United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 91st CONGRESS, FIRST SESSION

SENATE—*Thursday, March 20, 1969*

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

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

Gracious Father of our spirits, we stand before Thee in the silence of this hour, knowing in the depths of our being we cannot live without Thee. Thou hast made us for Thyself, and nothing satisfies the longings of our souls but Thy presence. Rescue our wandering minds, our fugitive thoughts, our roving spirits, and call us back to Thee that we may think of Thee and of Thee alone. Spare us from slavery to desk pads and appointment calendars. Put us in tune with the infinite and eternal that we may know our true nature and our ultimate destiny. Give us grace to glorify Thee in daily duties and thus to know the "peace of those whose minds are stayed on Thee."

O Lord, our God, we commend our Nation, its leaders, and our lives to Thy gracious keeping this day.

In Thy holy name. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, March 17, 1969, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Geisler, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1058) to extend the period within which the President may transmit to the Congress plans for reorganization of agencies of the executive branch of the Government.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 2669. An act to amend section 213(a) of the War Claims Act of 1948 with respect to claims of certain nonprofit organizations and certain claims of individuals;

H.R. 4297. An act to amend the act of November 8, 1966;

H.R. 7206. An act to adjust the salaries of the Vice President of the United States and certain officers of the Congress;

H.R. 8438. An act to extend the time for filing final reports under the Correctional Rehabilitation Study Act of 1965 until July 31, 1969; and

H.R. 8508. An act to increase the public debt limit set forth in section 21 of the Second Liberty Bond Act.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 1058) to extend the period within which the President may transmit to the Congress plans for reorganization of agencies of the executive branch of the Government, and it was signed by the Vice President.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 2669. An act to amend section 213(a) of the War Claims Act of 1948 with respect to claims of certain nonprofit organizations and certain claims of individuals; and

H.R. 4297. An act to amend the act of November 8, 1966; to the Committee on the Judiciary.

H.R. 7206. An act to adjust the salaries of the Vice President of the United States and certain officers of the Congress; to the Committee on Post Office and Civil Service.

H.R. 8508. An act to increase the public debt limit set forth in section 21 of the Second Liberty Bond Act; to the Committee on Finance.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

CAVE RUN DAM AND RESERVOIR, KY.

A letter from the Secretaries of the Department of the Army and the Department of Agriculture, transmitting, pursuant to law, a notice of intention of the Departments to interchange jurisdiction of civil works and national forest lands (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON THE AGRICULTURAL CONSERVATION PROGRAM

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report on the Agricultural conservation program for the fiscal year ended June 30, 1968 (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORTS ON REAPPORTIONMENT OF APPROPRIATIONS

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Council of Economic Advisers for "Salaries and expenses," for the fiscal year 1969, has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation; to the Committee on Appropriations.

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of Transportation for "National Transportation Safety Board: Salaries and expenses" for the fiscal year 1969, had been apportioned on a basis which indicated the necessity for supplemental estimates of appropriation for increased pay costs; to the Committee on Appropriations.

PROPOSED LEGISLATION PROVIDING SPECIAL PAY TO NAVAL OFFICERS

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to amend title 37, United States Code, to provide special pay to naval officers, qualified in submarines, who have the current technical qualification for duty in connection with supervision, operation and maintenance of naval nuclear propulsion plants, who agree to remain in active submarine service for one period of 4 years beyond any other obligated active service, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

REPORT OF SECRETARY OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report on the advisory committees which assisted him in carrying out his functions under the Social Security Act during the calendar year 1968 (with an accompanying report); to the Committee on Finance.

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a confidential report on a survey of policies and procedures of the military liquidation section for disposal of U.S. property in France and the utilization of certain property removed from France (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on a review of the Economic Opportunity Programs, made pursuant to title II of the 1967 Amendments to the Economic Opportunity Act of 1964, dated March 18, 1969 (with an accompanying report); to the Committee on Labor and Public Welfare.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the control over repairs of electronic components and assemblies, Department of the Navy, dated March 19, 1969 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the selection of purchasers of residential properties sold by the Federal Housing Administration, Department of Housing and Urban Development, dated March 19, 1969 (with an accompanying report); to the Committee on Government Operations.

REPORT OF CLAIMS SETTLED BY THE AGENCY FOR INTERNATIONAL DEVELOPMENT

A letter from the Acting Director, Congressional Liaison, Agency for International Development, transmitting, pursuant to law, a report of claims settled by the Agency under the Military Personnel and Civilian Employees' Claims Act of 1964, during the calendar year 1968 (with an accompanying report); to the Committee on the Judiciary.

PROPOSED INCREASE IN NUMBER OF GRADES GS–16, 17, AND 18 POSITIONS

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to amend title 5, United States Code, to provide for additional positions in grades GS–16, 17, and 18 (with accompanying papers); to the Committee on Post Office and Civil Service.

PROPOSED CONSTRUCTION OR ALTERATION OF PUBLIC BUILDINGS

A letter from the Administrator, General Service Administration, transmitting, pursuant to law, prospectuses which propose construction or alteration of public buildings (with accompanying papers); to the Committee on Public Works.

REPORT OF CLAIMS SETTLED BY THE INDIAN CLAIMS COMMISSION

A letter from the Chairman, Indian Claims Commission, reporting, pursuant to law, on claims settled by the Commission (with accompanying papers); to the Committee on Appropriations.

RESOLUTION OF BRISTOL COUNTY FARM BUREAU

Mr. BROOKE. Mr. President, I ask unanimous consent that a resolution adopted by the Bristol County Farm Bureau at its annual meeting, October 14, 1968, representing 300 families, be printed in the RECORD.

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

Whereas much harm has been done to our fellow farmers, the California Grape Growers, by the AFL–CIO United Farm Workers Organizing Committee, and realizing that what happens to farmers in one section of the country will eventually be visited upon the farmers in another part of the country, be it

Resolved; that Bristol County Farm Bureau is opposed to all attempts to force farm laborers to unionize at all levels whether it be through boycotts of producers and growers or through legislation to bring farm employees under the control of the National Labor Relations Act.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of South Dakota; to the Committee on Commerce:

"SENATE CONCURRENT RESOLUTION 506

"A concurrent resolution memorializing the Congress of the United States and the Interstate Commerce Commission to consider the abolition of zones within the national freight classification system and to eliminate the practice of permitting motor carriers to add arbitrary charges on less-than-truck load traffic to smaller communities in South Dakota

"Be it resolved by the Senate of the State of South Dakota, the House of Representatives concurring therein:

"Whereas, Article I, Section 8, Clause 3 of the United States Constitution provides that 'the Congress shall have power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes; and

"Whereas, the Supreme Court of the United States has held that the Congress can by enactment preempt the entire field of regulation of interstate commerce and that the several states may only regulate in such areas as not covered by federal authority; and

"Whereas, the Congress by means of the Motor Carrier Act of 1935 has authorized the Interstate Commerce Commission to regulate interstate transportation of passengers and property by motor carriers, a policy which the Congress has extended and reinforced by subsequent acts and legislation; and

"Whereas, the Interstate Commerce Commission has established national freight classification territories and subdivided these territories into zones for the purpose of regulation of motor freight rates; and

"Whereas, the system of zones lends itself to rate inequities between zones which are detrimental to the welfare and prosperity of some areas while providing a competitive advantage to other areas; and

"Whereas, the state of South Dakota has been arbitrarily divided so that parts of the state fall within three different zones which creates inequities in motor freight rates not only between the state and other states but also within the state itself; and

"Whereas, transportation considerations have done much to inhibit industrial growth in the state of South Dakota, and such growth is necessary to provide the state with more balanced economy less susceptible to the cyclical fluctuations in basic agricultural prices and production; and

"Whereas, many smaller communities of South Dakota which are already suffering from depressed agricultural prices are required to pay 'arbitrary' additional charges of twenty-five cents per hundred weight on freight for pickup or delivery of less-than-truck load traffic; and

"Whereas, similar communities in neighboring states are not required to pay such 'arbitraries;'

"Now, therefore, be it resolved, by the Senate of the Forty-fourth Legislature of the State of South Dakota, the House of Representatives concurring therein, that the Congress of the United States and the Interstate Commerce Commission be, and the same are hereby, respectfully requested to give due consideration to the abolition of the present system of zones within the national freight classification territories; and

"Be it further resolved, that the Congress of the United States and the Interstate Commerce Commission be, and the same are hereby, respectfully requested to give due consideration to the elimination of the present practices which permit motor carriers to add 'arbitrary' charges to less-than-truckload traffic originating in or destined for small South Dakota communities; and

"Be it futher resolved, that copies of this Concurrent Resolution be transmitted by the Secretary of the Senate of the state of South Dakota to offices of the President and Vice President of the United States, the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, the members of the Congressional delegation of the state of South Dakota, and the chairman and members of the Interstate Commerce Commission.

"NIELS P. JENSEN,
"Secretary of the Senate.
"JAMES ABDNOR,
"President o fthe Senate.
"D. H. GUNDERSON,
"Speaker of the House.
"PAUL INMAN,
"Chief Clerk."

A concurrent resolution of the Legislature of the State of South Dakota; to the Committee on Finance:

"HOUSE CONCURRENT RESOLUTION 505

"A concurrent resolution, citing legislative opposition to, and complete reversal of, the proliferation of Federal Categorical Grants-in-Aid and the adoption of consolidated plans for dissemination of federal funds to the states, and support of the 'Consolidation of Federal Assistance Program Act'

"Be it resolved by the House of Representatives of the State of South Dakota, the Senate concurring therein:

"Whereas, there is today virtually universal agreement that the proliferation of federal categorical grants-in-aid must be reversed; and

"Whereas, it has been suggested that the consolidation of categorical grants into a manageable number of broad bloc grants is a superior method to the present bureaucratic maze of overlapping, complex, and inefficient program; and

"Whereas, to promote the better execution and efficient management of individual federal assistance programs within the same functional areas; and

"Whereas, to provide better coordination among individual assistance programs within the same functional area; and

"Whereas, to promote more efficient planning and use by the recipients of federal assistance under programs within the same functional area; and

"Whereas, consolidation of grant programs is not a partisan issue;

"Now, therefore, be it resolved, by the House of Representatives of the Forty-fourth Legislature of the state of South Dakota, the Senate concurring therein, that a system of federal bloc grants would best solve the financial problems facing the state today, and be of great assistance in many areas of state government, the Congress and the President of the United States are hereby urged to adopt the necessary and desirable changes presented in the 'Consolidation of Federal Assistance Program Act.'

"Be it further resolved, that copies of this resolution be transmitted to the Office of the President of the United States, the Secretary of the United States Senate, to the Clerk of the United States House of Representa-

tives, and to the South Dakota Congressional Delegation.

"Adopted by the House of Representatives February 4, 1969. Concurred in by the Senate March 8, 1969.

"DEXTER H. GUNDERSON,
"Speaker of the House.
"JAMES ABDNOR,
"President of the Senate.

"Attest:

"PAUL INMAN,
"Chief Clerk of the House.

"Attest:

"NIELS P. JENSEN,
"Secretary of the Senate."

A joint resolution of the Legislature of the State of Utah; to the Committee on the Judiciary:

"HOUSE JOINT RESOLUTION 12

"A joint resolution memorializing Congress to cease and desist the proliferation of Federal power

"Be it resolved by the Legislature of the State of Utah:

"Whereas, the Congress of the United States continues to expand the proliferation of federal control over our cities, counties and states, and

"Whereas, this proliferation of national government is contrary to the thinking of our founding fathers, contrary to the fundamental tenets of federalism, and

"Whereas, if such proliferation does not cease, our federal system, which once manifested a delicate balance between federal and state powers, will become a giant state engulfing monster;

"Now, therefore, be it resolved by the 38th Legislature of the State of Utah, both houses concurring therein, that Congress be memorialized and respectfully requested to cease and desist from further encroachment on state and local powers reserved to the states under the Constitution of the United States;

"Be it resolved further that Congress immediately consider systematic withdrawal of many of the non-productive and expensive federal agencies which result in unnecessary taxation imposed upon citizens of this and other states, and allow states to appraise their own social and economic needs and levy and collect taxes to provide for these indigenous problems.

"Be it resolved further that the Secretary of State of Utah be, and he is hereby directed, to send copies of this resolution to the Senate and House of Representatives of the United States, to United States Representative Wilbur D. Mills, and to the Senators and Congressmen representing the State of Utah in Congress.

"HOMER J. BARLOW,
"President of the Senate.
"LORNE N. PACE,
"Speaker of the House.

"Attest:

"QUAYLE CANNON, Jr.
"Secretary of the Senate.

"Attest:

"CHRIS R. HOPKINS,
"Chief Clerk of the House.

"Received from the Governor, and filed in the office of the Secretary of State this 13th day of March, 1969.

"CLYDE L. MILLER,
"Secretary of State."

A resolution adopted by the board of supervisors, County of Los Angeles, Calif., praying for the enactment of legislation to provide jobs for certain unemployed persons; to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 713. A bill to designate the Desolation Wilderness, Eldorado National Forest, in the State of California (Rept. No. 91–97); and

S.J. Res. 28. Joint resolution providing for renaming the central Arizona project as the Carl Hayden project (Rept. No. 91–113).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 742. A bill to amend the act of June 12, 1948 (62 Stat. 382), in order to provide for the construction, operation, and maintenance of the Kennewick division extension, Yakima project, Washington, and for other purposes (Rept. No. 91–98);

S. 743. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Touchet division, Walla Walla project, Oregon-Washington, and for other purposes (Rept. No. 91–99); and

S. 1011. A bill to authorize appropriations for the saline water conversion program for fiscal year 1970, and for other purposes (Rept. No. 91–100).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 348. A bill for the relief of Cheng-huai Li (Rept. No. 91–101);

S. 628. A bill for the relief of Koon Chew Ho (Rept. No. 91–102);

S. 648. A bill for the relief of Ernesto Alunday (Rept. No. 91–103);

S. 927. A bill for the relief of Victor Abadi (Rept. No. 91–104);

S. 1016. A bill for the relief of Dr. Richard Francis Power (Rept. No. 91–105);

S. 1049. A bill for the relief of Dr. Angel Solar (Rept. No. 91–106);

S. 1120. A bill for the relief of Wong Wah Sin (Rept. No. 91–107); and

S. 1123. A bill for the relief of Ah Mee Locke (Rept. No. 91–108).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 301. A bill for the relief of Sein Lin (Rept. No. 91–109);

S. 537. A bill for the relief of Noriko Susan Duke (Nakano) (Rept. No. 91–110);

S. 672. A bill for the relief of Charles Richard Scott (Rept. No. 91–111); and

S. 958. A bill for the relief of John Anthony Bacsalmassy (Rept. No. 91–112).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. TALMADGE, from the Committee on Agriculture and Forestry:

Don Paarlberg, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation.

By Mr. MAGNUSON, from the Committee on Commerce:

John H. Shaffer, of Maryland, to be Administrator of the Federal Aviation Administration;

Reginald Norman Whitman, of Minnesota, to be Administrator of the Federal Railroad Administration;

Leo G. Vaske, and James L. Hassall, to be permanent commissioned officers in the Regular Coast Guard;

Larry A. Jobe, of Illinois, to be an Assistant Secretary of Commerce; and

Myron Tribus, of New Hampshire, to be an Assistant Secretary of Commerce.

By Mr. JACKSON, from the Committee on Interior and Insular Affairs:

Carl L. Klein, of Illinois, to be an Assistant Secretary of the Interior;

Mitchell Melich, of Utah, to be Solicitor of the Department of the Interior;

Hollis M. Dole, of Oregon, to be an Assistant Secretary of the Interior;

Leslie Lloyd Glasgow, of Louisiana, to be Assistant Secretary for Fish and Wildlife, Department of the Interior; and

James R. Smith, of Nebraska, to be an Assistant Secretary of the Interior.

By Mr. EASTLAND, from the Committee on the Judiciary:

Richard A. Dier, of Nebraska, to be U.S. attorney for the district of Nebraska;

Allen L. Donielson, of Iowa, to be U.S. attorney for the southern district of Iowa; and

Richard W. Velde, of Virginia, to be an Associate Administrator of Law Enforcement Assistance.

EXTENSION OF TIME FOR FILING REPORT OF SPECIAL COMMITTEE ON AGING

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from New Jersey (Mr. WILLIAMS), I ask unanimous consent that the time for filing the report of the Special Committee on Aging be extended from March 15 to March 31, 1969.

The VICE PRESIDENT. Without objection, it is so ordered.

BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. WILLIAMS of Delaware:

S. 1579. A bill to provide for an exclusion from gross income in the case of compensation for members of the crew of the U.S.S. *Pueblo;* to the Committee on Finance.

S. 1580. A bill to amend the Federal Corrupt Practices Act, 1925, so as to remove the exemption from the reporting requirements thereof with respect to certain political committees and individuals operating in only one State and duly organized State local committees of political parties; to the Committee on Rules and Administration.

(See the remarks of Mr. WILLIAMS of Delaware when he introduced the second above bill, which appear under a separate heading.)

By Mr. MATHIAS:

S. 1581. A bill for the relief of Georgios Fotopoulous; to the Committee on the Judiciary.

By Mr. FONG:

S. 1582. A bill to amend the Civil Service Retirement Act so as to permit retirement of employees with 30 years of service on full annuities without regard to age; to the Committee on Post Office and Civil Service.

By Mr. FONG (for himself, Mr. MCGEE, Mr. BOGGS, Mr. FANNIN, Mr. STEVENS, Mr. BELLMON):

S. 1583. A bill to provide that appointments and promotions in the Post Office Department, including the postal field service, be made on the basis of merit and fitness; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. FONG when he introduced the above bill, which appear under a separate heading.)

By Mr. RIBICOFF:

S. 1584. A bill for the relief of Mrs. Christine (Krystyna) Gorayska; to the Committee on the Judiciary.

S. 1585. A bill to amend the Tariff Schedules of the United States to reduce the rate of duty on rods of molybdenum disilicide; to the Committee on Finance.

By Mr. MAGNUSON:

S. 1586. A bill for the relief of Anacleto Aboyabor Dotollo; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. JACKSON) (by request):

S. 1587. A bill for the relief of King County, Wash.; to the Committee on the Judiciary.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself, Mr. FONG, and Mr. PELL):

S. 1588. A bill to amend the Public Health Service Act to provide for the establishment of a National Institute of Marine Medicine and Pharmacology in the National Institutes of Health; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself, Mr. CHURCH, Mr. DODD, Mr. EAGLETON, Mr. GRAVEL, Mr. HARRIS, Mr. HARTKE, Mr. HUGHES, Mr. INOUYE, Mr. JACKSON, Mr. KENNEDY, Mr. METCALF, Mr. MOSS, Mr. RANDOLPH, Mr. TYDINGS, Mr. WILLIAMS of New Jersey, and Mr. YOUNG of Ohio):

S. 1589. A bill to establish an emergency program of direct Federal assistance in the form of direct grants and loans to certain hospitals in critical need of new facilities in order to meet increasing demands for service; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself, Mr. COTTON, and Mr. MOSS):

S. 1590. A bill to amend the National Commission on Product Safety Act in order to extend the life of the Commission so that it may complete its assigned tasks; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. YARBOROUGH (for himself and Mr. FULBRIGHT):

S. 1591. A bill to establish an American Folklife Foundation, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. YARBOROUGH when he introduced the above bill, which appear under a separate heading.)

By Mr. BROOKE (for himself and Mr. KENNEDY):

S. 1592. A bill to authorize the Secretary of the Interior to study the most feasible and desirable means of establishing certain portions of the tidelands, Outer Continental Shelf, seaward areas, and Great Lakes of the United States as marine sanctuaries and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. BROOKE when he introduced the above bill, which appear under a separate heading.)

By Mr. PERCY:

S. 1593. A bill to amend title II of the Social Security Act to provide for periodic cost-of-living increases in monthly benefits payable thereunder;

S. 1594. A bill to amend title II of the Social Security Act to provide, in a series of steps, for the liberalization and eventual elimination of the provisions thereof which impose deductions in benefits payable to individuals under such title on account of income earned by them;

S. 1595. A bill to amend title II of the Social Security Act to increase the amount of the widow's and widower's insurance benefits payable thereunder to individuals who have attained age 65;

S. 1596. A bill to amend title II of the Social Security Act to provide that each child entitled to a child's insurance benefit thereunder shall receive a benefit of at least $30 per month; and

S. 1597. A bill to amend the Internal Revenue Code of 1954 to allow a portion of the social security taxes paid by low-income individuals to be used as a credit against any Federal income tax due and to refund the balance of such portion to such individuals; to the Committee on Finance.

(See the remarks of Mr. PERCY when he introduced the above bills, which appear under a separate heading.)

By Mr. PELL:

S. 1598. A bill for the relief of Dr. Nicole Gille; to the Committee on the Judiciary.

By Mr. HATFIELD:

S. 1599. A bill for the relief of Timber Structures, Inc.; to the Committee on the Judiciary.

By Mr. BYRD of West Virginia (for Mr. DODD):

S. 1600. A bill for the relief of Potenciano C. Quizan; to the Committee on the Judiciary.

By Mr. CURTIS:

S. 1601. A bill to amend the Federal Meat Inspection Act as amended by the Wholesome Meat Act; to the Committee on Agriculture and Forestry.

By Mr. MONTOYA:

S. 1602. A bill to increase the basic pay of members of the uniformed services; to the Committee on Armed Services.

S. 1603. A bill to amend title II of the Social Security Act to permit a person who first becomes entitled to a widow's or widower's insurance benefit thereunder after attainment of age 65 to receive a benefit equal to 100 percent of the primary insurance amount of such person's deceased spouse, and to permit an actuarially reduced benefit to be paid to persons who become entitled to such a benefit prior to attaining such age;

S. 1604. A bill to amend title II of the Social Security Act to provide for the payment of actuarially reduced benefits thereunder at age 60;

S. 1605. A bill to amend title II of the Social Security Act to increase the annual amount individuals are permitted to earn without suffering deductions from the insurance benefits payable to them under such title; and

S. 1606. A bill to amend title II of the Social Security Act to lower from 72 to 65 the age at which certain otherwise uninsured individuals may be entitled to special minimum benefits thereunder, and otherwise to liberalize the conditions under which benefits for such individuals may be paid under such title; to the Committee on Finance.

(See the remarks of Mr. MONTOYA when he introduced the above bills, which appear under a separate heading.)

By Mr. MONTOYA (for himself, Mr. DODD, Mr. DOLE, Mr. HART, Mr. MCCARTHY, Mr. STEVENS, Mr. WILLIAMS of New Jersey, and Mr. YARBOROUGH):

S. 1607. A bill to amend title 38, United States Code, to deem veterans who were prisoners of war to have service-connected disabilities; to the Committee on Finance.

(See the remarks of Mr. MONTOYA when he introduced the above bill, which appear under a separate heading.)

By Mr. MONTOYA:

S. 1608. A bill to amend the Food Stamp Act of 1964, as amended, to authorize the Secretary of Agriculture to establish minimum nationwide eligibility standards; to operate the food stamp program in any political subdivision when local governing officials will not agree to operate a food assistance program for needy families; to enter into cost-sharing arrangements with States or their political subdivisions to cover the cost of local administration of the food stamp program; and, to remove current limitations on the appropriations authorized for the program; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. MONTOYA when he introduced the above bill, which appear under a separate heading.)

By Mr. MONTOYA (for himself and Mr. ANDERSON):

S. 1609. A bill to amend the Act of August 9, 1955, to authorize longer term leases of Indian lands located outside the boundaries of Indian reservations in New Mexico; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MONTOYA when he introduced the above bill, which appear under a separate heading.)

By Mr. MONTOYA (for himself, Mr. ANDERSON, Mr. BAYH, Mr. BELLMON, Mr. BIBLE, Mr. EASTLAND, Mr. FULBRIGHT, Mr. GORE, Mr. HARRIS, Mr. Mr. HART, Mr. HOLLINGS, Mr. KENNEDY, Mr. MATHIAS, Mr. MONDALE, Mr. NELSON, Mr. PELL, Mr. SPARKMAN, Mr. TALMADGE, Mr. TYDINGS, Mr. WILLIAMS of New Jersey, Mr. YARBOROUGH, and Mr. YOUNG of North Dakota):

S. 1610. A bill to allow credit under the Civil Service Retirement Act to certain Federal employees for service in Federal-States cooperative programs in a State, and for other purposes; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. MONTOYA when he introduced the above bill, which appear under a separate heading.)

By Mr. PELL (for himself, Mr. YARBOROUGH, Mr. KENNEDY, Mr. JAVITS, Mr. PROUTY, and Mr. MURPHY):

S. 1611. A bill to amend Public Law 85-905 to provide for a National Center on Educational Media and Materials for the Handicapped, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. PELL when he introduced the above bill, which appear under a separate heading.)

By Mr. NELSON (for himself, Mr. CHURCH, Mr. HARRIS, Mr. HART, Mr. LONG, Mr. MCINTYRE, Mr. MONDALE, and Mr. YOUNG of Ohio):

S. 1612. A bill to amend the Federal Food, Drug, and Cosmetic Act, as amended, to require that the label of drug containers, as dispensed to the patient, bear the established name of the drug dispensed; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. NELSON when he introduced the above bill, which appear under a separate heading.)

By Mr. BENNETT (for himself, Mr. FANNIN, and Mr. GOLDWATER):

S. 1613. A bill to designate the dam commonly referred to as the Glen Canyon Dam as the Dwight D. Eisenhower Dam; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. BENNETT when he introduced the above bill, which appear under a separate heading.)

