, Va.	Hruska	Proxmire
Cannon	Jackson	Randolph
Case	Jordan, N.C.	Saxbe
Church	Jordan, Idaho	Schweiker
Cook	Long	Smith, Maine
Cranston	Magnuson	Smith, Ill.
Dominick	Mansfield	Sparkman
Eastland	McCarthy	Thurmond
Ellender	McClellan	Tower
Ervin	McGee	Tydings
Fannin	McGovern	Williams, N.J.
Fong	Miller	Williams, Del.
Fulbright	Mondale	Yarborough
Goldwater	Murphy	Young, N. Dak.

The PRESIDING OFFICER (Mr. CANON in the chair). A quorum is present.

Mr. STENNIS. Mr. President, I do not remember whether the agreement designated me in charge of the time.

The PRESIDING OFFICER. The agreement did. How much time does the Senator yield?

Mr. STENNIS. Mr. President, I yield 15

minutes to the Senator from Georgia (Mr. TALMADGE).

The PRESIDING OFFICER. The Senator from Georgia is recognized for 15 minutes.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATIONS, 1970

The Senate continued with the consideration of the bill (H.R. 13111) making appropriations for the Departments of Labor, and Health, Education, and Welfare for the fiscal year ending June 30, 1970, and for other purposes.

Mr. TALMADGE. Mr. President, in the interest of justice to schools and the strengthening of public education in America, it is imperative that this amendment be adopted by the Senate as it was reported by the Appropriations Committee.

It has come to the Senate after winning approval in the House of Representatives—where it was known as the Whitten amendment—and after careful consideration by the Appropriations Committee.

This measure is needed to restore order and stability to our schools. I submit that it is vital to the continuation of public education. It is designed to prevent schools from being made instruments of coercive social reform.

In recent years, the schools of the South have been assaulted on all sides, by the Federal courts, by the Department of Health, Education, and Welfare, and by a virtual army of Federal agents operating under the direction of HEW and the Office of Education.

We have had forced desegregation by the numbers. That is, officials here in Washington came up with arbitrary ratios. Then they descended upon counties, cities and towns with this command:

"Here is the way we think your schools ought to be racially constituted. Here is the way we think your educational programs ought to be operated. Here is how your faculties should be composed. Here is how you ought to assign children to schools."

This is what they have done in school district after school district.

Thus have they laid down the law—their own contrived law, based on the so-called school "guidelines."

Even if it meant busing children to schools away from their neighborhoods, against the wishes of the pupils themselves and their parents.

Even if it meant assigning faculty to teach in certain schools, against the best interests and desires of the teachers themselves.