By Mr. McGEE:

S. 1614. A bill for the relief of Hang Kwun Sze;

S. 1615. A bill for the relief of On Cheong Wu;

S. 1616. A bill for the relief of Yam Kam Yeung;

S. 1617. A bill for the relief of Shing-Leong Ho; and

S. 1618. A bill for the relief of Lin Chau Siu; to the Committee on the Judiciary.

By Mr. TOWER:

S. 1619. A bill to amend the Submerged Lands Act to establish the coastline of certain States as being, for the purposes of that act, the coastline as it existed at the time of entrance into the Union; to the Committee on the Judiciary.

(See the remarks of Mr. TOWER when he introduced the above bill, which appear under a separate heading.)

By Mr. EASTLAND:

S. 1620. A bill for the relief of Andrew L. Malone; to the Committee on the Judiciary.

By Mr. BAYH:

S. 1621. A bill to provide for additional research and training pursuant to the Water Resources Research Act of 1964 in order to solve the particular water resources problems in large river basins; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. BAYH when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY (for himself and Mr. STEVENS):

S. 1622. A bill to be known as the "Vaccination Assistance Act of 1969"; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. KENNEDY when he introduced the above bill, which appear under a separate heading.)

By Mr. HRUSKA:

S. 1623. A bill to amend title 18 of the United States Code to prohibit the investment of certain income in any business enterprise affecting interstate or foreign commerce, and for other purposes; to the Committee on the Judiciary.

S. 1624. A bill to amend the Internal Revenue Code of 1954 to modify the provisions relating to taxes on wagering to insure the constitutional rights of taxpayers, to facilitate the collection of such taxes, and for other purposes; to the Committee on the Judiciary and when reported to the Committee on Finance, by unanimous consent.

(See the remarks of Mr. HRUSKA when he introduced the above bills, which appear under a separate heading.)

By Mr. BIBLE:

S. 1625. A bill for the relief of Gong Sing Hom; to the Committee on the Judiciary.

S. 1626. A bill to regulate the practice of psychology in the District of Columbia; to the Committee on the District of Columbia.

(See the remarks of Mr. BIBLE when he introduced the second above bill, which appear under a separate heading.)

By Mr. JACKSON (for himself, Mr. CRANSTON, and Mr. MAGNUSON):

S. 1627. A bill to authorize the President to proclaim the second Saturday in May of each year as a "day of recognition" for firefighters; to the Committee on the Judiciary.

By Mr. JACKSON (for himself and Mr. CHURCH):

S. 1628. A bill granting the consent of Congress to the Western Interstate Nuclear Compact, and related purposes; to the Committee on the Judiciary.

By Mr. RANDOLPH:

S. 1629. A bill to include air traffic controllers within the provisions of section 8336 (c) of title 5, United States Code, relating to the retirement of certain Government employees; to the Committee on Post Office and Civil Service.

S.J. Res. 82. Joint resolution authorizing the President to proclaim the period May 11 through May 17, 1969, as "Help Your Police Fight Crime Week"; to the Committee on the Judiciary.

S. 1580—INTRODUCTION OF A BILL RELATING TO REPORTING OF POLITICAL CONTRIBUTIONS

Mr. WILLIAMS of Delaware. Mr. President, today I introduce, for appropriate reference, a bill designed to close two loopholes in the present law relating to the reporting of political contributions.

The Federal Corrupt Practices Act, 1925, requires political committees which accept contributions or make expenditures for the purpose of influencing congressional or presidential elections to keep records and file reports of contributions and expenditures. However, the definition of the term "political committee" contained in section 302(c) of the Corrupt Practices Act excludes, first, committees—other than those which are branches or subsidiaries of national committees or organizations—which accept contributions or make expenditures for the purpose of influencing elections in only one State, and, second, any duly organized State or local committee of a political party. The bill which I introduce today would remove these two exclusions.

Section 306 of the Corrupt Practices Act provides that a person other than a political committee who makes expenditures—other than through a political committee—aggregating $50 or more in a calendar year for the purpose of influencing a presidential or congressional election in two or more States must file the reports required of political committees as described in section 305. This bill would also amend this provision by removing the two or more State requirements.

The reports required to be filed by political committees by section 305 of the Corrupt Practices Act must contain with respect to the calendar year, first, the names and addresses of persons contributing $100 or more and the amounts of their contributions; second, the total sum of all other contributions received; third, names and addresses of persons to whom expenditures of $10 or more are made and the purpose of the expenditure; and, fourth, the total sum of all other expenditures made.

Mr. President, I consider that the changes proposed in this bill are minimum reporting changes which we must make if the purpose of Federal Corrupt Practices Act is to have any real meaning. I would hope that the Congress would take at least this one small step toward the improvement of our present system of reporting political contributions

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1580) to amend the Federal Corrupt Practices Act, 1925, so as to remove the exemption from the reporting requirements thereof with respect to certain political committees and individuals operating in only one State and duly organized State local committees of political parties, introduced by Mr. WILLIAMS of Delaware, was received, read twice by its title, and referred to the Committee on Rules and Administration.

S. 1583—INTRODUCTION OF A BILL RELATING TO APPOINTMENTS AND PROMOTIONS IN THE POST OFFICE DEPARTMENT

Mr. FONG. Mr. President, I introduce in behalf of myself, Senator GALE W. MCGEE, and several other Senators, a bill providing that appointments and promotions in the Post Office Department, including the postal field service, be made without political considerations.

At the present time, postmasters at post offices of the first, second, and third class are appointed in the competitive civil service by the President, subject to Senate confirmation. Postmasters at fourth-class post offices are appointed by the Postmaster General.

This bill changes present law and vests in the Postmaster General the authority to appoint all postmasters in the competitive civil service. Such appointments will be made either from within the postal service or from competitive examinations open to all applicants, both inside and outside the service. Senate confirmation would no longer be required for such appointments.

Other appointments in the postal service now made by the President, with the advice and consent of the Senate, will continue to be filled as presently.

On March 7, 1967, the Senate gave its approval to removing political considerations in postmaster appointments. By a vote of 75 to 9 the Senate passed S. 355, the congressional reorganization bill, which contained this provision. Unfortunately, no action was taken on that measure by the House of Representatives and it died when the 90th Congress adjourned sine die.

A number of bills, similar to this one, have been introduced in both the Senate and the House of Representatives.

President Nixon has given his strongest endorsement to this action and named it as one of his highest priority goals in his effort to improve our postal system.

The esteemed chairman of the Senate Post Office and Civil Service Committee, Senator GALE W. MCGEE, is a cosponsor with me of this very important bill. I am hopeful that his committee will give speedy and favorable consideration to this measure.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1583) to provide that appointments and promotions in the Post Office Department, including the postal field service, be made on the basis of merit and fitness, introduced by Mr. FONG (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

S. 1587—INTRODUCTION OF A BILL FOR THE RELIEF OF KING COUNTY, WASH.

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill to provide for the relief of King County, Wash. This measure relates to a contract entered into by the Federal Aviation Administration and the King County Airport located in King County in Washington State. The King County commissioners have asked me to introduce this bill so as to preclude the loss of very substantial funds to the airport.

The introduction of this measure will provide for a thorough evaluation of the problem by the Congress and the administration. Mr. President, I ask unanimous consent that the text of the letter from the King County commissioners be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 1587) for the relief of King County, Wash., was received, read twice by its title, and referred to the Committee on the Judiciary.

The letter, presented by Mr. MAGNUSON, is as follows:

KING COUNTY COMMISSIONERS,
Seattle, Wash., February 3, 1969.

Hon. WARREN G. MAGNUSON,
Old Senate Office Building,
Washington, D.C.

Re: King County's Request for Private Legislation Federal Aviation Administration Matter.

DEAR SENATOR MAGNUSON: The undersigned request your support in seeking the passage of private legislation, which in effect would relieve King County of its obligation to return to the Federal Aviation Administration $158,301.83, said sum being principal and interest on a grant-in-aid default.

May we clarify that this is not an indebtedness in the way of an assessment to the Boeing Company, but rather it is pre-paid rent at a fixed annual rate of $25,000 on Boeing's leased premises at Boeing Field.

As has been pointed out by the Acting Airport Manager John Tobin, King County is embarking on a vigorous campaign to upgrade the facility to make it a safer and more efficient operation and a source of pride to the community. This $25,000 will necessarily reduce the Airport Fund accordingly, and could seriously curtail these improvements. These monies are desperately needed, as King County Airport will not receive Federal Aid Airport Program (F.A.A.P.) grants in 1969.

Thank you again for your interest. Any efforts made by you on behalf of King County are very much appreciated.

Very truly yours,

JOHN T. O'BRIEN,
Chairman.

ED MUNRO,
JOHN D. SPELLMAN,
Commissioners.

S. 1588—INTRODUCTION OF A BILL TO ESTABLISH A NATIONAL INSTITUTE OF MARINE MEDICINE AND PHARMACOLOGY

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill to establish a National Institute of Marine Medicine and Pharmacology in the Public Health Service of the Department of Health, Education, and Welfare.

The bill would also authorize an advisory council on marine medicine and pharmacology similar to that of the National Cancer Advisory Council, National Advisory Heart Council, and other councils that advise and assist the Institutes of Health.

Two of my distinguished colleagues, the Senator from Hawaii (Mr. FONG) and the Senator from Rhode Island (Mr. PELL) are cosponsors of the bill I am introducing today.

Mr. President, in the 90th Congress I proposed legislation similar to the bill I am introducing today, but the committee to which it was referred took no action on it. Since then, however, interest in creating a National Institute of Marine Medicine and Pharmacology has quickened.

The Commission on Marine Science, Engineering, and Resources, composed of notable representatives from industry, universities, and Federal and State government, in its recent report "Our Nation and the Sea" strongly recommended that such an institute be established.

Practically no research is presently being conducted by government or industry on marine bioactive substances as possible sources of new commercial pharmaceutical products, the report states in part.

So far, less than one percent of all sea organisms known to contain biologically active materials have been studied.

The Commission stated that active substances from the sea that are under study may be divided into two broad classes. These are:

Antibiotics, which are used to control and destroy the organisms that cause diseases.

Systematic drugs, which act directly on parts of the body to alleviate pain, stimulate or relax, promote healing, vary the speed of such biochemical reactions as blood clotting, influence the operation of certain organs, or act as antidotes to poisons.

Antibiotics from the marine world—

The report elaborated—

will become more important as the older drugs upon which medical practice has relied for the past 20 years become less effective against new generations of resistant germs.

Later the report states:

Research among toxins for antitoxins has unearthed a host of fascinating pharmacological properties variously described as antiviral, antibiotic, antitumor, hemolytic, analgesic, psychopharmacological, cardio inhibitory, fungicidal, and growth inhibitory.

A substance extracted from the primitive hagfish has been used experimentally to slow down the heart during open-heart surgery making it easier to operate. Antitumor and antimicrobial agents are present in such common organisms as clams and oysters. . . .

There is a vast array of marine biochemical agents having potent biological activity, and many of them may be useful therapeutic agents.

The Commission on Marine Sciences, Engineering, and Resources concluded its statement on Drugs from the Sea with the following recommendation:

The Commission recommends establishment of a National Institute of Marine Medicine and Pharmacology in the National Institutes of Health to effect a methodical evaluation of the sea as a source of new and useful active substances. The new Institute should:

Inventory presently known bioactive substances.

Examine those factors which relate to the ecology of marine organisms and their pharmacology.

Determine present pharmocological evaluation problems.

Develop inexpensive screening methods.

Institute a national system for information storage and retrieval.

Provide regional facilities for collecting, storing, and distributing bioactive material to universities, research institutions, and industry.

An active proponent of this recommendation was Dr. George H. Sullivan, physician member of the Commission, who has had an unusual career as a naval officer, electrical engineer and medical doctor. A graduate of the U.S. Naval Academy in 1948, he served as a line officer on the submarine U.S.S. *Wahoo* and later obtained his medical degree at Georgetown University Medical School. While with the Navy as an electrical engineer he was engaged in the design, development and operation of the electrical, steam and reactor control systems of the first and subsequent nuclear submarines.

When appointed to the Commission, Dr. Sullivan was director of life sciences of the Northrup Corp., where he was active in many ocean programs including the man-in-the-sea project, biomedical problems of survival in the sea environment, development of advanced protective and antiexposure garments, and studies of marine algae for human nutritive value. Dr. Sullivan is presenty a consulting scientist for the General Electric Co., specializing on reentry systems.

Recently he wrote me:

Marine bioactive substances as a source of new commercial pharmaceutical products constitute an almost completely unexplored area of research. At the present time, there is not a single industrial organization or governmental agency that is making a continuous systematic exploration of new bioactive substances from marine creatures.

Mr. President, the Commission report is by no means the first expression of the need for extensive research into the medical promise and possibilities of the marine environment covering, as it does, 70 percent of the earth's surface.

In its 1966 report "Effective Use of the Sea," the Oceanography Panel of the President's Science Advisory Committee, stated, and I quote:

The value of biochemical studies on the great diversity of marine plants and animals is indicated by the isolation of chemicals that have antiviral, antimicrobial, cancer-inhibiting, nerve-blocking or heart-stimulating properties in laboratory experiments . . . With development of biochemical analyses and refined techniques for cultivating many marine organisms that produce chemicals which may prove to be of medical importance, the time is now ripe for intensified research in marine biochemistry and pharmacology. Drugs are now derived primarily from terrestrial plants and bacteria or are synthesized in the laboratory. The great variety of plant and animal life in the sea offers abundant opportunities for study in many areas of biomedical research.

The Oceanographic Commission of Washington, created by statute and appointed by the Governor, last year unanimously adopted a resolution urging establishment of a National Institute of Marine Medicine and Pharmacology in the National Institutes of Health.

That resolution states:

Whereas, S. 2661 would amend the Public Health Service Act to provide for the establishment of a National Institute of Marine Medicine and Pharmacology in the National Institutes of Health; and

Whereas, this bill would best enhance medical oceanography if the new Institute were to be located where there is a center of recognized combination of attainment in marine science and medicine; and

Whereas, creation of this organization would be a pioneer program in education and would enhance and accelerate the growth of marine medicine research, which could achieve rapid developments in man's capacity to live with and extract from the sea;

Now, therefore be it resolved, that the Oceanographic Commission of Washington unanimously endorse S. 2661, and further request that it be favorably reported out of the Senate Committee on Labor and Public Welfare and that the bill be voted into legislation.

This resolution was adopted while my previous bill to accomplish this purpose, S. 2661, was pending in the 90th Con-

gress. Already during the 91st Congress, however, the Chairman of that Commission, Mr. John M. Haydon, has written me on several occasions urging reintroduction of the proposed legislation.

Mr. President, strong support for a National Institute of Marine Medicine and Pharmacology has been expressed by the Subcommittee on Biomedical Oceanography of the Marine Technology Society of America.

The subcommittee was formed at a National Conference on Drugs from the Sea, held at the University of Rhode Island in August 1967, and attended by approximately 200 scientists and educators from 33 States and four foreign countries.

Subsequently the subcommittee submitted a 12-page report and recommendations to the Commissions on Marine Science, Engineering and Resources, stating in part that—

> The Institute should be established for the purpose of conducting and supporting marine research with a view to advancing scientific knowledge in marine biochemistry, pharmacology, pharmacognosy, toxicology, nutrition, microbiology, epidemiology, physiology, taxonomy, ecology, pathology, ethnobiology, bionics, and technology as it may relate to the causes, diagnosis, prevention, treatment, and control of physical and mental diseases and other impairments of man.

Dr. Bruce Halstead, M.D., chairman of this subcommittee, in sending to me a copy of its recommendations to the Commission, stated with reference to my bill then pending in the 90th Congress:

> This bill which you are sponsoring is of momentous importance and affects the future health and welfare of all mankind.

The Marine Technology Society and its biology committee are scheduling a second conference to be held at the University of Rhode Island August 24 through 27. Mr. Earl H. Herron, Jr., of Scotch Plains, N.J., chairman of the committee, informs me that from 400 to 500 delegates are expected, more than double the attendance at the initial conference.

Greatly increased emphasis has recently been placed on biomedical oceanographic research on the university level. At the University of Rhode Island, according to Dr. Heber W. Youngken, Jr., provost for science, who for 15 years was a member of the University of Washington faculty, a new program has been created. And the University of Texas medical branch and Texas A. & M. University are jointly sponsoring a marine biomedical institute recently dedicated on the University of Texas campus.

I am gratified by the interest these universities, and a dozen others from which I have received letters in recent months, are taking in medical oceanography. All of them, I am sure, will contribute to knowledge that will ultimately enhance the Nation's health. To stimulate and assist them we need a National Institute of Marine Medicine and Pharmacology.

Since 1960 the French National Institute of Health and Medical Research has maintained, at Nice, a Laboratory for Medical Oceanography. The work of this laboratory has been widely disseminated at meetings of the Intergovernmental Oceanographic Commission in Paris, and a copy, which I have had translated, is indeed imposing. I also have copies of five extensive reports by the laboratory which have not been translated.

Much of the work of the laboratory has been on chemical and bacteriological pollutions. One of the important symposiums held there, in which several U.S. scientists participated, was on the antibiotic and self-purging power of the marine environment.

I will be happy to make this material available to the Senate committee to which the bill I am introducing today is referred, should that committee wish it.

A U.S. Institute of Marine Medicine and Pharmacology, I am convinced, could make a contribution to world health unexcelled by that of any other nation.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1588) to amend the Public Health Service Act to provide for the establishment of a National Institute of Marine Medicine and Pharmacology in the National Institutes of Health, introduced by Mr. MAGNUSON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

S. 1589—INTRODUCTION OF A BILL TO BE KNOWN AS THE HOSPITAL EMERGENCY ASSISTANCE ACT OF 1969

Mr. MAGNUSON. Mr. President, today I am introducing in the Senate the Hospital Emergency Assistance Act of 1969, a measure aimed at correcting a growing crisis in our hospitals—that of overcrowded facilities and inadequate services.

The Hill-Burton program has, for the last 20 years, constituted the chief means of assistance to our hospitals. Hill-Burton funds have provided 350,000 hospital and nursing home beds, helped 3,400 communities in building hospitals, nursing homes and health care centers, and brought modern medical services to millions of Americans. But this has not been enough.

State requests for new hospital beds amounted to 66,500 in 1965. Only 36,328 new beds were added that year—and only 3,195 of these resulted from Hill-Burton funds.

In the 5 years before medicare, the demand for services in our hospitals rose 13.1 percent. This same period, however, witnessed only a 1.4 percent increase in the number of facilities and a decrease in Hill-Burton construction by an average of 7.6 percent.

As of 1968, our general hospitals required the construction of 85,007 new beds and the modernization of 240,624 others. Hill-Burton funding will not even begin to meet this demand.

Today, thousands of unfortunate Americans die because of inadequate medical facilities. Thousands of others experience the pain and agony of waiting long hours before receiving the medical treatment they so urgently need. And thousands of other patients are forced to recuperate in hospitals constructed to meet the needs of 15 and 20 years ago. Such conditions must not continue to plague our sick and infirmed; further inaction on our part will only intensify a deteriorating and inexcusable situation.

The Hospital Emergency Assistance Act of 1969 would authorize the Secretary of Health, Education, and Welfare to make direct emergency grants to qualified hospitals of up to 66⅔ percent of the total cost of any project providing critically needed medical facilities. One hundred million dollars would be authorized for such grants for the fiscal year ending June 30, 1970. These grants would be patterned after the Hill-Burton formula except that aid would be given directly to the hospital by the Federal Government, instead of being distributed by the States.

In order to qualify as a critical hospital and thus receive needed assistance, four eligibility requirements would have to be satisfied under the provisions of this bill.

First. The average rate of occupancy or the demand for necessary and essential facilites and services of such a hospital must be found to so far exceed reasonable capacity that the community served is deprived of adequate health services.

Second. Full and effective use is being made of other health facilities in the community.

Third. The needed assistance is not available from private or public sources.

Fourth. The failure to provide needed services or facilities constitutes a threat to the health, welfare and safety of the community.

To aid those communities which lack adequate financial resources to fund the 33⅓ percent non-Federal portion, this bill would authorize the Secretary of Health, Education, and Welfare to make long-term, low interest loans of up to 90 percent of the non-Federal share of the construction cost. Interest on these loans would be 2.5 percent and would be repayable in 50 years. A total of $45 million would be authorized for this purpose.

It is an unfortunate commentary on American life that this, the wealthiest of all countries, cannot provide adequate medical care for many of her citizens. Such a situation cannot be tolerated. Further delay in this area will only doom additional thousands. The legislation introduced today would provide for large-scale emergency funding to allow hospitals to modernize their plants, extend their services, reduce the absurdly long waiting lines, and put a little more comfort into the painful process of medical recovery.

Franklin Roosevelt once wrote that the only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith.

Let us have no doubts regarding the seriousness of the situation in our hospitals. And let us move forward strong in the faith that what we begin here today will reduce untold suffering for many years to come.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1589) to establish an emergency program of direct Federal assistance in the form of direct grants and loans to certain hospitals in critical need of new facilities in order to meet increasing demands for service, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

S. 1590—INTRODUCTION OF A BILL TO AMEND THE NATIONAL COMMISSION ON PRODUCT SAFETY ACT

Mr. MAGNUSON. Mr. President, on behalf of myself, the senior Senator from New Hampshire (Mr. COTTON), and the Senator from Utah (Mr. MOSS), I introduce, for appropriate reference, a bill extending the life of the National Commission on Product Safety in order to give the Commission 2 full years for investigation as Congress intended.

The National Commission on Product Safety, created by an act which I am proud to have jointly authored with Senator COTTON, has as its mandate the exploration of safety in home products. To fulfill its mandate it has conducted four sets of public hearings, each designed to look into a special phase of products and safety standards, and it plans important future hearings. In addition it has conducted staff evaluations of standards, codes and laws relating to product safety. It has planned special surveys in cooperation with insurance associations and received the approval of four medical groups to send questionnaires on product-related injuries to 85,000 physicians. I think the Commission is to be commended for its results to date.

The Commission has been successful in creating new awareness of the need for safety standards not only among consumers but within industry. Throughout its hearings attention has been focused on laxity as well as efficiency; on irresponsibility as well as responsibility.

Its successes, and it has some even though it has been functioning for less than a year, point up the welcome fact that many industries are often ready and eager to cooperate when the facts are revealed to them in public hearings. For example:

In January of this year the Commission held hearings on the dangers of using ordinary glass in patio doors. Subsequently, the FHA announced its intention to make safety glazing a requirement of its minimum property standards.

In December after hearings were held in Boston on hazardous toys, a manufacturer of a flammable toy tunnel voluntarily issued a recall for those still on the shelves of retail merchants. They will be flame proofed.

The Association of Home Appliance Manufacturers adopted voluntarily, a standard to require that doors of new freezers be designed to open from the inside, as refrigerator doors have been required to operate since 1958.

The American Gas Association, as a result of evidence given at hearings held in February of this year, has agreed to consider changing the standard for floor furnaces which are capable of serious burns, especially to children.

Underwriters' Laboratories upgraded a number of their standards and are exercising greater control over the use of UL seal.

The Commission is engaged in important work—work which should not be stopped prematurely. The resolution creating the Commission gave it life for 2 years starting from the date of passage of the resolution. Although the Commission was created in November of 1967, the Commissioners were not appointed until May 1968, and the Commission had no appropriation until October 13, 1968. In order to allow the Commission a full 2 years of operation, I have introduced a bill extending the Commission's life to June 1970. I feel such extension is more than justified because of its present significant accomplishments and the potential it offers as an important weapon in the arsenal of consumer protection.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1590) to amend the National Commission on Product Safety Act in order to extend the life of the Commission so that it may complete its assigned tasks, introduced by Mr. MAGNUSON (for himself and other Senators), was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

S. 1590

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(c) of the National Commission on Product Safety Act (Public Law 90–146, 81 Stat. 466) is amended by striking out "two years from the date of approval of this Joint Resolution" and inserting in lieu thereof the words "June 30, 1970."

S. 1591—INTRODUCTION OF A BILL RELATING TO THE AMERICAN FOLKLIFE FOUNDATION

Mr. YARBOROUGH. Mr. President, today I introduce, for appropriate reference, a bill to establish an American Folklife Foundation, and for other purposes.

We in the United States are privileged to stand in the midst of a vast and varied cultural heritage. Not only does each American enjoy the distinctive ways of his own family, ethnic group, region, and occupation which comprise his traditional or folk culture, but he also shares with all Americans a common body of customs and traditions which is our national culture and heritage.

Within the folklife of the American people is a highly diversified accumulation of knowledge, including vast amounts of wisdom and art which have been transmitted orally or by imitation from generation to generation. Often, this transmission has occurred without the benefit of formal instruction or written sources. It may be found, for example, in the tribal dances and beautiful crafts of the American Indians; or in the ring of the banjo in a mountain cabin; or in the soulful sound of a Negro spiritual; or in the tall tales of the frontier West. Everytime a guitar player picks out "Wildwood Flower"; or a storyteller tells of Paul Bunyan, John Henry, Mike Fink, or Johnny Appleseed; everytime blankets are carefully woven in Arizona; everytime wood is whittled in North Carolina; everytime a haunting Elizabethan melody issuing in Appalachia; and everytime a lonesome cowboy on the western plains sings to quiet restless cattle—a story of America is told and retold, through the dynamic, living culture of its people.

There is a large body of material, including the jokes and tales, the myths, superstitions and beliefs, speech patterns, proverbs and riddles, as well as the musical material incorporated in songs, ballads, instrumental music and dance, that is graphically expressive of the American way of life. Many people, many traditions, many lands, and customs have combined to make up the distinctive American character.

Some remember listening in wide-eyed wonder to the tales of "Wicked John" or the "Brown Mountain Light." We remember hanging on every word, as we learned of the exploits of Davy Crockett, Sam Houston, or Francis Marion, the "Swamp Fox." And who can forget the toe-tapping rhythm of a mountain string band, or the joyous sound of a real hoedown. Some may even remember quilting bees, barn raisings, and country dinner on the ground.

Others have brought customs and traditions from their homelands. That is why the Irish jig, the Bavarian polka, the Hora, and the exuberant Yiddish song of life are all part of the American folklife. The American tradition is surely the richest in the world. Unfortunately, the systematic accumulation and study of the materials that make up this tradition have taken place only sporatically. We have sought to study various aspects of "the arts," but through different groups and organizations. Too often, we have tended to dissect and systematize the American cultural tradition to such an extent that we have lost the overall understanding of American folklife in general.

This is indeed tragic, for the study of our American folk culture and its accurate presentation through instruments of public education can shed important light on the nature of our complex society. Too often, we have depended on the resourcefulness of private citizens to preserve the quality of the folk tradition for us. I immediately think of Carl Sandburg, of John and Allan Lomax, of Woody Guthrie, Leadbelly, Frank Dobie, and Pete Seeger. We are deeply indebted to these and others for presenting our heritage to us—but we need to do much more to insure the preservation of our folk tradition.

The culture of the American folk is directly connected with life itself. It is the art which the people have made up from their own experiences and it mirrors the

triumphs and trials of the human spirit. I refer to "culture" not merely as refinement of taste, but as the total way of life of a people. This complex whole includes the knowledge, beliefs, art, music, morals, law, customs, and habits acquired by a unique society—by our society.

In recent years, Americans have come to understand that we are a nation of many cultures whose preservation displays an admirable sense of individuality which has kept our people from becoming a mass. These diverse cultures stemming at times from ethnic backgrounds, or sometimes from occupational or geographic groupings, make up the fabric of which our Nation is composed.

American culture may be viewed as consisting of three strata existing concomitantly and interacting freely, constantly. Of these, the academic and fine arts culture, including the sciences and the arts, is supported by our educational system ideologically and by both the Government and the public economically. At the popular level, the culture, inseparable as it is from mass media, is supported by private enterprise; to a great degree, its direction is economically dictated. Folklife itself, deprived of support of any kind, is essentially dependent on oral tradition and limitation for transmission and upon its own intrinsic merit for existence.

It is its virtual independence from support of any kind which accounts for the fact that folk creation is, in a sense, purer than any other type of creative expression in our society today. A natural resource providing raw material for creativity at the popular and fine arts level as well as a viable form of expression in itself, folk art has suffered from the gradual process of erosion caused by mass media since the beginning of the century. This erosion process should be checked and this area of creativity encouraged through a long range program which is educationally, culturally, and economically oriented.

That is why, today, I am introducing a bill to establish an American Folklife Foundation. This Foundation, which will be an agency of the Smithsonian Institution and subject to the supervision and direction of a Board of Trustees, will seek "to develop and encourage a greater public awareness of American cultural diversity and the value of American traditional culture."

The Foundation will sponsor programs for research and scholarship in American folklife, make grants, award scholarships, support presentation of programs on American folklife, and generally seek to promote greater knowledge and understanding of the American tradition. It will be guided by persons who are involved in, and sensitive to, the dynamics of American folklife.

Mr. President, I believe that such a Foundation is necessary in order to assure the preservation and encourage the development of the various strains of American folklife. We owe it to ourselves and our posterity to insure the continuing presence of our rich and varied cultural heritage for all time to come.

I ask unanimous consent that the text of my bill to establish an American Folklife Foundation be printed in full at this point in the RECORD:

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1591) to establish an American Folklife Foudnation, and for other purposes, introduced by Mr. YARBOROUGH (for himself and Mr. FULBRIGHT), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 1591

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "American Folklife Foundation Act".

DECLARATION OF PURPOSE

SEC. 2. The Congress hereby finds and declares—

(1) that each American enjoys the distinctive ways of his family, ethnic group, region and occupation which comprise his traditional or folk culture as well as sharing with all Americans a common body of customs and traditions which is our national culture and heritage;

(2) that the encouragement and support of research and scholarship in American folklife is a legitimate concern to the Federal government;

(3) that Federal support of research and scholarship should not be limited to the study of the development of economic, social and political institutions common to all the American people;

(4) that American folk traditions have persisted and lent strength to the people and to the Nation;

(5) that the diversity inherent in American folklife has contributed greatly to the cultural richness of the Nation and has created a sense of idenity and individuality;

(6) that the United States, as the oldest of the new nations, can effectively demonstrate by its example that to build a strong nation does not require the sacrifice of that nation's consituent cultural strands which are indeed its strength;

(7) that it is appropriate and necessary for the Federal government to support research and scholarship in American traditional cultures in order to contribute to an understanding of the complex problems of the basic desires, beliefs and values of the American people in both rural and urban areas; and

(8) that the task of recognizing and evaluating our differences is best served by the combined skills of scholars in sciences and the humanities;

(9) that in order to implement these findings it is desirable to establish an American Folklife Foundation in the Smithsonian Institution for the purpose of funding research and scholarship in American traditional cultures.

DEFINITION OF AMERICAN FOLKLIFE

SEC. 3. The term "American Folklife" is used in this act in the anthropological sense, i.e. the acquired characteristics of the American society and the milieu in which they change and thrive. The term not limited to the bounds accorded it by the humanities, takes on the broadest definition provided by the social sciences: the total way of life of a people. The terms "folk" or "traditional culture" as used herein include, but are not limited to, the culture transmitted either orally or by imitation from one generation to another, often without benefit of formal instruction or of written sources. The terms are understood to include the accumulation of technical knowledge, beliefs, lore, language, wisdom, music, and art of a given group such as family, ethnic, regional, religious, occupational, racial or any group of people sharing a common set of unifying folk-cultural traditions.

ESTABLISHMENT OF FOUNDATION

SEC. 4. (a) There is hereby established in the Smithsonian Institution an agency to be known as the American Folklife Foundation (hereinafter referred to as the "Foundation").

(b) The Foundation shall be subject to the supervision and direction of a Board of Trustees (hereinafter referred to as the "Board"). The Board shall be composed of sixteen members, ten of whom shall be appointed by the President, by and with the advice and consent of the Senate, of whom three shall be appointed from among officials of Federal departments and agencies concerned with some important aspects of American folklife, and four shall be appointed from among individuals from private life who are widely recognized by virtue of their scholarship, participation in a folklife community, experience or creativity, as specially qualified to serve on the Board. The President of the Senate and the Speaker of the House of Representatives shall each appoint three members to serve on the Board. The Secretary of the Smithsonian Institution, the Librarian of Congress, and the Director of the Foundation shall serve as ex officio members of the Board. In making appointments from private life, the President is requested to give due consideration to the appointment of individuals who, collectively, will provide appropriate regional balance on the Board.

(c) The term of office of each appointive trustee of the Foundation shall be six years; except that (1) the members first taking office shall serve as designated by the President, two for terms of two years, three for terms of four years, and two for terms of six years, and (2) any member appointed to fill a vacancy shall serve for the reminder of the term for which his predecessor was appointed.

(d) Members of the Board who are not regular full-time employees of the United States shall, while serving on business of the Foundation, be entitled to receive compensation at rates fixed by the President, but not exceeding $100 per diem, including travel time; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(e) The President shall call the first meeting of the trustees of the Foundation, at which the first order of business shall be the election of a Chairman and a Vice Chairman, who shall serve until one year after the date of enactment of this Act. Thereafter each Chairman and Vice Chairman shall be elected for a term of two years in duration. The Vice Chairman shall perform the duties of the Chairman in his absence. In case a vacancy occurs in the chairmanship or vice chairmanship, the Foundation shall elect an individual from among the trustees to fill such vacancy.

(f) A majority of the trustees of the Foundation shall constitute a quorum.

DIRECTOR AND DEPUTY DIRECTOR

SEC. 5. There shall be a Director and a Deputy Director of the Foundation who shall be appointed by the President, by and with the advice and consent of the Senate. In making such appointments the President is requested to give due consideration to any recommendations submitted to him by the Board. The Director shall be the chief executive officer of the Foundation. The Director shall receive compensation at the rate pro-

vided for level III of the Federal Executive Salary Schedule, and the Deputy Director shall receive compensation at the rate provided for level IV of such Schedule. Each shall serve for a term of six years unless previously removed by the President. The Deputy Director shall perform such functions as the Director, with the approval of the Foundation, may prescribe, and be acting Director during the absence or disability of the Director or in the event of a vacancy in the office of the Director.

(b) The Director shall carry out the programs of the Foundation subject to its supervision and direction, and shall carry out such other functions as the Foundation may delegate to him consistent with the provisions of this Act.

AUTHORITY OF FOUNDATION

SEC. 6. (a) The Foundation is authorized to—

(1) develop and encourage a greater public awareness of American cultural diversity and the value of American traditional culture by the promotion of programs for research and scholarship in American folklife;

(2) initiate and support research and programs designed to strengthen the research potential of all areas of the United States in American folklife by making arrangements (including grants, loans, and other forms of assistance) with individuals, groups, and public and private agencies for such purposes;

(3) make grants to institutions for the establishment of programs in American folklife;

(4) award scholarships to individuals and institutions to strengthen scholarship in American folklife;

(5) support presentation programs of American folklife which meet standards of authenticity, which are of significant merit, and which without assistance would otherwise be unavailable in many areas of the United States by making grants to individuals, groups, or organizations;

(6) support regional, State and local workshops in American folklife, by making arrangements (including grants, loans, and other arrangements) with institutions, and public and private agencies; and

(7) foster the collection and dissemination of information on American folklife by making grants to States, localities, and other public agencies for such purposes, and by establishing and maintaining a national center on American folklife.

(b) No payment may be made under this section except upon application therefore which is submitted to the Foundation in accordance with regulations and procedures established by the Board.

LIMITATION ON GRANTS

SEC. 7. (a) No payment shall be made pursuant to this Act to carry out any research or training over a period in excess of two years, except that with the concurrence of at least two-thirds of the trustees of the Foundation such research or training may be carried out over a period of not to exceed five years.

ADMINISTRATIVE PROVISIONS

SEC. 8. (a) In addition to any authority vested in it by other provisions of this Act, the Foundation, in carrying out its functions, is authorized to—

(1) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(2) receive money and other property donated, bequeathed, or devised, without condition or restriction other than that it be used for the purposes of the Foundation; and to use, sell, or otherwise dispose of such property for the purpose of carrying out its functions;

(3) in the discretion of the Foundation, receive (and use, sell, or otherwise dispose of, in accordance with paragraph (2)) money and other property donated, bequeathed, or devised to the Foundation with a condition or restriction, including a condition that the Foundation use other funds of the Foundation for the purposes of the gift;

(4) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating classification and General Schedule pay rates, but no individual so appointed shall receive compensation in excess of the rate prescribed for GS–18 in the General Schedule under section 5332 of title 5, United States Code;

(5) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed $100 per diem;

(6) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(7) enter into contracts, grants or other arrangements, or modifications thereof to carry out the provisions of this Act, and such contracts or modifications thereof may, with the concurrence of two-thirds of the Members of the Board, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(8) make advances, progress, and other payments which the Board deems necessary under this Act without regard to the provisions of Section 3648 of the Revised Statutes, as amended (31 U.S.C. 529);

(9) rent office space in the District of Columbia; and

(10) make other necessary expenditures.

(b) The Foundation shall submit to the Smithsonian Institution an annual report of its operations under this Act, which shall include a detailed statement of all private and public funds received and expended by it, and such recommendations as the Foundation deems appropriate.

ADVISORY COUNCIL ON AMERICAN FOLKLIFE

SEC. 9. (a) There is established an Advisory Council on American Folklife (hereinafter referred to as the "Advisory Council") composed of twenty members appointed by the President from among individuals who are widely recognized by reasons of experience, education, scholarship or creativity as specially qualified to serve on such Advisory Council. In making such appointments, the President shall give due consideration to any recommendations submitted by the Board. At least two members appointed to the Advisory Council shall not have attained the age of thirty on the date of appointment.

(b) The Advisory Council shall advise the Board on broad policy matters relating to the administration of this Act. The Advisory Council shall select its own Chairman and Vice Chairman.

(c) Each member of the Advisory Council who is appointed from private life shall receive a sum not to exceed $100 per diem (including traveltime) for each day during which he is engaged in the actual performance of his duties as a member of the Council. A member of the Council who is in the legislative, executive, or judicial branch of the United States Government shall serve without additional compensation. All members of the Council shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

AUTHORIZATION

SEC. 10. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

S. 1592—INTRODUCTION OF A BILL TO BE KNOWN AS THE MARINE SANCTUARIES STUDY ACT OF 1969

Mr. BROOKE. Mr. President, the sea that surrounds us is one of our greatest natural resources. For generations the sea has served both as a protection and a means of conveyance. It has provided us with food, equalized our coastal climate, and contributed bounteously to our industry and trade.

However, as our population and technology have increased, the sea itself has been endangered by our progress. In all too many States, wet lands have been turned over to private developers who have built homes, marinas, and resorts but in the process have destroyed vital breeding grounds for waterfowl and fish.

Thirty of the States of the Union border the oceans and the Great Lakes. Their 100,000 miles of coastland contain some of the most diversified beaches, ports, estuaries, and mineral-producing areas to be found anywhere in the world. Yet wastes from our cities, from ocean liners, freighters, and factories, have polluted our harbors and shoreline, destroying the creatures that live in the sea and making our beaches unsuited for human recreation.

The dangers are very real: Whole species of wildlife could be eliminated, and the value of our coastlands for recreational purposes could be permanently impaired. Yet for far too long these coastal resources have been taken for granted, while academic and Government research have focused on deep-sea exploration.

In the meantime, oil drilling has been proceeding at a rapid rate, with the type of consequences which we witnessed recently in the Santa Barbara Channel. Drilling operations which once destroyed fish with their seismic explosions have now been brought under control, but underwater gear and drilling equipment still remain to plague the fisherman with his nets and lines.

In addition, it is deplorable and totally unnecessary that landing of fish by U.S. fishermen have remained constant for 30 years, and that this Nation, with one of the most extended coastlines and richest marine resources in the world, accounts for only 4 percent of the world's fish catch.

Better use of our natural resources is not only possible, it is imperative. It is for this reason that I introduce today, with the senior Senator from Massachusetts (Mr. KENNEDY) a bill to be known as the Marine Sanctuaries Study Act of 1969. This bill will authorize the Secretary of the Interior to study the possibility of setting aside certain of our Nation's tidelands as marine sanctuaries, to be used for recreation, conservation, and marine research purposes; and to consider the uses to which other areas of our coastland may legitimately be put

while preserving our valuable natural resources.

I ask unanimous consent that the full text of this bill be printed in the RECORD, and urge its prompt consideration.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1592) to authorize the Secretary of the Interior to study the most feasible and desirable means of establishing certain portions of the tidelands, Outer Continental Shelf, seaward areas, and Great Lakes of the United States as marine sanctuaries and for other purposes, introduced by Mr. BROOKE (for himself and Mr. KENNEDY), was received, read twice by its title referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

S. 1592

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this bill shall be cited as "The Marine Sanctuaries Study Act of 1969".

SEC. 2. That Congress finds and declares that the tidelands, Outer Continental Shelf, seaward areas, and land and waters of the Great Lakes are rich in a variety of natural, commercial, recreational, esthetic, and other resources of immediate and potential value to the present and future generations of Americans; that many of these areas are in danger of damage or destruction by commercial and industrial development; and that it is the policy of Congress, through a system of marine sanctuaries, to preserve, protect, encourage balanced use, and, where possible, restore, and make accessible for the benefit of all the people, selected parts of the Nation's natural tidelands, Outer Continental Shelf, seaward areas, and land and waters of the Great Lakes, which are valuable for sport and commercial fishing, wildlife conservation, outdoor recreation, and scenic beauty.

SEC. 3. (a) In furtherance of this policy, the Secretary of the Interior shall study, investigate, and formulate recommendations on the most feasible and desirable means of establishing portions of the Nation's tidelands, Outer Continental Shelf, seaward areas, and land and waters of the Great Lakes as marine sanctuaries, including but not limited to the Georges Bank area adjacent to lower Cape Cod, Massachusetts.

(b) The Secretary shall cooperate and consult with other interested Federal agencies as well as other interested public and private organizations and shall coordinate his studies, to the extent feasible, with all other applicable planning activities related to the areas under consideration.

(c) In conducting the studies, the Secretary shall schedule hearings in areas contiguous to the proposed sanctuary sites, for the purpose of receiving views on the establishment of such marine sanctuaries.

SEC. 4. (a) Until such time as he submits the report required by section 5 of this Act, the Secretary of the Interior shall not issue or renew any license, permit, or other authorization for the exploration, development, mining, or other removal of any minerals (including gas and oil) from any part of the Outer Continental Shelf under study as a possible marine sanctuary.

(b) During such study period the Secretary is authorized to cooperate with all affected Federal, State, local, and international organizations in order that, until the completion of such study, a moratorium on the industrial development of any portion of the tidelands, Outer Continental Shelf, seaward areas, and land and waters of the Great Lakes under consideration as a possible marine sanctuary may be agreed upon by such interested parties.

SEC. 5. The Secretary of the Interior shall submit to the Congress through the President within two years after the date of this Act a report of his findings and recommendations, including such legislation as he deems appropriate. The Secretary's report shall contain, but not be limited to findings with respect to: (1) the sport and commercial fishing, wildlife conservation, recreation, scenic beauty, and marine ecological research values of such tidelands, Outer Continental Shelf, seaward areas, and land and waters of the Great Lakes; (2) the potential alternative beneficial uses of these waters, taking into consideration mining, agriculture, and transport activities and other public purposes, and the impact of these activities, including pollution, upon these regions; (3) the most effective means for reserving and developing properly these regions without endangering their esthetic and other values set forth in clause (1); (4) the most feasible and desirable means of creating a national system of marine sanctuaries.

SEC. 6. The Secretary of the Interior shall consult with the Secretary of State regarding the need for international agreements where potential marine sanctuaries extend into internatioanl waters contiguous to the territorial waters of the United States, or lie wholly within internatioanl waters.

SEC. 7. For the purposes of this Act:

(a) The term "tidelands" means bays, estuaries, land, and waters within the three-mile territorial limit of the United States.

(b) The term "Outer Continental Shelf" means land and waters extending from the three-mile territorial limit out to the two hundred meter depth contour.

(c) The term "seaward areas" means land and waters contiguous to and extending from the two hundred meter depth contour.

SEC. 8. There is to be authorized to be appropriated not to exceed $1,000,000 to carry out this Act.

S. 1593 THROUGH S. 1597—INTRODUCTION OF BILLS RELATING TO A NEW APPROACH TO SOCIAL SECURITY

Mr. PERCY. Mr. President, there has been a great deal of talk lately about "the forgotten American." I do not believe that our society is so callous or inhumane that it purposely ignores any group of Americans. But it is true that in certain times in our history some groups have been overlooked, and therefore have not shared in the richness of American life that most of us take for granted. And more than any other group today elderly Americans tend to be overlooked and forgotten.

We now have social security and medicare to help protect our elderly populations. But all too often these programs offer even less than the minimum necessary, rather than a continuing share in the economic growth and improving quality of life of the society these citizens helped to build.

There are more than 18 million Americans over the age of 65. Too often in the past these Americans have been treated as society's leftovers, to be confined to a quiet corner and cared for as resources and politics permit. They sense this attitude and deeply resent this kind of second-class citizenship. Their objection is valid. The fact is that 3 million of our older citizens are productively employed. Twenty-six percent of the American men over age 65 hold responsible full- and part-time jobs. Of those that are retired, the great majority have led and continue to lead full and active lives supporting themselves through savings, investments, and hard-earned pensions and annuities. They are concerned, active and articulate, about the problems facing not only retired Americans, but all Americans. Their continuing record of service to their communities is outstanding. For the most part, they ask their fellow citizens not for handouts and special consideration but for dignity and independence as well as a fair share and a fair return on their investment in the Nation.

We have made many promises to the elderly but too often those promises have been shallow ones. There are many things that must be done to bring fulfillment to our promises to the aged. The single most important way in which Congress can fulfill its responsibility to older citizens is through the protection of the value of the dollar. Inflation places a heavy burden on the finances of all Americans but that burden is disproportionately heavy for those who live on fixed incomes. This includes the annuities, pensions, and savings that constitute the major source of income of most retired persons. There is no greater threat to the economic security and independence of older people than the rising prices and higher taxes that are the fruits of inflation. Price stability can be achieved. Inflation can be controlled. Congress can and must make this the first priority in its pledge to respond to the legitimate concerns and interests of older Americans.

Another important area for change is the social security program. Social security benefits account for one-half of all retirement income. Social security has a remarkable record. It is one of the most effective and successful institutions ever developed in the United States. The social security system has paid out $180 billion to beneficiaries since its inception in 1935. Every month more than 15 million social security benefit checks are issued; 90 to 95 percent of all those reaching retirement age now are eligible for benefits.

Yet it is quite clear that all is not well. Each day my mail and the mail of other Members of Congress contain moving stories of distress. The 83-year-old widow whose sole source of income is a minimum benefit from social security explains how the 5-cent increase in bus fares presents an insurmountable addition to an indescribably meager monthly budget. The 24-year-old father of four whose monthly payroll tax far exceeds his Federal income tax questions the return on his social security dollar in comparison to a program of private savings or investment. These are questions Congress has a responsibility to answer. These are basic issues that cannot be easily solved. And yet they must be

solved. In recent years, the social security system has been allowed to drift without the thorough study that is needed to assure equitable and just treatment for all. Instead, we continue to amend the program haphazardly and for each problem or inequity resolved, it seems that 10 new problems appear.

For years every responsible legislator has recognized the growing incoherence of our public policies and programs in the field of retirement income. Time and again Republicans in Congress have called for a comprehensive review of social security, private pensions, tax laws, and the general state of income maintenance for the elderly. In the thirty years since operation of social security began, there has never been a full review of its purposes, direction, and impact on the economy of the Nation and its people. My interest is seeing the strongest, most effective social security system possible. To do this, a thorough study of this program is needed. It is my hope that the Congress will authorize such a study during this session.

However, as we debate these basic issues and directions, there are immediate and responsible steps that can be taken to correct glaring inequities and respond to the very human needs of the millions who depend on social security. I rise today to present the following package of legislative proposals for consideration:

First. A bill to provide for automatic adjustment of social security benefits to corresponding changes in the cost-of-living.

Second. A bill to eliminate the social security earnings limitation.

Third. A bill to provide full benefits for widows.

Fourth. A bill to provide a $30 minimum benefit for each dependent.

Fifth. A bill to partially refund payroll taxes for low-income workers.

AUTOMATIC COST-OF-LIVING ADJUSTMENT

During the 90th Congress 15 Senators and 75 Members of the House of Representatives sponsored legislation to provide for the automatic adjustment of social security benefits to changes in the cost of living. A specific statement of commitment to such a program was included in the campaign platform of the Republican Party. I sponsored legislation in the last Congress which I introduce again today which will increase social security benefits whenever the consumer price index rises by 3 percent or more.

Experience has amply indicated that politics too often has dictated congressional action, and, therefore, increases in social security benefits have lagged far behind the rising cost of living. Congress has a responsibility not only to protect retired Americans who themselves have no control over the inflationary process but to assure those now paying into the social security system that benefits will consistently respond to changes in the purchasing power of the dollars they are investing in their future. Millions of American workers are covered by private pension plans that include a cost-of-living escalator which makes pensions responsive to cost increases. Surely Congress can do as well as American industry in protecting the retired.

THE EARNINGS LIMITATION

It is not difficult to understand the extensive opposition to the present level of the social security earnings limitation. Americans who have invested in social security through all of their working years reach 65 only to discover that the traditional value America places on industry and productive labor seems to be penalized as soon as a man reaches age 65. At the present time, a beneficiary who earns more than $1,680 a year receives a reduced social security benefit. I believe that there is no more basic a right than the right to work, and therefore it is wrong to penalize people who want to work and to keep from them social security benefits toward which they have contributed for years. It is a scandal to penalize persons who need to work to augment meager incomes. I am introducing legislation today that would immediately increase the earnings limitation to $2,400 and over a period of 7 years eliminate it entirely. This is a question of equity. Such a measure does far more than alleviate the financial pressures on the retired; it will also reassure them that our Nation encourages and values the continued productive participation of its older citizens.

FULL BENEFITS FOR WIDOWS

Dollar for dollar, no change in the present benefit structure would more effectively reach those at the margin of subsistence than elimination of the widow's discount. The Social Security Act grossly discriminates at the present time against widows and widowers of primary beneficiaries. Under existing law, a man can draw 150 percent of his monthly benefits if he is married. If he is a widower, he receives his full benefits—or 100 percent. But if he leaves a widow, she can receive only 82½ percent of his total allotment. This situation creates a serious injustice. A widow's expenses are hardly less costly than a man's. It is a cruel blow for a widow when she loses not only her husband on whom she depends for financial advice, but also loses almost half of her income at the same time. What does she do—for instance—to cut her housing expenses in half? Women who lived a decent, but modest, life with their husband while they both received social security, must often go on welfare when their husbands die. I am introducing legislation to correct this unfair discrimination. My bill will permit the surviving spouse of a primary beneficiary to receive 100 percent of the social security benefits.

MINIMUM DEPENDENT BENEFIT

Social security protects not only the retired. It is also the principal source of income for many families suffering the tragic loss of a wage earner. The benefit formula for surviving dependents is designed to take into account both the earnings record of the worker and the size of his surviving family. In most cases the balance provides an equitable replacement of income for the stricken family. But because of the fixed upper limit imposed by the family maximum, this is not true for the very large family. The costs of raising a family of four and a family of eight just are not the same, and under the existing formula large families do not receive any additional benefits to compensate for their size. I propose a simple formula through which this severe problem for a large family might be resolved. My bill would establish a minimum dependent benefit of $30 so that for each child an extra $30 a month would be added to the family benefit. This legislation is needed to reflect the added expenses which large families must incur to achieve the same living standards as smaller families.

REFUND OF THE PAYROLL TAX

The steady rise of social security benefits has been accompanied by a steady increase in both the taxable wage base and the payroll tax. While this process imposes an important fiscal discipline on the system it has, over the course of time, accentuated the regressive aspects of the payroll tax. We have as a nation committed ourselves to the elimination of poverty, yet the payroll tax annually consumes $1.5 billion of the incomes of those families whose incomes fall below the poverty line. For millions of low-income families, social security is an ever-present tax burden with benefits a far distant unreality. A country committed to the principle of progressive taxation finds that the social security payroll tax is increasingly regressive because the poor pay proportionately higher percentages of their incomes. For as income levels rise, relatively fewer and fewer Americans are being taxed on all of their wages.

It is an accepted principle of the income-tax system that income alone does not determine a man's ability to pay. This principle is implemented through the mechanism of deductions in our income tax code. In the design of the social security system we seem to have all but reversed this principle. The question of the structure and incidence of the payroll tax is one of the most basic issues that must be considered in a comprehensive review of public policy with regard to retirement income. I do not propose here to sidestep such a review but one fact is clear. The collection of $1.5 billion a year from families whose incomes fall below the poverty line is at odds with national policies directed toward the effective elimination of poverty.

While it would not be in the best interests of the poor themselves to exempt them totally from contributory participation in their future retirement incomes, I do believe that we might seriously consider the possibility that in the lowest income groups the payroll tax might be partially refunded. I am introducing legislation today that would establish a formula by which 90 percent of the payroll tax paid by workers in the lowest income groups would be refunded.

The formula which I propose takes into account the size of the family, as well as the family income. Single persons with incomes under $2,100 per year would be eligible for a 90-percent refund. A couple with income less than $2,800 would be eligible for a refund, while a couple with two children could earn as much as $4,000 and still be eligible for a 90-percent social security tax refund. The chart below indicates the adjusted annual income levels, the corresponding

refund that would be made to those eligible, and what the net tax obligation would be:

Adjusted income	Present payroll tax	Refund	Tax payment
$1,000	$44	$39.60	$4.40
$2,000	88	79.20	8.80
$3,000	132	118.80	13.20
$4,000	176	158.40	17.60
$5,000	220	198.00	22.00
$6,000	264	237.60	26.40
$7,000	308	277.20	30.80

Because the payroll tax is inequitable, the income tax law should be amended to provide a partial refund of social security taxes. These refunds would accrue almost entirely to households classified as living in poverty. While I do not claim that this formula is perfect, I do believe this is an important concept which should be incorporated into our social security laws, and therefore, offer this bill as a means whereby the Congress can consider and discuss its merits. Certainly, when the Nation is considering the feasibility of a negative income tax a more preferable step would be to first eliminate oppressive Federal taxation of the poor.

Mr. President, the bills that I introduce today cannot take care of all of the shortcomings of the social security program. They are, however, matters which have often been brought to my attention by my constituents, and I believe they deserve careful consideration by the Congress. Until some of these shortcomings in our social security law are corrected, social security will not adequately protect those citizens it was meant to protect. Only when we rectify some of the contradictory and self-defeating provisions in present legislation will we finally face up to our responsibilities to our older citizens and to our society as a whole.

The bills which I have introduced today would, if enacted, begin to remedy some of the present inequities in the social security system. However, as I have said before, an indepth, long-range study of the social security system should be undertaken by Congress. The demands on the system today are quite different than in 1935, when social security was first adopted. What was originally looked upon as a minimum benefit is now widely regarded as a retirement pension. We must determine whether the social security system can provide what is expected of it in the future. I call upon Congress to accept this responsibility and begin such a study without further delay.

Within the ranks of the elderly is to be found the experience and expertise which built our Nation and created the highest standard of living in the world. We would be an exceedingly ungrateful people if we did not allow those in our society who helped shape our Nation to also share in the fruits of that abundance.

Mr. President, I ask unanimous consent that the proposed legislative package be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. The bills will be received and appropriately referred; and, without objection, the bills will be printed in the RECORD.

The bills (S. 1593 through S. 1597), introduced by Mr. PERCY, were received, read twice by their titles, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 1593

A bill to amend title II of the Social Security Act to provide for periodic cost-of-living increases in monthly benefits payable thereunder

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Cost-of-living increase in benefits

"(w)(1) For purposes of this subsection—

"(A) the term 'price index' means the annual average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"(B) the term 'base period' means the calendar year 1965.

"(2) As soon after January 1, 1970, and as soon after January 1 of each succeeding year as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary shall determine the per centum of increase (if any) in the price index for the calendar year ending with the close of the preceding December over the price index for the base period. For each full 3 per centum of increase occurring in the price index for the latest calendar year with respect to which a determination is made in accordance with this paragraph over the price index for the base period, there shall be made, in accordance with the succeeding provisions of this subsection, an increase of 3 per centum in the monthly insurance benefits payable under this title.

"(3) Increases in such insurance benefits shall be effective for benefits payable with respect to months in the one-year period commencing with April of the year in which the most recent determination pursuant to paragraph (2) is made and ending with the close of the following March.

"(4) In determining the amount of any individual's monthly insurance benefit for purposes of applying the provisions of section 203(a) (relating to reductions of benefits when necessary to prevent certain maximum benefits from being exceeded), amounts payable by reason of this subsection shall not be regarded as part of the monthly benefit of such individual.

"(5) Any increase to be made in the monthly benefits payable to or with respect to any individual shall be applied after all other provisions of this title relating to the amount of such benefit have been applied. If the amount of any increase payable by reason of the provisions of this subsection is not a multiple of $0.10, it shall be reduced to the next lower multiple of $0.10."

S. 1594

A bill to amend title II of the Social Security Act to provide, in a series of steps, for the liberalization and eventual elimination of the provisions thereof which impose deductions in benefits payable to individuals under such title on account of income earned by them

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1)(A) paragraphs (1), (3), and (4)(B) of subsection (f) of section 203 of the Social Security Act are each amended by striking out "$140" wherever it appears therein and inserting in lieu thereof "$200".

(B) The first sentence of paragraph (3) of such subsection (f) is amended by striking out ", except that of the first $1,200 of such excess (or all of such excess if it is less than $1,200), an amount equal to one-half thereof shall not be included".

(2) Paragraph (1)(A) of subsection (h) of section 203 of such Act is amended by striking out "$140" and inserting in lieu thereof "$200".

(3) The amendments made by this subsection (other than the amendment made by paragraph (1)(B)) shall be effective only with respect to taxable years ending after December 31, 1968, and before January 1, 1972. The amendment made by paragraph (1)(B) of this subsection shall be effective with respect to taxable years ending after December 31, 1968.

(b)(1) Paragraphs (1), (3), and (4)(B) of subsection (f) of section 203 of the Social Security Act are each amended by striking out "$140" wherever it appears therein and inserting in lieu thereof "$250".

(2) Paragraph (1)(A) of subsection (h) of section 203 of such Act is amended by striking out "$140" and inserting in lieu thereof "$250".

(3) The amendments made by this subsection shall be effective only with respect to taxable years ending after December 31, 1971, and before January 1, 1974.

(c)(1) Paragraphs (1), (3), and (4)(B) of subsection (f) of section 203 of the Social Security Act are each amended by striking out "$140" wherever it appears therein and inserting in lieu thereof "$300".

(2) Paragraph (1)(A) of subsection (h) of section 203 of such Act is amended by striking out "$140" and inserting in lieu thereof "$300".

(3) The amendments made by this subsection shall be effective only with respect to taxable years ending after December 31, 1973, and before January 1, 1976.

SEC. 2. (a) Subsections (b), (d), (f), (h), (j), and (k) of section 203 of the Social Security Act are repealed.

(b) Subsection (c) of such section 203 is amended (1) by striking out "Noncovered Work Outside the United States or" in the heading, and (2) by striking out paragraph (1) thereof.

(c) Subsection (e) of such section 203 is amended by striking out "subsections (c) and (d)" and inserting in lieu thereof "subsection (c)".

(d) Subsection (i) of such section 203 is amended by striking out "subsection (b), (c), (g), or (h)" and inserting in lieu thereof "subsection (c) or (g)".

(e) Subsection (l) of such section 203 is amended by striking out "or (h)(1)(A)".

(f) The second sentence of paragraph (1) of subsection (n) of section 202 of the Social Security Act is amended by striking out "Section 203 (b), (c), and (d)" and inserting in lieu thereof "Section 203 (c)".

(g) Paragraph (7) of subsection (t) of section 202 of the Social Security Act is amended by striking out "Subsection (b), (c), and (d)" and inserting in lieu thereof "Subsection (c)".

(h) Paragraph (3) of section 208(a) of the Social Security Act is repealed.

(i) The amendments made by this section (other than subsection (h)) shall apply only with respect to benefits payable for months beginning after December 31, 1975, and the amendment made by subsection (h) shall become effective on January 1, 1976.

S. 1595

A bill to amend title II of the Social Security Act to increase the amount of the widow's and widower's insurance benefits payable thereunder to individuals who have attained age 65

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 202(e) (1) and (2) of the Social Security Act are each amended by striking out (each place it appears therein) "82½ percent" and inserting in lieu thereof ", in the case of a widow who has not attained age 65, 82½ percent, and in the case of any other widow, 100 percent,".

(b) Section 202(f) (1) and (3) of such Act are each amended by striking out (each place it appears therein) "82½ percent" and and inserting in lieu thereof ", in the case of a widower who has not attained age 65, 82½ percent, and in the case of any other widower, 100 percent,".

SEC. 2. The amendments made by this Act shall be effective only with respect to monthly insurance benefits payable under title II of the Social Security Act for months after December 1969.

S. 1596

A bill to amend title II of the Social Security Act to provide that each child entitled to a child's insurance benefit thereunder shall receive a benefit of at least $30 per month

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first and second sentences of section 202 (d) (2) of the Social Security Act are each amended by inserting immediately before the period the following: ", or, if greater, $30".

(b) The last sentence of section 203 (a) (3) of the Social Security Act is amended by adding immediately before the period the following: "; and except that if the total of benefits for such month includes any benefit payable to any individual under section 202 (d) which is reduced below $30, then the benefit to which such individual is entitled under section 202(d), notwithstanding any other provision of this subsection, be increased to $30".

SEC. 2. The amendments made by this Act shall be effective for months after the month following the month in which this Act is enacted.

S. 1597

A bill to amend the Internal Revenue Code of 1954 to allow a portion of the social security taxes paid by low-income individuals to be used as a credit against any Federal income tax due and to refund the balance of such portion to such individuals

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by renumbering section 40 as 41, and by inserting after section 39 the following new section:

"Sec. 40. Special credit for social security taxes paid by low-income individuals.

"(a) General Rule.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to his low-income credit for the taxable year as determined under subsection (b).

"(b) Amount of Low-Income Credit.—

"(1) Married individuals.—In the case of a husband and wife, the low-income credit for the taxable year is an amount equal to—

"(A) 90 percent of the social security taxes of such husband and wife for such taxable year, reduced (but not below zero) by

"(B) the amount (if any) by which the combined total adjusted incomes of such husband and wife exceed $1,600.

If a husband and wife each file a separate return for the taxable year, their low-income credit shall be apportioned between them in such manner as the Secretary or his delegate prescribes by regulations.

"(2) Other individuals.—In the case of any other individual, the low-income credit for the taxable year is an amount equal to—

"(A) 90 percent of the social security taxes of such individual for the taxable year, reduced (but not below zero) by

"(B) the amount (if any) by which the total adjusted income of such individual for the taxable year exceeds $1,600.

"(c) Definitions.—

"(1) Total adjusted income.—For purposes of subsection (b), the total adjusted income of an individual (or of a husband and wife who file a joint return) for any taxable year is the adjusted gross income minus the deduction for personal exemptions provided in section 151.

"(2) Social security taxes.—For purposes of subsection (b), the social security taxes of an individual for any taxable year is—

"(A) the sum of—

"(i) the tax imposed by section 3101 which is deducted and withheld from the wages paid to such individual during the taxable year, and

"(ii) the tax imposed by section 1401 on the self-employment income of such individual for the taxable year, reduced by

"(B) the amount allowable under section 6413(c) as special refund of tax imposed on wages.

"(d) Treatment as Overpayment of Tax—

"For treatment of the credit allowed by this section as an overpayment of tax, see section 6401(b)."

(b) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 40. Special credit for social security taxes paid by low-income individuals.

"Sec. 41. Overpayments of tax."

SEC. 2. Section 6401(b) of the Internal Revenue Code of 1954 (relating to excessive credits) is amended to read as follows:

"(b) Excessive Credits Under Sections 31, 39, and 40.—If the amount allowable as credits under sections 31 (relating to tax withheld on wages), 39 (relating to certain uses of gasoline and lubricating oil), and 40 (relating to special credit for social security taxes paid by low-income individuals) exceeds the tax imposed by subtitle A (reduced by the credits allowable under subpart A of part IV of subchapter A of chapter 1, other than the credits allowable under sections 31, 39, and 40), the amount of such excess shall be considered an overpayment."

SEC. 3. The amendments made by this Act shall apply to taxable years ending after the date of the enactment of this Act.

S. 1602—INTRODUCTION OF A BILL TO INCREASE THE BASIC PAY OF MEMBERS OF THE UNIFORMED SERVICES

Mr. MONTOYA. Mr. President, I introduce today a bill to increase the basic pay of members of the uniformed services. I will have a comprehensive statement to make regarding the need for this bill within the next few days. However, in the interest of time, I am introducing it today and I ask unanimous consent that the text of the bill be printed at this point in the RECORD. I, of course, welcome my colleagues to join me in sponsoring this legislation.

As I have stated, I will speak at length on the measure in the near future.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1602) to increase the basic pay of members of the uniformed services, introduced by Mr. MONTOYA, was received, read twice by its title, referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

S. 1602

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 203(a) of title 37, United States Code, is amended to read as follows:

"(a) The rates of monthly basic pay for members of the uniformed services within each pay grade are set forth in the following tables:

"COMMISSIONED OFFICERS

"Pay grade	Years of service computed under section 205														
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
O-10 [1]	$1,872.60	$1,938.70	$1,938.70	$1,938.70	$1,938.70	$2,012.80	$2,012.80	$2,167.30	$2,167.30	$2,322.40	$2,322.40	$2,477.20	$2,477.20	$2,632.00	$2,632.00
O-9	1,659.80	1,703.20	1,739.80	1,739.80	1,739.80	1,783.50	1,783.50	1,857.60	1,857.60	2,012.80	2,012.80	2,167.30	2,167.30	2,322.40	2,322.40
O-8	1,503.30	1,548.40	1,585.10	1,585.10	1,585.10	1,703.20	1,703.20	1,783.50	1,783.50	1,857.60	1,938.70	2,012.80	2,093.80	2,093.80	2,093.80
O-7	1,248.90	1,334.10	1,334.10	1,334.10	1,393.60	1,393.60	1,474.30	1,474.30	1,548.40	1,703.20	1,820.60	1,820.60	1,820.60	1,820.60	1,820.60
O-6	960.90	1,056.30	1,125.30	1,125.30	1,125.30	1,125.30	1,173.90	1,246.30	1,317.90	1,357.40	1,416.30	1,447.20	1,531.00	1,660.90	1,660.90
O-5	797.00	936.70	1,000.60	1,000.60	1,000.60	1,000.60	1,075.70	1,124.80	1,173.90	1,246.30	1,317.90	1,357.40	1,405.20	1,405.20	1,405.20
O-4	690.50	840.10	896.90	896.60	912.60	953.60	1,018.60	1,075.70	1,124.80	1,173.90	1,206.70	1,206.70	1,206.70	1,206.70	1,206.70
O-3 [2]	641.80	717.10	765.90	848.10	888.40	920.80	970.30	1,018.60	1,043.30	1,043.30	1,043.30	1,043.30	1,043.30	1,043.30	1,043.30
O-2 [2]	514.30	610.90	733.80	758.10	774.00	774.00	774.00	774.00	774.00	774.00	774.00	774.00	774.00	774.00	774.00
O-1 [2]	461.30	510.50	637.40	637.40	637.40	637.40	637.40	637.40	637.40	637.40	637.40	637.40	637.40	637.40	637.40

"[1] While serving as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, basic pay for this grade is $2,903.90 regardless of cumulative years of service computed under section 205 of this title.

"[2] Does not apply to commissioned officers who have been credited with over 4 years' active service as an enlisted member.

"COMMISSIONED OFFICERS WHO HAVE BEEN CREDITED WITH OVER 4 YEARS' ACTIVE SERVICE AS AN ENLISTED MEMBER

"Pay grade	Years of service computed under section 205											
	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
O-3	$848.10	$888.40	$920.80	$970.30	$1,018.60	$1,059.50	$1,059.50	$1,059.50	$1,059.50	$1,059.50	$1,059.50	$1,059.50
O-2	758.10	774.00	798.70	840.10	872.50	896.90	896.90	896.90	896.90	896.90	896.90	896.90
O-1	637.40	680.60	706.00	731.40	756.80	791.00	791.00	791.00	791.00	791.00	791.00	791.00

"WARRANT OFFICERS

"Pay grade	Years of service computed under section 205														
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
W-4	$653.40	$700.90	$700.90	$717.10	$749.60	$782.50	$814.90	$872.50	$912.60	$945.50	$970.30	$1,002.30	$1,035.60	$1,116.00	$1,116.00
W-3	593.90	644.50	644.50	652.30	660.30	708.60	749.60	774.00	798.70	822.60	848.10	880.60	912.60	945.50	945.50
W-2	520.10	562.60	562.60	578.80	610.90	644.50	668.80	692.80	717.10	741.90	765.90	790.20	822.60	822.60	822.60
W-1	452.40	518.90	518.90	561.60	587.00	612.50	637.40	663.70	689.00	714.50	739.40	765.70	765.70	765.70	765.70

"ENLISTED MEMBERS

"Pay grade	Years of service computed under section 205														
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
E-9 [1]							$774.60	$792.20	$810.80	$828.60	$846.70	$863.60	$909.20	$997.60	$997.60
E-8						$649.90	668.20	685.80	704.00	721.70	739.10	757.20	802.00	891.10	891.10
E-7	$442.50	$530.30	$549.90	$569.50	$588.80	607.60	626.90	646.90	675.70	695.00	714.20	723.60	772.20	868.80	868.80
E-6	396.00	480.90	500.70	521.20	541.60	561.10	581.60	611.40	631.00	651.00	661.40	661.40	661.40	661.40	661.40
E-5	342.00	421.30	441.30	460.90	491.30	511.20	531.20	550.70	561.10	561.10	561.10	561.10	561.10	516.10	561.10
E-4	298.20	373.90	394.70	425.70	446.90	446.90	446.90	446.90	446.90	446.90	446.90	446.90	446.90	446.90	446.90
E-3	215.90	301.00	322.30	342.90	342.90	342.90	342.90	342.90	342.90	342.90	342.90	342.90	342.90	342.90	342.90
E-2	177.80	249.30	249.30	249.30	249.30	249.30	249.30	249.30	249.30	249.30	249.30	249.30	249.30	249.30	249.30
E-1	171.60	228.20	228.20	228.20	228.20	228.20	228.20	228.20	228.20	228.20	228.20	228.20	228.20	228.20	228.20
E-1 (Under 4 months)	160.40														

"[1] While serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, or Sergeant Major of the Marine Corps, basic pay for this grade is $1,212.80 regardless of cumulative years of service computed under section 205 of this title."

SEC. 2. The amendments made by the first section of this Act shall become effective January 1, 1970.

S. 1603—INTRODUCTION OF A BILL INCREASING WIDOW'S SOCIAL SECURITY BENEFITS

Mr. MONTOYA. Mr. President, on March 13, 1969, I introduced a measure, S. 1541, to provide for an automatic cost-of-living increase in social security benefits. I announced then that I would be making a number of other proposals which would, together, modernize our social security system. Today I introduce another such measure—one that would increase widow's and widower's benefits.

The need to increase a widow's social security benefits has been recognized for a long time. Up to 1961, the benefit paid to a widow was only three-fourths of the retirement benefit which would have been paid to her husband. The arithmetic of this old provision was neat. A husband and wife got 1½ times the benefit paid to a single person, and a widow got one-half of the amount paid to a couple. It was obvious, though, that a widow could not live on one-half of what a couple did. As a result there were many proposals to increase the widow's benefit. And, in 1961 it was raised 10 percent to the level it is at today, 82½ percent of the husband's retirement benefit.

The inadequacy of the 1961 increase was quickly noted, and in 1963 the President's Commission on the Status of Women recommended that the widow's benefit be increased to the full amount that the husband would have received as a retirement benefit. In justification of this recommendation the Committee on Social Insurance and Taxes, in its report to the President's Commission, said:

Widows should not be expected to live on less than what a single man gets.

I have the impression that the only reason this recommendation has not been adopted up to now is that either the funds were not available or it was thought desirable to use the available funds for some other change in the social security program. As for myself, I believe this is one of the more important changes which could be made. And I think this is the time to make the change. It would cost, on a long-range basis, about one-half of the currently available actuarial surplus reported in the latest report of the trustees of the social security funds.

Accordingly, the legislation I propose would provide for paying a widow at 65 the full retirement benefit which would have been payable to her husband at age 65. If the benefit begins earlier than 65, it would be reduced in the same way that a man's retirement benefit is reduced, but not below the present level of 82½ percent now payable at age 62 and later. The benefits which start between the ages of 60 and 62 would continue to be reduced as they are under present law.

Mr. President, I urge prompt action on this measure and ask unanimous consent that the text of the bill be printed at this point in the RECORD:

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1603) to amend title II of the Social Security Act to permit a person who first becomes entitled to a widow's or widower's insurance benefit thereunder after attainment of age 65 to receive a benefit equal to 100 percent of the primary insurance amount of such person's deceased spouse, and to permit an actuarially reduced benefit to be paid to persons who become entitled to such a benefit prior to attaining such age, introduced by Mr. MONTOYA, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 1603

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 202(e)(2) of the Social Security Act is amended to read as follows:

"(2) Except as provided in paragraph (4) of this subsection, such widow's insurance benefit for each month shall be equal to whichever of the following is the greater: (A) 82½ percent of the primary insurance amount of such deceased individual (determined without regard to subsection (q)), or (B) 100 percent of the primary insurance amount of such deceased individual, less any reduction provided under subsection (q)."

(b) Section 202(f)(3) of such Act is amended to read as follows:

"(3) Except as provided in paragraph (5), such widower's insurance benefit for each month shall be equal to whichever of the following is the greater: (A) 82½ percent of the primary insurance amount of his deceased wife (determined without regard to subsection (q)), or (B) 100 percent of the primary insurance amount of his deceased wife, less any reduction provided under subsection (q)."

(c)(1) Section 202(q)(9) of such Act is amended to read as follows:

"(9) For purposes of this subsection, the term 'retirement age' means age 65."

(2) Section 202(q) of such Act is further amended by adding at the end thereof the following new paragraph:

"(10) Reduction of benefit amounts provided by the foregoing provisions of this subsection shall not apply to any widow's insurance benefit determined pursuant to subsection (e)(2)(A) or any widower's insurance benefit determined pursuant to subsection (f)(3)(A)."

SEC. 2. The amendments made by the first section of this Act shall apply with respect to monthly insurance benefits under title II of the Social Security Act for months after December 1969.

S. 1604—INTRODUCTION OF A BILL RELATING TO ACTUARIALLY REDUCED BENEFITS UNDER SOCIAL SECURITY AT AGE 60

Mr. MONTOYA. Mr. President, on March 13, 1969, I introduced legislation (S. 1541) to amend the Social Security Act to provide for an automatic cost-of-living increase and announced my intention of proposing additional amendments. Earlier today, I proposed a second amendment to increase widow's and widower's social security benefits. I now introduce a third proposal I believe necessary to assist in modernizing our social security system—a measure to provide actuarially reduced benefits under social security at age 60.

Back in 1935, when the Social Security Act was being formulated, very little was known about the ages at which people retired. Wilbur J. Cohen, the former Secretary of Health, Education, and Wel-

fare, devoted a whole chapter of a book describing how 65 was selected as the retirement age. The chapter is instructive. It starts with a sentence which says:

> The simple fact is that at no time did the staff or members of the Committee on Economic Security deem feasible any other age than 65 as the eligible age for the receipt of old age insurance benefits.

And almost at the end of the chapter he says:

> This brief account of how age 65 was selected in the old age insurance program in the United States indicates that there was no scientific, social, or gerontological basis for the selection. Rather, it may be said that it was the general consensus that 65 was the most acceptable age.

Now we know a little more about the ages at which people do retire. In 1961 men were permitted to accept reduced retirement benefits as early as age 62 and since then more than one-half of the men who have been actually paid retirement benefits have been under 65 at the time the benefit was first paid. And if we look at 1967, the latest full year for which I could get figures, we find that 61 percent of the people who were paid their first retirement benefit were under 65. This 61-percent figure includes both men and women. If we break it down by sex, the figures are 55 percent of the men and 71 percent of the women.

It seems to me the figures indicate that many people stop working for one reason or another well before 65. And, while I do not want to encourage the retirement of people who are willing and able to work, I think it only reasonable to provide benefits to those older people who are under 65 and unable to work. This includes people who have lost their jobs, and people with a disability that is not severe enough to qualify them for disability benefits.

I do not want to tire this body with a long explanation of my proposal. Most of us are familiar with the efforts of the gentleman from West Virginia, Senator ROBERT BYRD, to get the Social Security Act changed so that actuarially reduced benefits can be paid as early as age 60. Speaking in this Chamber on April 17, 1967, Senator BYRD said the provision:

> To permit men and women, otherwise eligible, to retire voluntarily at age 60, with actuarially reduced benefits is a logical and progressive step in updating our social security system.

On several occasions the Senate has sent legislation to do this to the other body only to lose it in conference. I hope that the next time we adopt this measure, it will still be in the bill that comes back. It is a worthy amendment, and, because it provides actuarially reduced benefits, it will have no longrun cost.

Mr. President, I believe that anyone reaching age 60, and covered under social security, should be provided the opportunity to retire with reduced benefits should they choose to avail themselves of the opportunity. For that reason I ask prompt action on my measure.

Mr. President, I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1604) to amend title II of the Social Security Act to provide for the payment of actuarially reduced benefits thereunder at age 60, introduced by Mr. MONTOYA, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 1604

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) section 202(a)(2) of the Social Security Act is amended by striking out "62" wherever it appears therein and inserting in lieu thereof "60".

(2) Section 202(b)(1) of such Act is amended by striking out "62" wherever it appears therein and inserting in lieu thereof "60".

(3) Section 202(c) (1) and (2) of such Act is amended by striking out "62" wherever it appears therein and inserting in lieu thereof "60".

(4)(A) Section 202(f)(1)(B), (2), (5), and (6) is amended by striking out "62" wherever it appears therein and inserting in lieu thereof "60".

(B) Section 202(F)(1)(C) of such act is amended by striking out "or was entitled" and inserting in lieu thereof "or was entitled, after attainment of age 62,".

(5)(A) Section 202 (h)(1)(A) of such Act is amended by striking out "62" and insert ing in lieu thereof "60".

(B) Section 202(h)(2)(A) of such Act is amended by inserting "subsection (q) and" after "Except as provided in".

(C) Section 202(h)(2)(B) of such Act is amended by inserting "subsection (q) and" after "except as provided in".

(D) Section 202(h)(2)(C) of such Act is amended by—

(i) striking out "shall be equal" and inserting in lieu thereof "shall, except as provided in subsection (q), be equal"; and

(ii) inserting "and section 202(q)" after "section 203(a)".

(b)(i) The first sentence of section 202 (q)(1) of such Act is amended (A) by striking out "husband's, widow's, or widower's" and inserting in lieu thereof "husband's widow's, widower's, or parent's", and (B) by striking out, in subparagraph (A) thereof, "widow's or widower's" and inserting in lieu thereof "widow's, widower's, or parent's".

(2)(A) Section 202(q)(3)(A) of such Act is amended (i) by striking out "husband's, widow's, or widower's" each place it appears therein and inserting in lieu thereof "husband's, widow's, widower's, or parent's", (ii) by striking out "age 62" and inserting in lieu thereof "age 60", and (iii) by striking out "wife's or husband's" and inserting in lieu thereof "wife's, husband's, or parent's".

(B) Section 202(q)(3)(B) of such Act is amended by striking out "or husband's" each place it appears therein and inserting in lieu thereof ", husband's, widow's, widower's, or parent's".

(C) Section 202(q)(3)(C) is amended by striking out "or widower's" each place it appears therein and inserting in lieu thereof "widower's, or parent's".

(D) Section 202(q)(3)(D) of such Act is amended by striking out "or widower's" and inserting in lieu thereof "widower's, or parent's".

(E) Section 202(q)(3)(E) of such Act is amended (i) by striking out "(or would, but for subsection (e)(1) in the case of a widow or surviving divorced wife or subsection (f)(1) in the case of a widower, be) entitled to a widow's or widower's insurance benefit to which such individual as first entitled for a month before she or he" and inserting in lieu thereof "(or would, but for subsection (e)(1), (f)(1), or (h)(1), be) entitled to a widow's, widower's, or parent's insurance benefit to which such individual was first entitled for a month before such individual", (ii) by striking out "the amount by which such widow's or widower's insurance benefit" and inserting in lieu thereof "the amount by which such widow's, widower's, or parent's insurance benefit", (iii) by striking out "over such widow's or widower's insurance benefit" and inserting in lieu thereof "over such widow's, widower's, or parent's insurance benefit" and, (iv) by striking out "attained retirement age" each place it appears therein and inserting in lieu thereof "attained age 60 (in the case of a widow or widower) or attained retirement age (in the case of a parent)".

(F) Section 202(q)(3)(F) of such Act is amended (i) by striking out "(or would, but for subsection (e)(1) in the case of a widow or surviving divorced wife or subsection (f)(1) in the case of a widower, be) entitled to a widow's or widower's insurance benefit to which such individual was first entitled for a month before she or he" and inserting in lieu thereof "or would, but for subsection (e)(1), (f)(1), or (h)(1), be) entitled to a widow's, widower's, or parent's insurance benefit for which such individual was first entitled for a month before such individual", (ii) by striking out "the amount by which such widow's or widower's insurance benefit" and inserting in lieu thereof "the amount by which such widow's, widower's, or parent's insurance benefit", (iii) by striking out "over such widow's insurance benefit" and inserting in lieu thereof "over such widow's, widower's, or parent's insurance benefit", (iv) by striking out "62" and inserting in lieu thereof "60", and (v) by striking out "attained retirement age" each place it appears therein and inserting in lieu thereof "attained age 60 (in the case of a widow or widower) or attained retirement age (in the case of a parent)".

(G) Section 202(q)(3)(G) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(3) Section 302(q)(5)(B) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(4) Section 202(q)(6) of such Act is amended (i) by striking out "husband's, widow's, or widower's" and inserting in lieu thereof "husband's, widow's, widower's, or parent's', and (ii) by striking out, in clause (III), (widow's or widower's and inserting in lieu thereof "widow's, widower's, or parent's".

(5) Section 202(q)(7) of such Act is amended—

(A) by striking out "husband's, widow's, or widower's" and inserting in lieu thereof "husband's, widow's, widower's, or parent's"; and

(B) by striking out, in subparagraph (E), "widow's or widower's" and inserting in lieu thereof "widow's, widower's, or parent's".

(6) Section 202(q)(9) of such Act is amended by striking out "widow's or widower's" and inserting in lieu thereof "widow's, widower's, or parent's".

(c)(1) The heading to section 202(r) of such Act is amended by striking out "Wife's or Husband's" and inserting in lieu thereof "Wife's, Husband's, Widow's, Widower's, or Parent's".

(2)(A) Section 202(r)(1) of such Act is amended (i) by striking out "wife's or husband's" the first place it appears therein and inserting in lieu thereof "wife's, husband's, widow's, widower's, or parent's", and (ii) by inserting immediately before the period at the end thereof the following: ", or for widow's, widower's, or parent's insurance benefits but only if such first month occurred before such individual attained age 62".

(B) Section 202(r)(2) of such Act is amended by striking out "wife's or husband's" and inserting in lieu thereof "wife's, husband's, widow's, widower's, or parent's".

(d) Section 214(a)(1) of such Act is amended by striking out subparagraphs (A), by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting the following new subparagraphs (A) and (B):

"(A) in the case of a woman who has died, the year in which she died or (if earlier) the year in which she attained age 62,

"(B) in the case of a woman who has not died, the year in which she attained (or would attain) age 62,".

(e) (1) Section 215 (b) (3) of such Act is amended by striking out subparagraph (A), by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting the following new subparagraphs (A) and (B):

"(A) in the case of a woman who has died, the year in which she died or, if it occurred earlier but after 1960, the year in which she attained age 62,

"(B) in the case of a woman who has not died, the year occurring after 1960 in which she attained (or would attain) age 62,".

(2) Section 215 (f) (5) of such Act is amended (A) by inserting after "attained age 65," the following: "or in the case of a woman who became entitled to such benefits and died before the month in which she attained age 62,"; (B) by striking out "his" each place it appears therein and inserting in lieu thereof "his or her"; and (C) by striking out "he" each place after the first place it appears therein and inserting in lieu thereof "he or she".

(f) (1) Section 216 (b) (3) (A) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(2) Section 216 (c) (6) (A) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(3) Section 216(f)(3)(A) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(4) Section 216(g)(6)(A) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

(g)(1) Section 202(q)(5)(A) of such Act is amended by striking out "No wife's insurance benefit" and inserting in lieu thereof "No wife's insurance benefit to which a wife is entitled".

(2) Section 202(q)(5)(C) of such Act is amended by striking out "woman" and inserting in lieu thereof "wife".

(3) Section 202(q)(6)(A)(i)(II) of such Act is amended (A) by striking out "wife's insurance benefit" and inserting in lieu thereof "wife's insurance benefit to which a wife is entitled", and (B) by striking out "or" at the end and inserting in lieu thereof the following: "or in the case of a wife's insurance benefit to which a divorced wife is entitled, with the first day of the first month for which such individual is entitled to such benefit, or".

(4) Section 202(q)(7)(B) of such Act is amended by striking out "wife's insurance benefits" and inserting in lieu thereof "wife's insurance benefits to which a wife is entitled".

(h) Section 224 (a) of such Act is amended by striking out "62" and inserting in lieu thereof "60".

SEC. 2. The amendments made by this Act shall apply with respect to monthly benefits under title II of the Social Security Act for months after December 1969, but only on the basis of applications for such benefits filed after September 1969.

S. 1605—INTRODUCTION OF A BILL INCREASING AMOUNT OF EARNINGS ALLOWED SOCIAL SECURITY BENEFICIARIES

Mr. MONTOYA. Mr. President, in recent days I have proposed a number of amendments, including four amendments I introduced today, which I believe necessary to bring about a much needed modernization of the Social Security Act. I have proposed an automatic cost-of-living increase, an increase in widow's social security benefits, and actuarially reduced benefits under social security at age 60 instead of the present age 62. Today I propose a fourth amendment to increase the amount of earnings permitted a beneficiary before a loss of benefits.

One of the more frequent complaints one hears about the social security program is that a beneficiary is not allowed to earn enough money to supplement his monthly benefit. The average retirement benefit is now about $1,200 a year, and if a person earns more than $1,680 a year he loses some of his benefits.

The present law says that a person who earns over $1,680 a year will have his benefits reduced by $1 for each $2 he earns between $1,680 and $2,880 and by $1 for each $1 he earns above $2,880. He can, however, be paid for any month in which he earns no more than $140 regardless of how much he earns in the year.

For example, take the average retiree who gets benefits of $1,200 a year. If he earns $2,880 he loses $600 in benefits, and if he earns $3,480, or more, he loses all of his $1,200 benefit.

Under this system there is little incentive for a great many people to go to work. I believe that if we would modify this provision a little, we would offer many older people a more realistic opportunity to work. As a result, they would not only have the additional income that goes with a job and making a contribution to the economic well-being of the Nation. Moreover, at a time when we are told there is a chronic shortage of skilled labor, it seems silly to discourage experienced and skilled people to live in idleness when they are willing and able to work.

Therefore, I propose that the law be changed so that full benefits can be paid to people who earn no more than $2,400 a year. Corresponding changes would be made in the related provisions so that a person who earns more than $2,400 would have his benefits reduced by $1 for each $2 he earns between $2,400 and $3,600, and by $1 for each $1 he earns above $2,600. Benefits would also be paid for any month in which a person earns no more than $200, regardless of the amount he earns in the year.

As the result of this change, the average retiree who gets $1,200 in benefits would lose only $600 in benefits if he earned $3,600 a year, and he would not lose all of his benefits until he earned at least $4,200.

In light of today's wages and prices, these seem like more reasonable amounts than those provided in present law.

This change would increase the cost of the social security program by about the same amount as the provision I introduced earlier to increase widow's benefits. However, as I have pointed out before, this is only about one-half of the actuarial surplus reported by the trustees of the social security funds. As a result, the program will remain financially sound even with the adoption of these proposals. We can actuarially afford this amendment, Mr. President, but we cannot afford not to enact it. I urge its every consideration.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1605) to amend title II of the Social Security Act to increase the annual amount of individuals are permitted to earn without suffering deductions from the insurance benefits payable to them under such title, introduced by Mr. MONTOYA, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 1605

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraphs (1), (3), and (4) (B) of subsection (f) of section 203 of the Social Security Act are each amended by striking out "$140" wherever it appears therein and inserting in lieu thereof "$200".

(b) Paragraph (1)(A) of subsection (h) of section 203 of such Act is amended by striking out "$140" and inserting in lieu thereof "$200".

SEC. 2. The amendments made by the first section of this Act shall be effective with respect to taxable years beginning after December 31, 1969.

S. 1606—INTRODUCTION OF A BILL LOWERING FROM 72 TO 65 THE AGE FOR SPECIAL MINIMUM BENEFITS UNDER THE SOCIAL SECURITY ACT FOR CERTAIN OTHERWISE UNINSURED INDIVIDUALS

Mr. MONTOYA. Mr. President, I now introduce the fifth of a series of measures I am proposing to modernize our social security system. On March 13, 1969, I introduced a measure (S. 1541) to provide an automatic cost of living increase. Earlier today I proposed a measure to increase a widow's social security benefits (S. 1603). I propose actuarially reduced benefits under social security at age 60 (S. 1604) and I introduced a measure to increase the amount of earnings allowed social security beneficiaries (S. 1605). The measure I introduce now would lower from 72 to 65 the age at which certain otherwise uninsured individuals may be entitled to special minimum benefits under the Social Security Act, and otherwise to liberalize the conditions under which benefits for such individuals may be paid under the act.

Three years ago, after a very spirited debate, we voted to provide a special social security benefit to everyone age 70 and over who did not qualify for regular social security benefits. When the bill—the Tax Adjustment Act of 1966—came back from conference the proposal was limited to those people who were 72 or who would be 72 before 1968. Quite frankly, I cannot understand why the benefit should not be paid to everyone who reaches retirement age without qualifying for regular social security benefits. Surely there is not some magic in reaching a specified age after a spec-

ified date that makes a person less deserving.

Absent magic, the logical thing is to provide, as my bill would, that whenever a person reaches 65, the age at which full social security benefits are payable without qualifying for a social security benefit, he will be paid the special benefit now paid only to those who reached 72 before 1968. This benefit is not very large; presently it is $40 a month for a single person and $60 a month for a couple. It can, however, be a significant part of an older person's income, particularly in areas where cash incomes are often low. I would not, however, change the provision which says, in effect, that if a person can qualify for a welfare payment which is financed in part with Federal funds, he cannot receive both the welfare payment and the special social security benefit. A person can choose which payment he will get, but he cannot get both.

At the time the 1966 amendment was being debated there was a great deal of concern that the provision would provide everyone in the world, from leaders of the Communist nations to retired Senators, with a social security benefit even though he had never worked under social security. The legislation enacted, however, did not provide for paying benefits to such a broad spectrum of people. Benefits are payable only to residents of the United States who are either citizens or lawfully admitted aliens. And people who are entitled to governmental pensions—retired Senators and schoolteachers, for example—have the special benefit reduced by the amount of their pensions. In trying to keep the Senators out, I think we went further than we should have. We should not have excluded all of the people who get public pensions. Accordingly, my proposal would permit people who have some social security coverage, at least four quarters, to receive the full special social security benefit if they do not have enough coverage to qualify for regular benefits. In this connection, I would remind you that this is not as great a change as it may seem to be, because in 1965 we provided benefits for some people who had as little as three quarters of coverage.

The cost of this proposal to blanket in people at age 65 would, like the provision in the present law which applies to those who were 72 before 1968, be paid out of general funds rather than out of the special social security funds. The method we adopted in 1966 is, to my way of thinking, rational when we consider that the people benefiting from the provision are those who pay income taxes but not social security taxes. Currently this provision would cost less than $100 million a year. I commend this measure to my colleagues and trust we can act on it in the foreseeable future.

Mr. President, I ask unanimous consent to have the text of the bill printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1606) to amend title II of the Social Security Act to lower from 72 to 65 the age at which certain otherwise uninsured individuals may be entitled to special minimum benefits thereunder, and otherwise to liberalize the conditions under which benefits for such individuals may be paid under such title, introduced by Mr. MONTOYA, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 1606

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 228 (a) of the Social Security Act is amended to read as follows:

"(a) Every individual who—

"(1) has attained the age of 65,

"(2) is a resident of the United States (as defined in subsection (3)), and is (A) a citizen of the United States or (B) an alien lawfully admitted for permanent residence in the United States (as defined in section 210 (i)) continuously during the 5 years immediately preceding the month in which he files application under this section, and

"(3) has filed application for benefits under this section,

shall (subject to the limitations in this section) be entitled to a benefit under this section for each month beginning with the first month after September 1966 in which he becomes so entitled to such benefits and ending with the month preceding the month in which he dies. No application under this section which is filed by an individual more than 3 months before the first month in which he meets the requirements of paragraphs (1) and (2) shall be accepted as an application for purposes of this section."

(b) Section 228 (c)(1) of such Act is amended by striking out "The" and inserting in lieu thereof "Except as otherwise provided in subsection (i), the".

(c) Section 228 of such Act is further amended by adding at the end thereof the following new subsection:

"INDIVIDUALS EXEMPT FROM REDUCTION ON ACCOUNT OF GOVERNMENTAL PENSION SYSTEM BENEFITS

"(i) Notwithstanding the provisions of subsection (c), if at the beginning of any month an individual has not less than 4 quarters of coverage (whenever acquired), the benefit amount of such individual for such month under this section shall not be reduced on account of any periodic benefit under a governmental pension system for which he or his spouse is eligible for such month."

SEC. 2. The amendments made by the first section of this Act shall be applicable with respect to benefits payable under section 228 of the Social Security Act for months after the month following the month in which this Act is enacted, but only on the basis of applications for such benefits filed in or after the month in which this Act is enacted.

S. 1607—INTRODUCTION OF A BILL RELATING TO SERVICE-CONNECTED DISABILITY RATINGS AND BENEFITS FOR POW'S

Mr. MONTOYA. Mr. President, a quarter of a century ago, in April and May of 1942, some 25,000 American servicemen began one of the greatest ordeals that man has been asked to endure. On April 9, 1942, Bataan was captured by the Japanese, and less than 1 month later on May 6, 1942, the bastion of Corregidor fell. These brave men had held out as America's only outpost in the Pacific against overwhelming enemy forces. But those dates began the horrible days of agony and suffering for all of these American brave. On bloodstained trails they were marched for days without food or water and under constant harassment and torture from their captors.

This was but one of the anxious days both the servicemen and a sorrowful and concerned citizenry had to endure. As late as the winter of 1945 another "death march" was taking place on the other side of the world. Six thousand POW's were marched for 86 days across the frozen grounds of Germany under similar circumstances. Before the war had ended over 120,500 Americans had been captured and subjected to imprisonment and suffering. Only 111,000 were returned after their ordeal; 9,500 had died in these prison camps and on the death marches.

Today, I am introducing legislation along with Senators DODD, DOLE, HART, MCCARTHY, STEVENS, WILLIAMS of New Jersey, and YARBOROUGH which will in a small way compensate for those great hardships they had to endure. I am proposing that every man who had served time in a prisoner of war camp for 180 days or more be recognized as having suffered severe disability from such inhumane treatment at the hands of the enemy. I am proposing that we authorize the Veterans' Administration to classify all such ex-prisoners of war from World War II, the Korean conflict and the present Vietnam war as being 100 percent disabled for the purposes of receiving disability compensation.

My bill further provides that in any case in which a veteran was held as a prisoner of war for a period of less than 180 days, the Administrator may assign such veteran a service-connected disability rating of such percent as he deems appropriate, but not less than 30 percent, if he finds that the mental and physical anguish suffered by such veteran was so severe as to warrant such rating.

My home State of New Mexico knows well the price that was paid by these prisoners of war. Some 1,800 officers and men of the New Mexico National Guard were stationed on Bataan and Corregidor and were forced into enemy confinement. Many have returned to the State; some died in the prison camps. Many of those who have returned are already receiving some form of compensation, but many others are deserving of this recognition.

Years behind the barbed wire of POW camps has left their imprint on these men. Their suffering has not been compensated for, and we as Americans owe them not only a great debt of gratitude but monetary recognition of their sacrifices.

I ask that you join with me in swift passage of this legislation in order that those who have given so much for our Nation may receive their just dues which we still owe.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1607) to amend title 38, United States Code, to deem veterans who were prisoners of war to have serv-

ice-connected disabilities, introduced by Mr. MONTOYA (for himself and other Senators), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 1607

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 11 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 361. Disability rating for former prisoners of war.

"Any veteran who was held as a prisoner of war for a period of one hundred and eighty days or more, any part of which occurred during a period of war, shall, for the purposes of this title, be deemed to have a service-connected disability rating of 100 per centum. In any case in which a veteran was held as a prisoner of war for a period of less than one hundred and eighty days, any part of which occurred during a period of war, the Administrator may, for the purposes of this title, assign such veteran a service-connected disability rating of such per centum as he deems appropriate, but not less than 30 per centum, if he finds that the mental and physical anguish suffered by such veteran was so severe as to warrant such rating."

SEC. 2. The table of sections of chapter 11 of title 38, United States Code, is amended by adding at the end thereof the following:

"361. Disability rating for former prisoners of war."

SEC. 3. The amendments made by this Act shall take effect on the first day of the second calendar month which begins after the date of enactment of this Act.

S. 1608—INTRODUCTION OF A BILL TO ELIMINATE FLAWS IN THE FOOD STAMP ACT

Mr. MONTOYA. Mr. President, a catchy song swept this country a few months back, defining what happiness is. Happiness, it explained, means different things to different people. While I make no claims to being a songwriter, I would like to suggest some additional lyrics to that song—namely that, to the needy, happiness means three square meals a day.

I find it shocking, Mr. President—indeed, downright embarrassing to this Nation and viciously cruel to the poor—that we have not yet taken sufficient action to permit our less fortunate citizens this one modest but essential ingredient of happiness.

It is ironic that Americans can rapidly mount massive relief efforts to combat a famine in India, and that starvation in Biafra triggers emotional compassion for urgent action, yet, here at home we shun with indifference or disbelief similar problems of hunger and malnutrition among millions of our fellow citizens. I am frankly appalled that too many Americans tend to place greater credence upon the indignant denial by some short-sighted public officials that people are going hungry, rather than acknowledge the mounting evidence of pitifully stunted minds and weakened bodies caused by persistent hunger.

The Senate Select Committee on Nutrition and Human Needs is performing a vital public service by thoroughly exposing the long-suppressed evidence of large-scale hunger and malnutrition. Needless to say, the evidence which this committee is bringing to the fore increasingly documents the fact that hunger and malnutrition abound in this country far worse than any of us originally conceived a year ago.

Mr. President, I do not intend to presuppose the outcome of the committee's efforts. Its findings will be invaluable in measuring precisely the full magnitude of the job that confronts this Nation. Nevertheless, there exists today a serious gap between words and action—and I for one cannot sit idly by knowing that this gap will continue for at least a year before the committee finishes its work while millions of Americans go hungry.

I am therefore introducing a bill today which will greatly intensify the current efforts to narrowing the nutrition gap. I am confident that this bill will in no way obviate either the committee's deliberations or its ultimate recommendations for long-range solutions.

The sole thrust of my bill is to eliminate four obvious legislative flaws in the Food Stamp Act of 1964, as amended, which hinder effective implementation of the inherent purpose of that act. Specifically, my bill would:

First. Authorize the establishment of minimum nationwide eligibility standards for participation in the food stamp program;

Second. Permit direct operation by the Secretary of Agriculture of a food stamp program in any political subdivision of a State where local governing officials stubbornly refuse to provide a food assistance program for needy families;

Third. Provide for cost-sharing arrangements whereby the Secretary of Agriculture could contribute up to 50 percent of the administrative costs of local food stamp programs; and

Fourth. Remove needless constricting limitations on the appropriation of funds for operating the food stamp program in any fiscal year subsequent to 1969.

These are essential changes that must be made if the food stamp program is ever to become the effective weapon against hunger which Congress envisioned. For example:

A cruel dichotomy exists under the present program. In some States, because of limited resources or for other reasons, local welfare standards upon which eligibility is currently based are overly restrictive and preclude some needy families from qualifying for food stamps. Yet, needy families in identical circumstances, with identical incomes, can qualify in other States with more liberal standards.

Such discrimination would be abolished by establishing minimum nationwide eligibility standards. These standards would help stem the tide of needy persons moving to urban areas with liberal welfare programs, and thereby relieve some of the pressures on our already overcrowded ghettos. Needy persons—regardless of where they live—would thus qualify on an equitable basis, and receive sufficient food stamps consistent with their income to provide a minimally adequate diet. The present system of fragmented standards precludes this; we must abolish this discriminatory practice and put all needy persons on an equal basis.

Nearly one out of every five counties or independent cities—some 576 in all—does not have any type of food assistance program in actual operation today. While about 107 of these are planning programs for some unknown time in the future, the remaining 469 have to date refused to make any provisions to insure that their hungry citizens receive even a minimum diet. Many of these are wealthier counties, whose public officials choose to ignore the problem locally or steadfastly refuse to change their premeditated public policy of covering it up.

My proposal to authorize the Secretary of Agriculture to initiate direct operation of a food stamp program in any political subdivision of a State would be a major step toward ending this scandalous condition. It would guarantee that hungry people would be fed in spite of the indifference or obstructionist attitudes of some local officials.

Many communities—though they recognize that a serious problem does exist locally, and are willing to work toward its solution—simply do not have the resources available to cover the cost of administering an adequate food assistance program. In some cases, they cannot afford to begin to pay the administrative costs of starting a program locally; in others, their limited funds prevent expansion of existing programs to adequately reach out to all those who need it most. Thus, while food programs are now operating, or are planned for in communities where over 83 percent of the American people live, less than 6.5 million people of an estimated 30 million needy are now receiving food assistance.

My proposal to authorize the Secretary of Agriculture to enter into cost-sharing arrangements would greatly assist these resource-poor communities. It would permit the Secretary to contribute up to 50 percent of the administrative costs of these local programs. This would help to insure that the certification and issuance of food stamps could be carried out at locations more convenient to all needy persons, rather than at a few, hard-to-get-to sites as is now the case in many counties.

Removing the current limitations on the appropriation of food stamp funds is the most important key to instituting these and other administrative reforms that now prevent the food stamp program from effectively combating hunger. This provision in no way intends to lessen Congress' responsibility for appropriating and overseeing the expenditure of funds for food stamps, nor is it intended to provide the executive branch with a blank check. Rather, it provides a more realistic approach to fulfilling our congressional appropriations responsibility, and, at the same time, would help to dramatically show by actual deeds that we are truly committed to eliminating hunger wherever it exists in America.

Mr. President, the time has come for Congress and the Nation to match their words with deeds. We must face squarely degrading anomaly that chronic hunger within this land of plenty is a daily fact of life for millions of Americans.

I am well aware of the charges in some quarters that the "hunger" problem is a figment of the imagination to be exploited by civil rights or other "do-gooder" zealots. I know, too, of the allegations that the problem is merely one of ignorance, indifference or gross neglect on the part of the poor.

I categorically reject these theories. To such skeptics, I submit that people are hungry because they are poor or on severely limited incomes. White or black, poverty and hunger are no respecters of race. I commend to their reading the forthright and courageous testimony of my colleagues from South Carolina, Senator ERNEST HOLLINGS, during his recent appearance before the Select Committee on Nutrition. I am convinced that, after reading his testimony, those who are doubters will become believers.

I strongly urge all Members of this Congress to act now in support of my proposed legislation for the immediate relief of millions of hungry Americans.

Mr. President, I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1608) to amend the Food Stamp Act of 1964, as amended, to authorize the Secretary of Agriculture to establish minimum nationwide eligibility standards; to operate the food stamp program in any political subdivision when local governing officials will not agree to operate a food assistance program for needy families; to enter into cost-sharing arrangements with States or their political subdivisions to cover the cost of local administration of the food stamp program; and, to remove current limitations on the appropriations authorized for the program, introduced by Mr. MONTOYA, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

S. 1608

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(b) of the Food Stamp Act of 1964, as amended, is amended by deleting the second sentence and substituting in lieu thereof the following: "Such standards shall include income limitations consistent with the income standards used by the State agency in administration of its federally aided public assistance programs or with minimum income standards prescribed by the Secretary for eligible households, whichever are higher."

SEC. 2. Section 10 of the Food Stamp Act of 1964, as amended, is amended by adding the following subsection: "(h) Notwithstanding the provision of subsection (b) of this section, the Secretary is authorized to directly administer the food stamp program in any political subdivision of any State when the appropriate governing officials of such political subdivisions will not agree to operate a food stamp program under the terms and conditions authorized by this Act, if the Secretary determines that such direct operation is necessary to accomplish the purposes of this Act. In the event that the Secretary undertakes the direct operation of the food stamp program in any political subdivision, he shall observe all the applicable terms and conditions of this Act and of any plan of operation that is approved by the Secretary for the State in which such political subdivision is located."

SEC. 3. Section 15 of the Food Stamp Act of 1964, as amended, is amended to read as follows:

"(a) Each State shall be responsible for financing, from funds available to the State or political subdivision thereof except as provided for in subsection (b) of this section, the costs of carrying out the administrative responsibilities assigned to it under the provisions of this Act. Such costs shall include, but shall not be limited to, the certification of households; the acceptance, storage, and protection of coupons after their delivery to receiving points within the States; and, the issuance of such coupons to eligible households and the control and accounting therefor.

"(b) The Secretary is authorized to cooperate with State agencies by furnishing financial assistance for the payment of administrative costs set forth in subsection (a) above. The amount to be contributed to any State or political subdivision thereof by the Secretary under this section from Federal funds for any year shall not exceed 50 per centum of the total cost of the food stamp program to the respective State or political subdivision thereof, and the Federal funds shall be allocated among the States on an equitable basis. Such payment shall be contingent at all times upon the administration of the food stamp program by the State or political subdivision thereof in a manner which the Secretary deems adequate to effectuate the purposes of this Act."

SEC. 4. The first sentence of section 16(a) of the Food Stamp Act of 1964, as amended, is amended to read as follows: "To carry out the provisions of this Act, there is hereby authorized to be appropriated not in excess of $315,000,000 for the fiscal year ending June 30, 1969. For any subsequent fiscal year, there is hereby authorized to be appropriated such sums as are determined to be necessary to carry out the provisions of this Act."

S. 1609—INTRODUCTION OF A BILL RELATING TO LONGER TERM LEASES OF INDIAN LANDS LOCATED OUTSIDE THE BOUNDARIES OF INDIAN RESERVATIONS IN NEW MEXICO

Mr. MONTOYA. Mr. President, I introduce, for myself and Senator ANDERSON, a bill to authorize longer term leases of Indian lands located outside the boundaries of Indian reservations in New Mexico.

The act of August 9, 1955, as amended (25 U.S.C. 415) which this bill seeks to further amend, authorizes leases of Indian lands to be made for public, religious, educational, recreational, residential, or business purposes for terms not to exceed 25 years, with an option to renew for one additional term of not to exceed 25 years. Grazing leases are limited to 10-year terms with no option to renew, and farming leases that involve the making of substantial improvements to the land are limited to 25-year terms with no option to renew.

The act also permits leases for public, religious, educational, recreational, residential, or business purposes, and for farming purposes which require the making of a substantial investment in the improvement of the land for the growing of specialized crops for not to exceed 99 years. This latter provision applied originally to a number of specific Indian reservations but was amended to include a number of Indian pueblos within New Mexico when the Congress adopted a bill which Senator ANDERSON and I introduced last session and is now Public Law 90–570.

The 99-year maximum lease authority of these reservations—and later for the pueblos—was granted because of the need for longer term leases as the basis for financing substantial developments on the land. Without a long term lease, construction or development loans could not be obtained by lessees from lending institutions.

Mr. President, the Bureau of Indian Affairs, and the Department of the Interior have supported the past efforts to provide for longer term leases on Indian lands, and I am hopeful they will support this measure. As the Department pointed out to the House Committee on Interior and Insular Affairs by letter of August 29, 1968:

> Under present leasing authority, which permits the equivalent of a 50-year lease, a lessee cannot possibly comply with the minimum legal requirements of a substantial segment of the lending community.

The Department pointed out that after a long-term development lease is approved, time must be consumed in preparing development plans, securing requisite approval of those plans, negotiating financing, constructing developments, and marketing them. Under the National Housing Act, for example, mortgage insurance is available for residential housing loans based on a leasehold interest only if the lease has not less than 50 years to run from the date the mortgage was executed.

Leasehold loans by Federal savings and loan associations require a minimum unexpired lease term of 50 years when the loan is made. Laws and regulations governing leasehold loans by State savings and loan associations vary, some following Federal limitations. Insurance companies also follow restrictive policies that generally require leases to extend well beyond the loan amortization period—in some cases requiring 99-year leases.

Mr. President, it has already been recognized in the law that if the Indians of the specified reservations and pueblos are to realize the maximum return for the use of their lands, they must have the flexibility to offer leases with sufficient terms to satisfy the requirements of most lending institutions and to meet the varying market situations that may arise. The Department of the Interior indicated last session that only if the reservations and pueblos have the authority to negotiate leases with terms of up to 99 years will this flexibility exist.

Everything that can be said for the granting of 99-year lease authority to the individual reservations and pueblos is equally true of Indian trust or restricted lands outside the boundaries of Indian reservations in the State of New Mexico.

The Eastern Navajo Agency of the Bureau of Indian Affairs, headquartered in New Mexico, for example, has jurisdiction over hundreds of thousands of acres of Indian trust or restricted lands to which the long-term leasing act should apply. However, on January 18, 1961, the

Albuquerque, N. Mex., field solicitor issued an opinion stating the long-term leasing act does not authorize leasing of trust or restricted lands outside the boundaries of the Navajo Indian reservations.

Like development of lands within the reservation, anticipated development of the off-reservation Navajo area will depend upon the ability of interested business firms to secure sufficiently long-term leases to justify construction of substantial buildings and improvements and permit borrowing for this purpose.

At a time when Congress is so concerned—and rightly so—with the economic development of underdeveloped segments of this Nation, it ill behooves us not to provide for the development of the above-described lands.

Mr. President, I urge prompt action on this measure and ask unanimous consent that the text of the bill be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1609) to amend the Act of August 9, 1955, to authorize longer term leases of Indian lands located outside the boundaries of Indian reservations in New Mexico, introduced by Mr. MONTOYA (for himself and Mr. ANDERSON), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

S. 1609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of the first section of the Act entitled "An Act to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases", approved August 9, 1955 (25 U.S.C. 415), is amended by inserting immediately after "the pueblo of Zuni," the following: "Indian trust or restricted lands located outside the boundaries of Indian Reservations in the State of New Mexico,".

S. 1610—INTRODUCTION OF A BILL RELATING TO EXTENSION OF RETIREMENT BENEFITS TO FEDERAL EMPLOYEES FOR PERIODS OF SERVICE IN FEDERAL-STATE COOPERATIVE PROGRAMS

Mr. MONTOYA. Mr. President, I introduce, for myself and Senators ANDERSON, BAYH, BELLMON, BIBLE, EASTLAND, FULBRIGHT, GORE, HARRIS, HART, HOLLINGS, KENNEDY, MATHIAS, MONDALE, NELSON, PELL, SPARKMAN, TALMADGE, TYDINGS, WILLIAMS of New Jersey, YARBOROUGH, and YOUNG of North Dakota, a bill to allow credit under the Civil Service Retirement Act to certain Federal employees for service in Federal-State cooperative programs in a State.

Mr. President, during the past 20 years Congress has considered legislation that would extend retirement benefits to Federal employees for periods of service in Federal-State cooperative programs. The Civil Service Commission has, itself, administratively extended retirement benefits to employees of one Federal-State cooperative program—State and county agricultural extension workers. This was a step in the right direction, but the Commission stopped all too soon. In extending these privileges to employees of one program, they simultaneously refused to extend the privileges to equally qualified employees of other similar programs.

Last year, after the 90th Congress had adjourned, the Commission refused a request in which 12 our colleagues joined me—including eight members of the Senate Post Office and Civil Service Committee—to accord the same consideration to employees of other Federal-State programs. Under these circumstances legislation is apparently the only recourse for correcting this longstanding inequity.

This is not a new legislative concept, Mr. President. As I have indicated, the inequities which this legislation will correct have been the subject of numerous bills over the past 20 years in Congress. In fact, the Congress did enact a bill in 1955, S. 1041, which would have extended retirement privileges to former employees of six Federal-State programs—State rural rehabilitation corporations, agricultural experiment stations research and investigation, vocational education, agricultural extension, forest and watershed protection, and control of plant pests and animal diseases.

These six programs accounted for perhaps 95 percent of Federal-State personnel. President Eisenhower, however, vetoed the bill suggesting that it was discriminatory since it did not include Federal employees who had had experience with all types of Federal-State programs. Thus, the legislation which I introduce today is drafted in such a way as to provide coverage for employees of all possible Federal-State programs.

Mr. President, besides the agricultural extension workers, to whom the Civil Service Commission extended retirement privileges administratively, Public Law 568 enacted in 1960 provides for the extension of retirement benefits to another large group of employees, the employees of county agricultural stabilization and conservation committees. Other groups recognized for retirement purposes include milk market administrators; referees in bankruptcy proceedings and employees of such referees; and personnel of service canteens.

Federal agencies are experiencing increasing difficulties in recruiting qualified personnel. This situation is recognized and reflected in continuous recruitment programs. Despite these efforts, however, the Federal agencies are confronted with a chronic lack of available qualified personnel for positions in the Federal Government. The transfer of field personnel experienced in Federal-State programs would contribute to alleviation of this situation. Currently, with vocational programs envisioned together with other Federal personnel requirements it will be difficult, if not impossible, to provide adequate Federal staffing without the transferring of field personnel to Federal positions. The provisions of this bill would provide equal recognition in the form of retirement privileges to Federal employees for service in a wide range of Federal-State programs.

The provisions of this bill would include, but would not be limited to, former employees of the following Federal-State programs: Market inspection of farm products; State rural rehabilitation corporations; agricultural experiment stations and investigation; vocational education; cooperative forest management control of plant pests and animal diseases; public employment service; cooperative programs of highway construction; social security assistance; vocational rehabilitation; fish restoration and management wildlife restoration; marketing service and research; public health; aid to certain schools for the education of Indian children; geological survey; and air traffic control.

Mr. President, I think it is important to emphasize that this bill does not extend civil service retirement benefits to employees of Federal-State cooperative programs. All that is sought is the right of such individuals after 5 years of regular Federal service to secure credit toward Federal retirement for service in Federal-State cooperative programs. In order to receive such credit, the employee must pay into the Federal annuity fund, with interest, an amount equal to what would have been deducted from their salaries during their service in Federal-State programs.

The amount of annuity received from Federal retirement when added to the amounts received by the retiree from social security and State or local retirement programs will not exceed the amount which would have been received had he had all his experience in a regular Federal position, that is, it provides that the Federal retirement payments are to supplement annuities received from the above-mentioned sources.

I am informed that there are currently perhaps 8,000 active and retired employees who would take advantage of the provisions of this bill. Most of these came into the Federal service during the formative years of farm programs when their training and experience were essential to the success of the new and rapidly expanding programs. Many of these have retired and because of their limited life expectancy would not "pay up" and claim credit for their Federal-State time.

Future participation will depend on the need for local and State employees to fill key positions in the Federal service and their continuing in this Federal employment for at least 5 years. Officials responsible for staffing and administering Federal programs appreciate the need and necessity for the services of personnel with experience in Federal-State programs. Also these officials are of the opinion that the provisions of this legislation will encourage field personnel to accept Federal positions and thereby relieve a depressing personnel situation.

Mr. President, I am hopeful that the Congress will move quickly to meet up to its responsibilities to correct an inequity which the Civil Servce Commission seems to acknowledge exists but which the Commission claims it cannot correct administratively.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1610) to allow credit under the Civil Service Retirement Act to certain Federal employees for service in Federal-State cooperative programs in a State, and for other purposes, introduced by Mr. MONTOYA (for himself and other Senators), was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

S. 1610

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Civil Service Retirement Act is amended by adding at the end thereof the following new subsection:

"(k) Subject to the conditions contained in this paragraph, any employee or Member who is serving in a position within the purview of this Act at the time of his retirement or death shall be allowed credit for all periods of service performed by him (unless the record shows he was certified as being eligible for relief) in the employ of a State, or any instrumentality thereof, primarily in the carrying out of programs authorized by act of Congress and financed in whole or in part by Federal funds (including, but not limited to, cooperative arrangements with Federal contribution in the form of licensing services or supervision); but only if—

"(1) the performance of such service is certified, in a form prescribed by the Civil Service Commission, by the head, or by a person designated by the head, of the department, agency, or independent establishment in the executive branch of the Government of the United States which administers the provisions of law authorizing the performance of such service, or is otherwise established to the satisfaction of the Commission;

"(2) the employee or Member shall have to his credit a total period of not less than five years of allowable service under this Act, exclusive of service allowed by this subsection;

"(3) the employee or Member shall have deposited with interest at 4 per centum per annum to December 31, 1947, and 3 per centum per annum thereafter, compounded on December 31 of each year, to the credit of the civil service retirement and disability fund a sum equal to the aggregate of the amounts which would have been deducted from his basic salary, pay, or compensation during the period of service claimed under this subsection if during such period he had been subject to this Act, except this paragraph shall not apply to services covered in paragraph (4) below;

"(4) the annuity computed under this subsection is reduced by the amount of any State annuity which an employee is receiving, or may receive, toward which the employee contributed during such State service and to which he is entitled by reason of such State service. As used in this paragraph, the term 'State' includes Puerto Rico."

SEC. 2. The annuity of any person who shall have performed service described in subsection (k) of section 3 of the Civil Service Retirement Act and who on or after June 30, 1942, and before the date of enactment of this Act shall have been retired on annuity under the provisions of the Civil Service Retirement Act then in effect, shall, upon application filed by such persons within one year after the date of enactment of this Act and compliance with the conditions prescribed by such subsection (k), be adjusted, effective as of the first day of the month following the date of enactment of this Act, so that the amount of such annuity will be the same as if such subsection (k) had been in effect at the time of such person's retirement.

SEC. 3. Notwithstanding section 8348(g) of title 5, United States Code, benefits resulting from the operation of this Act shall be paid from the civil service retirement and disability fund.

S. 1611—INTRODUCTION OF A BILL RELATING TO NATIONAL CENTER ON EDUCATIONAL MEDIA AND MATERIALS FOR THE HANDICAPPED

Mr. PELL. Mr. President, I send to the desk, for appropriate reference, a bill to establish a National Center on Educational Media and Materials for the Handicapped.

The unique characteristics of handicapped children; for example, the loss of vision, hearing, or the need for individualized instruction because of retardation or emotional disabilities, contribute to making educational programs for these children a prime target area for the development of educational media and materials. A decade of experience under the Captioned Films for the Deaf Act (Public Law 85–905) led to the expansion of this program in 1967 so that its benefits might be extended to all types of handicapped children.

Expert experience in specially designed educational programs for the handicapped is only slowly being developed and the emerging area of educational technology is following a similar course. Very few persons, whether educators or producers of instructional media, have such expert experience, although there are here and there across the Nation individual examples of excellent materials for the deaf, for the blind, and other handicapped. At present there is a great need to consolidate the resources which are available, to pool the existing knowledge, to bring together the best minds now working in this field, and to provide an environment where rapid growth in educational technology for the handicapped may take place.

The National Center on Educational Media and Materials for the Handicapped is proposed to fill this need. It will be developed by an institution of higher education in the Washington, D.C., area with specific responsibilities for coordination with the Model High School for the Deaf in Washington, D.C., and the media services programs of the Bureau of Education for the Handicapped, as well as with other model or innovative programs for handicapped children. The proposed national center will provide a focus for the necessary development in this area of education.

To insure some financial participation by the institution of higher education operating the media facility the bill does not authorize funds for the purchase of land. The selected institution of higher education will be required to make available sufficient land for the construction of a separate, self-contained, identifiable structure. The amount of real property necessary will be determined by the Secretary of HEW taking into consideration reasonable future expansion plans.

Today less than 40 percent of the Nation's handicapped children, or only about 2 million of the more than 5½ million such children, are receiving appropriate special education services. Only one teacher, speech and hearing specialist, or similar special educator is available for every 4 that are needed. To fill these voids there must be a systematic attempt to expand the teachers' resources by providing them with specially developed curriculums, media and methods so that we can move toward our national goal of educational opportunity for every child with no exclusion for the child who is handicapped. The National Center on Educational Media and Materials for the Handicapped will provide a means to develop this specialized material.

Without objection, I request that the full text of the proposed legislation be printed in the RECORD at this point.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1611) to amend Public Law 85–905 to provide for a National Center on Educational Media and Materials for the Handicapped, and for other purposes, introduced by Mr. PELL (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD as follows:

S. 1611

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of September 2, 1958 (Public Law 85–905) is amended—

(1) in section 3, by adding at the end thereof the following new subsection:

"(c)(1) The Secretary is authorized to enter into an agreement with an institution of higher education located in the National Captial Area for the establishment and operation (including construction) of a National Center on Educational Media and Materials for the Handicapped, which will provide a comprehensive program of activities to facilitate the use of new educational technology in education programs for handicapped persons, including designing and developing, and adapting instructional materials, and such other activities consistent with the purposes of this Act as the Secretary may prescribe in the agreement. Such agreement shall—

"(A) provide that Federal funds paid to the Center will be used solely for such purposes as are set forth in the agreement;

"(B) authorize the Center, subject to the Secretary's prior approval, to contract with public and nonprofit private agencies for demonstration projects;

"(C) provide for an annual report on the activities of the Center which will be transmitted to the Congress;

"(D) provide that any laborer or mechanic employed by any contractor or subcontractor in performance of work on any construction aided by Federal funds under this subsection will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 276a–276a–5); and the Secretary of Labor shall have, with respect to the labor standards specified in this clause, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

"(2) In considering proposals from institutions of higher education to enter into an agreement under this subsection, the Secretary shall give preference to institutions—

"(A) which have demonstrated the capabilities necessary for the development and evaluation of educational media for the handicapped; and

"(B) which can serve the educational technology needs of the Model High Schools for the Deaf (established under Public Law 89–694).

"(3) If within twenty years after the completion of any construction (except minor remodeling or alteration) for which such funds have been paid—

"(A) the facility ceases to be useed for the purposes for which it was constructed or the agreement is terminated, unless the Secretary determines that there is good cause for releasing the institution from its obligation, or

"(B) the institution ceases to be the owner of the facility,

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated."

(2) in section 2, by adding at the end thereof the following:

"(5) The term 'construction' means the construction and initial equipment of new buildings, including architect's fees, but excluding the acquisition of land."

and

(3) in section 4, by striking out "and" after "1969," and inserting after "1970" the following: $12,500,000 for the fiscal year ending June 30, 1971, $15,000,000 for the fiscal year ending June 30, 1972, and $20,000,000 for the fiscal year ending June 30, 1973".

S. 1612—INTRODUCTION OF A BILL RELATING TO GENERIC LABELING OF DRUGS

Mr. NELSON. Mr. President, today I introduce a bill to amend the pure food and drug laws to provide that all labels on containers of prescription drugs sold or given to a patient bear the generic name of the drug or drugs being dispensed. This is the second in a package of bills I intend to offer to help modernize the Nation's food and drug laws.

Very little has been done to update the drug laws since our late colleague Senator Estes Kefauver fought through a host of amendments in 1962 against strong drug industry opposition. Since that time almost no progressive legislation has been passed by the Congress.

The simple change in the law I propose today is urgently needed and commands widespread support.

Drugs now are sold on the market under a multiplicity of trade names. In most cases, there is a proliferation of copyrighted trade names imposed on the same drug, leading to confusion, chaos, and in some cases to discomfort and severe illness. In fact, many drugs have so many different trade names as to make it virtually impossible for the physician to know them all—or even a fraction of them.

During the course of the hearings the Senate Small Business Committee's Monopoly Subcommittee has been conducting on competitive problems in the drug industry, expert witnesses have testified that the generic name provides the most precise and universal information about a drug.

A dramatic example of the kind of tragedy that results was illustrated by the testimony of Dr. Helen Taussig, world famous physician and developer of the famous "blue baby" operation, who deplored the jumbled drug-naming system.

Dr. Taussig had first identified the tranquilizer thalidomide as the culprit drug causing phocomelia—children born with incompletely formed limbs. Her action, coupled with that of the Food and Drug Administration, prevented the sale of the drug in this country, but not before the testing stage of the drug had caused some birth defects.

Dr. Taussig stated that even after the drug had been identified and taken off the foreign market, it was still sold under 50 to 100 different trade names making it impossible for doctors to know what they were prescribing.

Since the use of trade names may thus result in the continued availability of a drug that has been withdrawn from the market, Dr. Taussig said that she would strongly back any measure requiring the generic name on drug labels.

During a televised documentary on the drug industry, Dr. John Adriana, chairman of the Council on Drugs of the American Medical Association stated that all prescription drug containers should be labeled with the generic name "in large print."

And as recently as this past Tuesday, Dr. Edward R. Annis, past president of the AMA and presently a member of the board of trustees, presented the association's position on this matter in testimony before the Monopoly Subcommittee.

Dr. Annis said that the AMA's Council on Drugs believes that all physicians should adopt the policy of indicating on the drug label the names and strengths of the drugs they prescribe, making exceptions only when disclosure would be detrimental to the welfare of the patient.

The American Academy of Pediatrics forwarded to me the resolution of their committee on drugs in which they declared their support of my bill making it mandatory that drug labels contain the official name of the drug being dispensed. They wanted to go on record as being in favor of such a measure, anticipating that I might be introducing this bill again. I am grateful to them for their support and I ask unanimous consent that their resolution be placed in the RECORD at this point.

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

AMERICAN ACADEMY OF PEDIATRICS,
Evanston, Ill., January 29, 1969.

Senator GAYLORD NELSON,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR NELSON: On August 8, 1968, you introduced for yourself and Mr. Long of Louisiana "a bill to amend the Federal Food, Drug, and Cosmetics Act, as amended, to require that the label of drug containers as dispensed to the patient bear the established name of the drug dispensed." (S–3290). This bill was referred to the Committee on Labor and Public Welfare, and no action was taken on it by the Senate.

Anticipating that this bill or a similar one would be reintroduced into the 91st Congress, I requested the Committee on Drugs of the American Academy of Pediatrics to review this proposed legislation and provide me with an opinion. This Committee has met and prepared the following report which has been approved by our Executive Board for transmittal to you:

"The Committee considered that the bill would be very useful for pediatric patients in that labeling would make the management of accidental poisoning in children more efficient. On the other hand, the Committee considered that the brand name should also be included on the label because of the problem of generic equivalency which currently exists. The Committee also felt that the amendment should not be so restrictive to require that all labels of drug containers, as dispensed to patients, bear the established name (and brand name) but rather that under certain circumstances the prescribing physician should have the prerogative of not labeling when this is for the patient's benefit.

"This summary of the Committee's discussion and action on this proposed legislation is passed on to you for appropriate dissemination and action on the part of the American Academy of Pediatrics."

I hope this action on the part of the Academy will assist you in implementing the passage of this legislation.

Sincerely,

STANLEY L. HARRISON, M.D.,
Secretary for Committees.

Mr. NELSON. Mr. President, the widely publicized report of the Department of Health, Education, and Welfare entitled "Task Force on Prescription Drugs" as a result of its study in this area recommended:

That the Congress should enact legislation requiring that the containers of all dispensed prescription drugs be labeled with the identity, strength, quantity of the product, except where this is waived upon specific orders of the prescribers . . . It is frequently necessary for a physician to determine the nature and amount of a prescription drug which a patient has been taking. In some instances—as in the case of a suspected adverse drug reaction, or accidental or deliberate overdose—the rapid identification of a drug may be a matter of life and death.

The committee has heard testimony from many prominent medical authorities, all of whom declared their support of this measure.

Dr. Margaret M. McCarron, assistant medical director of Los Angeles County General Hospital—one of the largest in this country—told the committee that a single patient might be prescribed the same drug under three different names in three separate departments of the hospital, resulting in dangerous overdosages and severe reactions in the case of allergies.

Dr. George Nichols, Jr., Harvard Medical School, pointed out that generic labeling "would protect the patient and make the doctor's job easier."

Dr. Walter Modell, director of clinical pharmacology at Cornell University declared:

Trade names are phony names which do not communicate any meaning. Some drugs may have as many as 30 or more such names . . . it fosters ignorance and confusion, may be dangerous and is not in the best interest of the health of our Nation.

Dr. Robert H. Moser, director of Walter Reed Medical Center suggested that the label carry the generic name of the company, if the doctor so desires.

Two physicians in private practice testifying on January 23 of this year expressed their unqualified support for this measure. Dr. Frank Ayd, of Baltimore, told the committee:

I feel very strongly about this. . . . If a doctor is unaware of what a patient is taking he may add another drug which can really be tragic for the patient.

And Dr. Clinton McGill, of Portland, Oreg., said:

The generic name of the drug on the prescription is something I always do myself.

We have received considerable praise from the pharmacy profession as a result of this bill which I originally introduced in the 90th Congress. A St. Louis druggist wrote that it "would be doing more for pharmacy and the consumer than any single piece of legislation" in his memory as a pharmacist.

Additionally, the committee has received a large volume of mail from private citizens commending our efforts in this connection. This simple, but important measure will help substantially the health and pocketbooks of the American people. I believe the time has come for the Congress to speedily enact this much-needed legislation.

I want to stress that this proposed law would not in any way affect the physician's right to prescribe the drug of his choice or to write the prescription in terms of trade names. It would also allow the name of the company manufacturing or distributing the drug to be affixed on the label following the generic name.

I ask unanimous consent that the complete text of this bill be printed in the RECORD at this point.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1612) to amend the Federal Food, Drug, and Cosmetic Act, as amended, to require that the label of drug containers, as dispensed to the patient, bear the established name of the drug dispensed, introduced by Mr. NELSON (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 1612

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 503(b)(2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 353(b)(2)) is amended by inserting immediately after the words "bears a label containing" the following: "the established name (as defined in section 502(e)(2) of this Act) of the drug or in the case of combination drugs the established name of the active ingredients of the drug".

S. 1613—INTRODUCTION OF A BILL CALLING FOR DESIGNATION OF DWIGHT D. EISENHOWER DAM

Mr. BENNETT. Mr. President, it is my privilege to introduce today a bill that would rename the Glen Canyon Dam in honor of Gen. Dwight D. Eisenhower. Senators PAUL FANNIN and BARRY GOLDWATER, of Arizona, have joined me in sponsoring this legislation, which would honor one of the world's most admired and respected men.

Glen Canyon Dam is located on the Colorado River in northern Arizona, 12.4 miles downstream from the Utah-Arizona line. It is the key feature of the Colorado River storage project and one of the great dams of the world.

The idea for the "Eisenhower Dam" proposal originated with my fine friend and our former colleague, Senator Arthur V. Watkins, of Utah, who served with distinction on the Senate Interior Committee when the Upper Colorado project was authorized. Endorsement for Eisenhower Dam has already been provided by the Utah State Legislature. A resolution to Congress backing the name change passed unanimously in the Utah Senate and gained all but five of the house's 69 votes. In a letter to Senate President Haven J. Barlow, Senator Watkins recommended the resolution, seeking to have the dam name changed similarly as Boulder Dam was changed to Hoover Dam in behalf of a President.

The resolution's chief sponsors in the Utah Senate were Senator E. LaMar Buckner, Senator Richard V. Evans, and Senator W. Hughes Brockbank; however, on motion of Senator Buckner, all senators were included as sponsors.

As President, Dwight D. Eisenhower led the fight for the Upper Colorado River storage project. He put his personal position and prestige behind congressional authorization and appropriation for this four-State project which made possible a dream that had persisted for decades—the taming of one of the longest, wildest, and most savage rivers in the Nation, the Colorado.

With my former colleague, Senator Watkins, who fought so long and hard for the project, I was privileged to attend the ceremonies at the White House when President Eisenhower signed the legislation authorizing construction of the project on April 11, 1956. It is a multipurpose development, regulating the river, creating power, preventing floods, and making water available for use on land and in cities. The 710-foot-high, concrete Glen Canyon Dam was topped out in 1963 and storage of water began in that year. It is creating a reservoir extending 186 miles up the Colorado River and 71 miles up the San Juan River.

I would like to point out, Mr. President, that in making this proposal, changing the name from Glen Canyon, we are not in any way slighting the memory or taking away anything from a Mr. Glen or the like. The dam was named after Glen Canyon in which it is situated. The Colorado River extends downstream from the mouth of White Canyon to the mouth of Pah Reah Canyon, Ariz., John Wesley Powell, the famous explorer of the Colorado River and after whom the lake behind Glen Canyon is named, consolidated two previously named canyons writing:

. . . they now stand as Glen Canyon surrounded by red homogenous sandstone. It opened into many "glens and coves" and we decided to call it Glen Canyon.

The word "glen" is of Celtic origin, meaning "narrow valley."

It seems particularly suitable that this great dam be named after Dwight D. Eisenhower. Few men have served with so much distinction in the defense and preservation of freedom. This would be a fitting memorial to his long and distinguished career as President, General of the Army, and world leader. It would also be lasting testimonial to his faith in the development of the upper Colorado River Basin.

Mr. President, I ask unanimous consent that my bill be printed in its entirety in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1613) to designate the dam commonly referred to as the Glen Canyon Dam as the Dwight D. Eisenhower Dam, introduced by Mr. BENNETT (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

S. 1613

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in recognition of the outstanding service rendered by Dwight D. Eisenhower as President, General of the Army, and world leader, the dam commonly referred to as the Glen Canyon Dam, located on the Colorado River in Arizona, is hereby designated as the Dwight D. Eisenhower Dam.

SEC. 2. Any law, regulation, document, or record of the United States in which such dam is designated or referred to shall be held to refer to such dam under and by the name of the Dwight D. Eisenhower Dam.

S. 1619—INTRODUCTION OF A BILL TO FIX A PERMANENT COASTLINE FOR THE STATE OF TEXAS

Mr. TOWER. Mr. President, I introduce for appropriate reference, a measure which would fix the coastal boundary for the State of Texas at its historical place; that is, the coastline of the State when it entered the Union in 1846. This action is necessary because of a recent Supreme Court decision which upset the traditional boundary, which has long been recognized as the correct one.

The new boundary as outlined by the Court would be the coastline "as it exists currently or at any time in the future." Mr. President, I submit that this is too indefinite a definition for the State of Texas to accept. Under this definition, each time that there is a storm in the western Gulf of Mexico, the coastal boundary of the State of Texas will be changed. In order to intelligent'y regulate the leasing of off-shore land, the State must be able to fix its boundary precisely. The ever-changing formula expounded by the Court simply will not work.

My bill would permanently place the coastline at the position which it occupied when Texas entered the Union in 1846. Then there could be no doubt about the exact point from which the more

than three leagues of submerged lands belonging to Texas could be measured. This would end confusion and restore to Texas lands that have been recognized as belonging to her for over 120 years.

Mr. President, it is in the interest of justice that this measure be enacted and I ask the support of my colleagues in order to secure its passage. All that we are doing here is securing a boundary where it has been since 1846; the necessity for having a fixed rather than a "floating" boundary compels this action.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1619) to amend the Submerged Lands Act to establish the coastline of certain States as being, for the purposes of that act, the coastline as it existed at the time of entrance into the Union introduced by Mr. TOWER, was received, read twice by its title, and referred to the Committee on the Judiciary.

S. 1621—INTRODUCTION OF THE RIVER BASINS RESEARCH ACT OF 1969

Mr. BAYH. Mr. President, I introduce, for appropriate reference, a bill to provide for additional research and training under the Water Resources Research Act of 1964. This measure, if adopted, would help solve water resources problems in large river basins and would authorize increased opportunities for investigation, study and training in this important field. It is well known that there is great need for a large number of knowledgeable, experienced, and skilled personnel if we are to develop and maintain the complex facilities and conduct the intricate research required to combat growing water pollution control problems. This bill would attempt, at least in part, to help meet this need.

Although in the last few years Congress has taken the lead in encouraging the study of water quality control problems and the maintenance of desirable water standards, much yet remains to be done. The Water Resources Research Act of 1964, as well as the subsequent Water Quality and Water Resources Planning Acts, were all landmarks on the road toward improved pollution control. Similarly, the establishment last year of the National Water Commission, which is charged with reviewing national water resource problems, and the increased authorization in 1968 for the administrative functions of the Water Resources Council, should make significant contributions to the overall program. While authorizations for water resource research have been increased, the amounts authorized for this purpose have not been sufficient to cope with the challenge and the actual appropriations have fallen far short of total authorizations each year.

The Water Resources Research Act of 1964 authorized grants to each State, starting at $75,000 for the first year but increasing to $100,000 annually after the third year, for the purpose of helping to establish and carry on the work of water resources research institutes at a college or university in that State. In addition the act authorized dollar-for-dollar matching funds equal to amounts made available to institutes by States or other non-Federal sources to meet the necessary expenses of specific water resources research projects which could not otherwise be undertaken; total funds for this purpose, however, began at only $1 million in fiscal 1965 and were to increase an equal amount each fiscal year until 1969 and subsequent years when $5 million would be available annually. Title II of the same act authorized the Secretary of the Interior to make additional grants to and finance contracts with educational institutions, private foundations, firms, or individuals to conduct water research projects, for which purpose $5 million was authorized for fiscal 1967 with annual increases of $1 million each year until fiscal 1972, when $10 million would be available for each year through fiscal 1976.

Unfortunately, Congress has not been willing or able to fund fully even these minimum appropriations for water research in the last few years. Although a total of $10 million was authorized for this purpose in the fiscal year 1968, only half of that amount was actually appropriated. The record for fiscal year 1969 is even worse; a total of $12 million was authorized but only $5 million was appropriated. For the next fiscal year beginning July 1, 1969, the law permits a total authorization of $13 million but the amount requested in the Budget is again only $5 million.

These reduced sums cannot begin to meet the requests for assistance in water research made by State water resources research institutes, educational institutes, private foundations, firms and individuals. For example, I have been informed that 224 proposals requesting over $6 million in matching grants were submitted by institutes in fiscal year 1968 but only 101 of these could be funded with the $3 million available. Likewise, during the same year some 336 proposals requesting over $33 million for research grants and contracts were received from educational institutions and others under title II, out of which only 31 could be provided assistance from the $2 million appropriation. The present fiscal year is much the same; only 90 of the 244 proposals from institutes requesting matching grants totaling more than $8 million could be met from the $3 million appropriation, and again only 31 of the 352 proposals requesting more than $37 million from educational institutions and others under title II could be honored. Fiscal year 1970 appears at this point to be equally dismal; although a total of $13 million will be authorized under present law, the President's budget asks for only $5 million. Despite this, on March 10, 1969, 355 proposals from institutes seeking over $12 million in matching funds and 360 proposals from educational institutions and others requesting over $35 million in research grants and contracts had already been submitted to the Office of Water Resources Research.

The bill I am introducing today would supplement and provide additional means for implementing the present programs of water resources research. Its primary purpose is to focus attention on the needs and problems of large river basins and to provide additional authorization of funds for research and training. It would assure that in each large river basin there would be established a river basin institute whose primary function would be the careful study and analysis of that particular river basin as an entity. One expert has stated that water resource problems of large river basins are among the major impediments to effective water resources conservation and utilization. These problems are so complex that in many cases present technology is not capable of their solution. Substantially enlarged research efforts are needed to cope adequately with these problems.

Let me emphasize that the bill would not, however, lead to any duplication of facilities or services. The Secretary of the Interior would be directed, wherever possible, to arrange for the water resources research institutes established under section 100 of the 1964 act to serve as the institute for each particular large river basin. However, if none of those institutes were able to fulfill this function, then the Secretary could enter into arrangements with other nearby educational institutions for this purpose.

Mr. President, under the Water Quality Act of 1965 all States were required either to adopt water quality standards and implementation plans for their interstate waters or be subjected to standards imposed by the Secretary of the Interior. All 50 States as well as the District of Columbia, Puerto Rico, and the Virgin Islands have now submitted standards, and about one-third or so of them have been approved. The need for securing compliance with these standards by municipalities, industries, and rural operators will require greater knowledge of our rivers and streams as organic entities. For instance, it has been estimated there will be need for some 900 stream and 1,300 open-water sampling locations in the United States by 1972. I have been informed that the interaction of flows into a stream channel from both the cultural and physical sources has, as yet, never been completely defined for any major river or river system. Knowledge of the interrelationship of biological, chemical, and physical components in a flowing stream could enable more complete control over water quality while utilizing surface water resources for maximum benefits.

The bill would authorize an additional $5 million each year, beginning with fiscal year 1970, for large river basin institutes and for expanded research and training opportunities. If river basin research and training institutes are established in each large river basin, they could provide the facilities and staff necessary for study and evaluation of that river system and recommend specific measures for its control. Each river basin is marked by a different pattern of land use, industrial and commercial development, and human occupancy. Because no two rivers can be expected to respond identically to the varied landscapes through which they flow, no common pattern of control would result in equally desirable conditions of water quality. Increasing demands are being made on our surface water supply; in view of antici-

pated greater use, it is imperative that knowledge and understanding of river quality conditions keep pace. The large river basin institutes proposed in this bill, through specific programs designed for a river as an ecological unit, could provide the basis for future successful management of our invaluable water resources.

Scattered throughout many river basins are numerous small communities and small industries which, individually, may contribute only minor quantities of vast effluent. Collectively, however, they can have a major role in the deterioration of streams or rivers. The proposed river basin institutes would provide the means for evaluating existing conditions, would conduct research on what methods would best serve to protect these waterways from pollution, and would encourage the adoption of control measures.

The bill, if adopted and properly funded, would also help relieve serious personnel shortage in the water quality control field. Many States, local governments, and private industries have found it very difficult, if not impossible, to locate a sufficient number of adequately trained persons to serve in their water pollution control facilities. The bill would authorize both fellowships and short-training grants which would be administered through institutions of higher learning offering advanced degrees in the fields associated with water quality control. This would provide opportunities for needed research and for the training of skilled personnel, and it would permit the application of practical techniques and scientific procedures to existing problems in a realistic training situation.

Authorizing training grants would also permit local governmental units, as well as industrial and agricultural water users, to obtain much-needed in-service training for their employees. It has been reported to me that present demands for personnel in water quality control establishments have resulted in the employment of workers who have had little or no training for the job they must do. The general lack of opportunity for these employees to improve their competency and knowledge through additional training obviously is a deterrent to achieving better quality waters in our communities.

The institutes contemplated by this bill could serve as primary centers for the study and analysis of interrelated water resources problems in our major river basins. At the same time they could provide research opportunities not now sufficiently available for meaningful solutions to today's water control problems. Also, they would become reservoirs for the training of the large pool of skilled, experienced personnel which will be needed to man the extensive water resource and pollution control facilities our Nation must construct in the next decade. For these reasons I hope that serious attention can be given to this or some similar proposal in the near future.

Mr. President, I also ask unanimous consent that the text of the bill, which is quite brief, be printed in full in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1621) to provide for additional research and training pursuant to the Water Resources Research Act of 1964 in order to solve the particular water resources problems in large river basins, introduced by Mr. BAYH, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

S. 1621

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "River Basins Research Act of 1969".

SEC. 2. The Water Resources Research Act of 1964 is amended by redesignating section 307 as section 308 and by inserting after section 306 a new section as follows:

"SEC. 307. (a) It is the purpose of this section to provide additional research, investigations, and experiments and training as described in section 100(b) directed toward solving the particular water resources problems in large river basins, as defined by the Secretary for such purpose.

"(b) For the purpose of carrying out the provisions of this section in each large river basin the Secretary of the Interior shall make the necessary arrangements in such basin for one institute established pursuant to section 100 to serve as the river basin institute for such basin. In any large river basin where the Secretary is unable to make such arrangements with an institute established pursuant to section 100, he may enter into, pursuant to section 200, such a continuing arrangement with an educational institution in such basin, as may be necessary to carry out the purpose of this section (including training) in such basin.

"(c) In making arrangements pursuant to this section the Secretary shall authorize and encourage the educational institutions selected pursuant to subsection (b), whenever possible and appropriate, to use facilities provided and programs established, pursuant to this Act, to carry out research requested by a State or local government agency within the basin, a river basin commission established for the basin pursuant to title II of the Water Resources Planning Act, or other organizations within the basin, except that in accordance with regulations established by the Secretary an appropriate charge shall be made for such research whenever carried out at the request of a private organization.

"(d) The training authorized in subsection (a) may include such fellowships and short-term training as may be appropriate to carry out the purpose of this section.

"(e) In carrying out the provisions of this section the Secretary shall coordinate his activities wherever possible and appropriate with river basin commissions established pursuant to title II of the Water Resources Planning Act.

"(f) There is authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1970, and each succeeding fiscal year for the purposes of this section. Amounts appropriated and expended pursuant to this section shall be in addition to amounts authorized pursuant to sections 100 and 200 of this Act."

S. 1622—INTRODUCTION OF THE VACCINATION ASSISTANCE ACT

Mr. KENNEDY. Mr. President, I introduce, for myself and the senior Senator from Alaska (Mr. STEVENS), the Vaccination Assistance Act of 1969.

Last year I introduced legislation to continue a most important health program—The Vaccination Assistance Act. This program is important not only in terms of those children's lives already saved—and they are many. It is important not only in terms of the normal, complete lives the program has guaranteed—for they number in the hundreds of thousands. It is important also because it has saved literally millions of dollars in health care expenses that would have otherwise been borne by our State governments and our private citizens.

My bill would extend the Vaccination Assistance Act of 1962, the only health bill passed by the Congress during the 1962 session. Its purpose was to assist the States to provide necessary immunizations against polio, diphtheria, tetanus, and whooping cough for the children of this country. In the 6 years this legislation was in effect, it was responsible for guaranteeing to millions of children the right to a life free from the infectious diseases which challenged and threatened the lives of children down through the ages.

Diphtheria, whooping cough, tetanus, and smallpox in this country are diseases of the past. Polio was eliminated early in this decade, and all of these other diseases have been kept under control with the help of the Vaccination Assistance Act.

But we should now consider the diseases which are still with us, such as common measles. Before the newly discovered vaccines were made available to infants and preschool children by the Vaccination Assistance Act of 1965—an extended version of the 1962 act—nearly 5 million children were stricken by measles each year, leaving hundreds dead and many thousands more with apparent defects due to the complications of pneumonia, convulsions and encephalitis—all leading potentially to mental retardation.

In an average year in the 1950's, for example, 30,000 children were hospitalized for nearly 300,000 hospital days; those attending school missed 7½ million days of school, from measles alone. Over 5,000 children developed encephalitis, leaving over 1,600 of these children with permanent mental retardation. The disease caused 500 deaths each year.

But last year, because of the wide use made of measles vaccine by private physicians, city, county, and State health departments, there were not 5,000,000 cases of measles—but 220,000 cases, with a corresponding decline in the tragic complications of that disease.

More than 3 million children have been immunized against measles in single-day community campaigns throughout our country. The Vaccination Assistance Act provided the funds for the vaccine for pre-school children but the financing for immunizing school-age children has heretofore been provided by the States. Some States unfortunately, lacked the funds to include school-age children in immunization programs. But many of these campaigns to eliminate a number of physicians, nurses, and pharmacists administered the vaccine without charge. These individuals deserve our praise. In all of the campaigns,

tens of thousands of other volunteer citizens came to the aid of their community in helping to man the immunization centers. They deserve our thanks.

During the last 3 years, the funds available to the States through the Vaccination Assistance Act of 1965 totaled $24 million. In this same period, over 8.5 million children did not contract measles, according to a recent issue of Medical World News, who might have been expected statistically to do so, largely because of the intensive national immunization program funded through the Vaccination Assistance Act. Thus, $24 million of prevention saved at least $280 million in medical expenses in the United States in the last 3 years, and $693 million in costs of predictable illness in years to come. These cost figures, of course, do not cover the untold anguish of the families whose children would have contracted the disease.

The Vaccination Assistance Act clearly demonstrates that a national program can assist State and local health officials to provide improved child health. It has been the principal legislative instrument in reducing a potential 5 million cases of measles per year to the 220,000 actual, or 22,000 reported, cases for 1968—a reduction of 96 percent.

Although more than 30 million children have been protected from measles, the job is not finished. Five million children remain unprotected against common measles alone, and an even more serious challenge faces us in this field today—the anticipated epidemic in 1970–71 of rubella.

Rubella, commonly called German measles, is a tragic illness to the pregnant mother and her newborn child. In the epidemic of 1964–65, over 30,000 children were born who were blind, deaf, or had heart defects because their mothers contracted German measles in their first 3 months of pregnancy. Studies cited at the recent International Conference on Rubella Immunization indicate that the eventual cost to the U.S. economy from this one epidemic will exceed $3 billion. Public Health officials advise us that the next rubella epidemic is expected in 1970–71. There are currently 50 million children and women of child-bearing age who are unprotected against this disease.

This predicted epidemic can be virtually eliminated through an effective immunization campaign. This is why I propose to extend a Vaccination Assistance Act for another 4 years. Rubella vaccines are soon to be licensed, and we should have available the machinery to move swiftly into an immunization campaign. Many other infectious diseases can be attacked in a similar manner, as immunizing agents become available in the future, and my bill will provide a base for eliminating them also.

My proposal would cost only $11 million per year. If we do not act now to provide the funds for immunization programs, we will have to appropriate 20 times this amount in the future for long-range institutional care and rehabilitation for the victims of the unnecessary and controllable diseases. Thus, I think we should act now.

At the conclusion of my remarks, I will ask that a number of tables and articles be placed in the RECORD, along with a copy of the bill I am today introducing.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibits 1 and 2 at end of speech.)

Mr. KENNEDY. The first table shows the incidence of the various infectious diseases, and their decline over the past 10 years as the immunizing vaccines became readily available.

The second table shows the costs of the measles cases which still crop up every year, largely because we have not pursued aggressively enough a blanket immunization campaign.

Next is a letter to me from the president of the Massachusetts Medical Society, Dr. John Norcross, and a memorandum detailing the decline of measles cases in Massachusetts.

An article in the November 29 edition of Medical World News discussed the need for legislation of the type I am today introducing, and put the need for it into the context of the predicted rubella epidemic in 1970–71.

An article in the March 11, 1969, New York Times, describes a report by a number of eminent scientists describing their discovery of a definite link between a measles virus and a deadly disease attacking the brain and central nervous system. This link between measles and mental retardation has been increasingly discussed in the scientific and technical press, and I am sure we will see more conclusive evidence of this link in the near future.

EXHIBIT 1

TABLE 1.—REPORTED INFECTIOUS DISEASES IN UNITED STATES

Year	Polio		Diphtheria		Tetanus		Whooping cough		Measles	
	Cases	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths
1958	8,425	255	918	74	445	303	32,148	177	763,094	552
1959	5,787	454	934	72	445	283	40,005	269	406,162	380
1960	3,190	230	918	69	368	231	14,809	118	441,703	380
1961	1,312	90	617	68	379	242	11,468	76	423,919	434
1962	910	60	444	41	322	215	17,749	83	481,530	408
1963	449	41	314	45	325	210	17,135	115	385,156	364
1964	122	17	293	42	289	179	13,005	93	458,083	421
1965	72	16	164	18	300	181	6,799	55	261,904	276
1966	113	9	209	20	235	158	7,717	49	204,136	261
1967	41	----	219	----	263	----	9,718	----	62,705	----
1968	57	----	243	----	159	----	----	----	22,527	----

TABLE 2—MEASLES—FINANCIAL AND MORBIDITY COSTS

Measles Incidence in an Average Year Before Vaccines, United States

Expected measles occurrence	5,000,000
Hospitalized with complications	20,400
Hospitalized without complications	9,600
Average hospital stay—days	9.5
Total hospital days	285,000
Child schooldays absent	7,500,000
Encephalitis	5,000
Mentally retarded	1,667
Deaths expected	500
Total hospital costs	$10,000,000
Physician fee in hospital—estimate	1,667,000
Total medical and physician cost (measles patient at home)	47,000,000
Cost of schooldays absent	2,250,000
Gamma globulin supplied to contacts	1,133,000
Direct costs	62,050,000
Lifetime care for mentally retarded	166,700,000
Total cost	228,750,000
Estimated cost of immunizing all susceptible children in mass measles program	7,500,000

THE MASSACHUSETTS MEDICAL SOCIETY,
Boston, Mass., March 6, 1969.

Hon. EDWARD M. KENNEDY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR KENNEDY: Because of your great interest in the measles immunization program being conducted in Massachusetts by private physicians in cooperation with local boards of health I am enclosing a copy of the latest measles incidence report for your background information.

You may also be interested in knowing that officers and legislative councilors of the Society are planning a visit to Washington, D.C. on Wednesday, April 30th. I hope that your busy schedule will permit us to visit with you on that day so that we may discuss health programs in Massachusetts that are our mutual concern.

With every good wish and kindest regards, I am

Sincerely yours,
JOHN W. NORCROSS, M.D.,
President.

THE COMMONWEALTH OF MASSACHUSETTS,
DEPARTMENT OF PUBLIC HEALTH,
Boston, Mass., February 18, 1969.

To Local Boards of Health:

This is our report to you on the status of measles in Massachusetts for the year 1968. You will recall that the statewide Measles Eradication Program was launched in January 1966, with emphasis on the immunization of preschool children. For the year 1967, the objective was to immunize every susceptible school child. The program in 1968 was geared to the immunization of any preschool child missed in the previous two programs. With the support of the Massachusetts Medical Society and the assistance of clinical and public health medicine, measles is on its way to extinction.

Tabulated below are the measles cases reported in Massachusetts for the calendar years 1965–1968 (see enclosed graph):

1965	19,512
1966	853
1967	420
1968	385

As you will observe, from 1965 to 1967 there was a 97.9 per cent reduction in measles. In 1968, there was a further reduction of eight per cent. Thus, in three years, a 98.1 per cent reduction in measles was achieved. Clinical and public health medicine can be proud of this record.

There is another aspect of the Measles Eradication Program which will interest you. As a consequence of the marked reduction in measles, not only were children saved from having the disease with its dreaded complications of encephalitis, mental retardation, convulsive disorders, etc., but the people of Massachusetts also realized a substantial dividend on their investment.

The following table illustrates the direct cost of medical care for measles in Massachusetts. These costs do not include any losses of income by parents or other indirect costs, and do not include what it would cost

the Commonwealth to support and educate a child who has become retarded because of measles encephalitis.

APPROXIMATE DIRECT COSTS FOR MEASLES IN MASSACHUSETTS

[Based on USPHS formula—MMWR—Apr. 15, 1967]

	Number of patients	Medical expenses
Jan. 1 to Dec. 31, 1965	19,512	$343,020.96
Jan. 1 to Dec. 31, 1966	853	14,995.74
Jan. 1 to Dec. 31, 1967	420	7,383.60
Jan. 1 to Dec. 31, 1968	385	6,793.28

If we did not have the measles vaccine or an immunization program, the direct cost of caring for measles in Massachusetts from January 1, 1966 to December 31, 1968, based on the annual number of cases expected in Massachusetts (5-year median), would have been in excess of $999,890.00. Each year which follows will further increase the savings realized by the people of Massachusetts.

Both clinical and public health medicine may justifiably be proud of their efforts to eradicate measles.

Very truly yours,

NICHOLAS J. FIUMARA, M.D., M.P.H.
Director, Division of Communicable Diseases.

Approved:

ALFRED L. FRECHETTE, M.D., M.P.H.
Commissioner, Department of Public Health.

Approved:

JOHN W. NORCROSS, M.D.
President, Massachusetts Medical Society.

SUMMARY OF REPORTED CASES OF MEASLES

Counties	1965	1966	1967	1968
Barnstable	167	6	15	1
Berkshire	1,453	22	13	3
Bristol	1,359	64	27	41
Dukes	2	1	1	3
Essex	3,230	40	39	27
Franklin	194	11	4	3
Hampden	1,535	26	12	3
Hampshire	379	20	13	4
Middlesex	3,323	274	91	78
Nantucket	0	0	0	0
Norfolk	1,107	19	29	17
Plymouth	2,376	14	20	20
Suffolk	2,138	108	97	29
Worcester	2,194	176	36	140
Military	55	72	23	16
Total	19,512	853	420	385

[From Medical World News, Nov. 29, 1968]

VACCINE IS COMING BUT WILL WASHINGTON BE READY?

The rubella vaccine, now slated for U.S. licensing by next spring, is already being hailed as one of the major research developments of the decade. Its initial clinical impact, however, is in danger of being blunted by bureaucratic footdragging in Washington.

Epidemiologists around the country are tallying up the vaccine's safety and effectiveness score in final clinical trials (MWN, Nov. 8), and manufacturers are already moving into full-scale production so that substantial supplies will be ready for the injection guns next year. The current flurry of activity has a single immediate target: If enough children are vaccinated soon enough, the resulting "herd immunity" may thwart the next rubella epidemic—expected in 1970 or 1971 on the basis of past cyclical resurgences—and may thus prevent birth defects in thousands of their as-yet-unborn brothers and sisters. The last epidemic, which was responsible for nearly 50,000 birth defects, was in 1964.

But now there is fear that a recent reshuffle of grant programs in Health, Education, and Welfare may have put this 1970 target almost beyond reach. Last year HEW decided to allow the Vaccination Assistance Act—the standard-bearer in the fight against polio and measles—to expire without request for renewal. HEW policy now calls for support of immunization programs under the new Comprehensive Health Planning and Services Program. But to some critics, this is beginning to look like a case of too little, too late. The money isn't in the till, and if state and local health departments don't know funds are coming they may not have vaccination campaigns ready to go when children go back to school next fall. Effective immunization levels might be delayed in some parts of the country until well into 1970.

Because of this possibility, national voluntary health organizations are applying concerted pressure on HEW to set up a separate program for rubella immunization. And Sen. Edward Kennedy (D-Mass.) says he will introduce legislation to revive the Vaccination Assistance Act.

To Washington bureaucracy-watchers, one of the most significant aspects of the current immunization brouhaha is that the plea for separate immunization funds represents the first serious challenge to the highly touted concept of comprehensive health planning and health services. Approved by Congress two years ago, this Johnson Administration program has a federal-to-state decentralization emphasis that puts it in line with what is expected from the incoming Nixon regime. Its purpose is to give state and local authorities more discretion in planning health activities that truly meet local needs. These activities would then be supported by a few broad, flexible federal grants, rather than a multiplicity of rigid "categorical" grants earmarked for specific diseases or projects. The categorical programs were to be phased out.

At the time, public health officials by and large endorsed the change. But now the new scheme's ability to support a national attack on a specific disease is being viewed more skeptically. The chips are down, and health leaders outside the federal government are clinging to the old categorical grant programs for federal aid. Experts say that to get a foot in the door in the fight against rubella would probably cost $10 million. Perhaps 35 million to 40 million children would have to be immunized to halt the spread of the disease to susceptible women.

In the fiscal 1969 comprehensive health services budget for project grants, there is not enough money to carry out such a massive effort. If funds under this program do not increase, "it will not be possible to mount an effective national rubella immunization program," says Dr. Russell Teague, president of the Association of State and Territorial Health Officers and Kentucky health officer.

Until three weeks ago, HEW had no plans for a crash rubella immunization campaign for children. Now, pressure from voluntary health associations and foundations has begun to pay off. Top HEW officials have come up with a possible compromise that amounts to an interim extension of the Vaccination Assistance Program. "We will probably apply to Congress for enough money to initiate some German measles vaccine programs in 1970, or at least to buy the vaccine for the states," HEW's Dr. Leon Jacobs says.

Dr. Jacobs, who is science policy aide to HEW Assistant Secretary Philip R. Lee, explains that the supplemental appropriation of about $10 million would be earmarked for rubella immunization programs under the comprehensive health services program, not under an extension of the Vaccination Assistance Act. Other HEW sources indicate that the grants would actually be administered by HEW's immunization assistance program at the National Communicable Disease Center in Atlanta, and that they might be used to buy vaccine for the poor and to help the states in the mechanics of conducting immunization programs. Then, to keep the program in operation, HEW may request additional earmarked funds in its fiscal 1970 budget that will be sent to Congress early in 1969.

"This is just too hot for anyone to ignore," comments Dr. F. Robert Freckleton, chief of the NCDC immunization program. Massachusetts' senior senator is expected to ask for more than $10 million for fiscal 1970 to get the ball rolling. Both Senators Kennedy and Lister Hill (D-Ala.) introduced vaccination bills in the 90th Congress. Neither saw action.

Nonfederal public health officials will be behind Senator Kennedy, according to a survey by the senator's office. Of 80 state and local health officers who answered, 76 indicated they wanted the program extended. In addition, 75 said that states should be allowed to use vaccination grant funds to purchase vaccine for school-age children as well as preschoolers. The vast majority said they favored adding rubella and mumps.

Such overwhelming support is not surprising. The Vaccination Assistance Act has produced impressive results since its establishment in 1963. By next June, when the funds run out, the immunization assistance program will have spent $53.1 million to control polio, diphtheria, whooping cough, tetanus, and measles.

In 1965, when Congress extended the act to cover measles campaigns, 261,904 cases of the disease were reported in the U.S. In 1968, only 21,000 are expected. NCDC estimates that in this 1965–1968 period, vaccination has prevented 8.5 million cases of measles, 850 deaths from such complications as encephalitis, 2,800 cases of mental retardation, half a million days of hospitalization, and 17 million days of absence from school.

With the $2 million in fiscal 1968 funds which remain unspent, the immunization assistance program at NCDC is supporting 74 projects in areas encompassing 90% of the U.S. population. The money is used to buy vaccine for preschool children, to hire personnel to plan and manage immunization campaigns, to improve local laboratory and epidemiologic surveillance, and for health education and promotional purposes. For schoolchildren and adults, states and localities pay for the vaccine. They also hire the technicians who do the actual immunizing.

The Vaccination Assistance Act "has been an important stimulus in getting state and local health departments involved in achieving high immunization rates in their areas," says Kentucky's Dr. Teague. "This is no time to taper off on such an effective program. Rubella immunization may be even more difficult than getting people immunized against polio."

NCDC's Dr. Freckleton agrees. "Controlling rubella will require a massive public education program, because the real problem is the congenital abnormalities resulting when pregnant women contract the disease. Convincing unimmunized women that they can protect themselves by having their children vaccinated against a relatively harmless childhood disease isn't going to be easy."

The most effective means of attacking the problem is through community-based campaigns involving health departments, medical societies, voluntary health associations, and the news media, says Dr. James Bowes, consultant to the Joseph P. Kennedy Foundation. "When measles immunization programs were conducted mainly in physicians' offices," he says, "we got a 20% turnout of susceptible children. Health department campaigns brought a response of 40% to 50%. But when you see a cooperative program between the medical society, the health depart, and the voluntaries, accompanied by strong publicity, you can expect an 80% to 90% turnout."

And rubella isn't the only worry. Existing vaccination programs must not be allowed

to erode, health officials say. Otherwise, there will be new outbreaks of polio, measles, and other communicable diseases.

Dr. Bowes, who also is director of medical service for the Pitman-Moore division of Dow Chemical Co., says Texas is a case in point. An ominous 21 of the first 54 polio cases in the U.S. this year have occurred in Texas, he says. But recently, Texas health officials have stepped up their attack on pockets of polio susceptibles, particularly along the Mexican border say NCDC officials.

Measles is also showing an increase, Dr. Bowes adds, noting that Connecticut, Massachusetts, New Hampshire, New Jersey, New York, Illinois, and Indiana have reported more cases of measles in 1968 than in 1967. "I am sure that fully one third of the states won't put as much money into immunization programs under the comprehensive health program as they are now doing under the Vaccination Assistance Program," he says. But HEW officials firmly believe that the comprehensive health planning and service program can handle the rubella immunization program, and do a better job. Dr. James Cavanaugh, the talented 31-year-old administrator who guided the comprehensive health program through its early days, says immunization programs "will be helped, rather than hindered, by being freed from the categorical disease grant shackles." He maintains that once states get a viable planning mechanism under way, they will be able to develop disease immunization and surveillance programs that are far more sophisticated and better able to reach the remaining pockets of susceptible persons.

NCDC's Dr. Freckleton notes that the comprehensive health grant money will be more flexible than vaccination assistance funds. "These funds are not restricted from buying vaccines for all ages." Unless HEW lays down limitations to the contrary, the money could also be used to buy clinic supplies and equipment and to pay the personnel who actually administer the vaccine.

Many public health leaders admit that ultimately the comprehensive health services program may be the best way to fund immunization programs. But with a rubella outbreak coming, they aren't yet ready to give up the tested vaccination assistance machinery that Congress and HEW have discarded.

[From the New York Times, Mar. 11, 1969]

SCIENTISTS ESTABLISH A LINK BETWEEN FATAL BRAIN DISEASE AND THE MEASLES VIRUS

(By Harold M. Schmeck Jr.)

WASHINGTON, March 10.—Scientists have reported finding nearly conclusive proof that measles virus sometimes causes a deadly, mysterious disease that attacks the brain and central nervous system.

The disease is rare, but always fatal. It is believed to kill about 100 American youngsters a year.

Virus experts have long suspected that some widespread diseases of the nervous system such as multiple sclerosis may be caused by viruses acting in a fashion entirely unlike an ordinary virus infection.

The new research accomplishment, therefore, is thought to offer an important avenue for studying not only the obscure brain disease itself but also some of the other more common ailments that are suspected of developing in a similar fashion under the influence of different viruses.

One of the authors of the new report said, for example, that viruses would be sought in brain tissue of multiple sclerosis patients through research using the same method that proved successful with the other, rare, disease.

The obscure disease that scientists now believe is linked to measles has several names. The two that seem to be the most common are subacute sclerosis panencephalitis and Dawson's inclusion encephalitis.

Dr. James R. Dawson Jr. of the University of Minnesota did pioneer studies of the disease about 25 years ago and suggested at that time that a virus might be involved.

He could not then name the virus or explain its mode of action.

Now scientists at the National Institutes of Health and the University of Indiana have reported the actual recovery and growth of measles viruses from brain tissue taken from victims of the rare disease.

The report is carried in the latest issue of Nature, a British scientific publication. The authors are Dr. John L. Sever, Dr. Luiz Horta-Barbosa and Dr. David A. Fuccillo of the National Institute of Neurological Diseases and Stroke, a unit of the National Institutes of Health and Dr. Wolfgang Zeman of the University of Indiana Medical Center, Indianapolis.

Previously it was not possible to grow virus directly from brain tissue of the rare encephalitis victims, although this had been attempted.

The American scientific team was able to coax the measles virus into showing itself unmistakably by mixing cells from the brain specimens with human cancer cells of a type called hela cells.

Scientists have been growing hela cells in laboratory tissue cultures for years. They are known to be receptive to measles virus. The technique of using a mixture of two types of cells in tissue culture to bring forth complete viruses has been widely employed in recent years.

The purpose is to find and release viruses that may be infecting one cell type but that remain incomplete and therefore undetectable.

Specimens from three patients' brains were tested and measles virus was found in each case. Similar tests with brain tissue from patients suffering from other diseases revealed no measles virus.

Since late in 1965 scientists in the United States and elsewhere have been finding more and more circumstantial evidence linking measles virus with the rare brain disease. Commonly the patients had measles several years before the brain disease became evident, but their level of antibodies against measles virus remained abnormally high.

Structures called inclusion bodies were a factor in the disease, although this did not indicate the identity of the virus. Electron microscope pictures also showed particles that looked like measles virus and there was other evidence as well, but it all fell short of being conclusive.

The bill (S. 1622) to be known as the "Vaccination Assistance Act of 1969," introduced by Mr. KENNEDY (for himself and Mr. STEVENS), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD.

EXHIBIT 2

S. 1622

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Vaccination Assistance Act of 1969."

SEC. 2. Effective July 1, 1969, subsection (a) of section 317 of the Public Health Service Act is amended to read as follows:

"(a) There are hereby authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1970, and for each of the next four fiscal years, to enable the Secretary to make grants to the States and, with the approval of the State health authority, to political subdivisions of instrumentalities of the States under this section. Amounts appropriated pursuant to this section for any fiscal year ending prior to July 1, 1975, shall be available for making such grants during the fiscal year for which appropriated and the succeeding fiscal year. Such grants may be used to pay that portion of the cost of immunization programs against poliomyelitis, diphtheria, whooping cough, tetanus, measles, and rubella which is reasonably attributable to (1) purchase of vaccines needed to protect such groups of children as may be described in regulations of the Secretary upon his finding that they are not normally served by school vaccination programs, and (2) salaries and related expenses of additional State and local health personnel needed for planning, organizational, and promotional activities in connection with such programs, including studies to determine the immunization needs of communities and the means of best meeting such needs, and personnel and related expenses needed to maintain additional epidemiologic and laboratory surveillance occasioned by such programs. Such grants may also be used to pay similar costs in connection with immunization programs against any other disease which the Secretary finds represents a major public health problem in terms of high mortality, morbidity, disability, or epidemic potential and to be susceptible of practical elimination as a public health problem through immunization with vaccines or other preventive agents which may become available in the future."

S. 1626—INTRODUCTION OF A BILL TO REGULATE THE PRACTICE OF PSYCHOLOGY IN THE DISTRICT OF COLUMBIA

Mr. BIBLE. Mr. President, on February 18, I introduced S. 1068, a bill to regulate the practice of psychology in the District of Columbia. That measure is identical to S. 1864, passed by the Senate last year.

I have subsequently been informed that several changes are desired in the language of the bill to correct some questions regarding professional activities common to both psychologists and psychiatrists. I am introducing a new bill drawn up to reflect these modifications and ask that it be appropriately referred for study.

The bill proposes to safeguard District residents against unqualified persons claiming to practice psychology. It would require an individual to have a Ph. D. degree plus 2 years' experience before being licensed to practice. A grandfather clause would cover those already ethically engaged in practice and reciprocal endorsement is provided for psychologists moving into the District from jurisdictions with standards equivalent to those in the bill.

Members of other disciplines doing work of a psychological nature would not have to be licensed, provided they do not call themselves psychologists. Neither will licensing be required of psychologists employed in institutional settings within the District.

A board of psychologist examiners would administer the act in the name of the Commissioner of the District of Columbia. The costs of administration will be covered by the fees allowed for in the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1626) to regulate the practice of psychology in the District of Columbia, introduced by Mr. BIBLE, was received, read twice by its title, and referred to the Committee on the District of Columbia.

ADDITIONAL COSPONSOR OF BILLS AND JOINT RESOLUTION

Mr. BENNETT. Mr. President, I ask unanimous consent that, at its next printing, the name of the distinguished Senator from Pennsylvania (Mr. SCHWEIKER) be added as a cosponsor of the bill (S. 845), the ammunition amendment to the Gun Control Act of 1968.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, on behalf of the Senator from Illinois (Mr. PERCY), I ask unanimous consent that, at its next printing, the name of the Senator from Alaska (Mr. STEVENS) be added as a cosponsor of the bill (S. 1251) a bill to remove discriminatory provisions of the Social Security Act applying to blind and permanently and totally disabled persons.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, on behalf of the Senator from Illinois (Mr. PERCY), I also ask unanimous consent that, at its next printing, the name of the Senator from New Mexico (Mr. MONTOYA) be added as a cosponsor of the bill (S. 1179), the Airline Special Services Act of 1969.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. SCOTT. Mr. President, on behalf of the Senator from New York (Mr. GOODELL), I further ask unanimous consent that, at its next printing, the names of the senior Senator from Pennsylvania (Mr. SCOTT), the junior Senator from Pennsylvania (Mr. SCHWEIKER), and the Senator from Texas (Mr. YARBOROUGH) be added as cosponsors of the bill (S. 50), the Federal Revenue Sharing Act.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BYRD of West Virginia. At the request of the Senator from Washington (Mr. MAGNUSON), I ask unanimous consent that, at its next printing, the names of the Senator from Idaho (Mr. CHURCH) and the Senator from New Jersey (Mr. WILLIAMS) be added as cosponsors of the bill (S. 1297) to amend the Civil Service Retirement Act so as to permit retirement of employees with 30 years of service on full annuities without regard to age.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BYRD of West Virginia. At the request of the Senator from Washington (Mr. MAGNUSON), I also ask unanimous consent that, at its next printing, the names of the Senator from Colorado (Mr. DOMINICK), the Senator from Kansas (Mr. PEARSON), and the Senator from South Carolina (Mr. THURMOND), be added as cosponsors of the bill (S. 1198), to permit a compact or agreement between the several States relating to taxation of multistate taxpayers.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BOGGS. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Texas (Mr. TOWER) be added as a cosponsor of the bill (S. 60) the Program Information Act.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from New Mexico (Mr. MONTOYA), I ask unanimous consent that, at its next printing, the name of the Senator from Idaho (Mr. CHURCH) be added as a cosponsor of the bill (S. 740) to establish an Inter-Agency Committee on Mexican-American Affairs.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, at the request of the junior Senator from Arizona (Mr. GOLDWATER), I ask unanimous consent that, at its next printing, the name of the senior Senator from Colorado (Mr. ALLOTT) be added as a cosponsor of the joint resolution (S.J. Res. 81) in honor of Amelia Earhart and Joan Merriam Smith.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDITIONAL COSPONSOR OF CONCURRENT RESOLUTION

Mr. BYRD of West Virginia. Mr. President, at the request of the Senator from Connecticut (Mr. DODD), I ask unanimous consent that, at its next printing, the name of the Senator from New Jersey (Mr. WILLIAMS) be added as a cosponsor of the concurrent resolution (S. Con. Res. 7) calling for measures to strengthen the Tokyo Convention on Hijacking.

The VICE PRESIDENT. Without objection, it is so ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE CONCURRENT RESOLUTION 12—CONCURRENT RESOLUTION RELATING TO PARTICIPATION IN THE NINTH INTERNATIONAL CONGRESS ON HIGH-SPEED PHOTOGRAPHY

Mr. MAGNUSON submitted the following concurrent resolution (S. Con. Res. 12); which was referred to the Committee on Commerce:

S. CON. RES. 12

Whereas high-speed photographic techniques can magnify the time scale of scientific phenomena revealing parameters for research, engineering, and testing that are extremly important to every nation; and

Whereas the First and Fifth International Congresses on High Speed Photography were held in the United States of America, as organized and conducted by the Society of Motion Picture and Television Engineers; and

Whereas the Fifth International Congress on High Speed Photography in 1960 was supported by the Federal Government, as expressed in the S. Con. Res. 75 in 1959; and

Whereas other meetings were held in Paris, London, Cologne, The Hague, Zurich, and Stockholm, and in each instance these meetings have received the recognition and the support of the governments of the respective host countries; and

Whereas with each meeting the International Congress on High Speed Photography has grown in prestige and stature, and attracts more countries in a continuing growth pattern; and

Whereas the importance of high-speed photography is reflected in nearly all of the physical sciences, including medical, biological, space, and many other fields; and

Whereas the Society of Motion Picture and Television Engineers is once again sponsoring the International Congress on High Speed Photography in Denver, Colorado, in August 1970 and is desirous of representing the United States of America as the host country in the best possible light; and

Whereas the Congress is fully appreciative of the importance of assuring this international scientific meeting is conducted in a manner which will bring credit and enhanced prestige to the United States of America; and

Whereas it is the belief of the Congress that—

(1) the democratic environment of the free world is the best environment for the achievement in science; and

(2) scientists and engineers have special advantages and opportunities to assist in achieving international understanding since the laws and concepts of science cross all national and ideological boundaries; and

(3) high-speed photography is a universal tool in science, important to nearly all sciences internationally, and the International Congress on High Speed Photography is an excellent means of disseminating the advances in technology; and

Whereas the Congress is interested in (1) promoting international understanding and good will; (2) enhancing the excellence of American science, both basic and applied; and (3) furthering international cooperation in science and technology by creating the necessary climate for effective interchange of ideas: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that all interested agencies of the Federal Government should participate actively to the greatest practicable extent in the Ninth International Congress on High Speed Photography to be held in Denver, Colorado, in August 1970, under the sponsorship of the Society of Motion Picture and Television Engineers.

SENATE CONCURRENT RESOLUTION 13—CONCURRENT RESOLUTION TO PROVIDE FOR THE DESIGNATION OF NATIONAL HALIBUT WEEK

Mr. MAGNUSON. Mr. President, I submit, for appropriate reference, a concurrent resolution authorizing and requesting the President of the United States to proclaim the week beginning May 18, 1969, and ending May 24, 1969, as "National Halibut Week." In addition, the resolution calls upon the people of the United States to observe such week with appropriate ceremonies and activities.

I have regularly presented this proposal upon request of the Halibut Fishermen's Wives' Association, based at Seattle, Wash., so that all interested may pay honor to this natural marine wealth from the sea and also pay proper and due respect to those who harvest and process this excellent protein from the north Pacific Ocean.

Strong leadership for this celebration has been given by the wives' association as well as the other organizations concerned, including crewmen, vessel owners, and the Halibut Association of North America.

Few segments of our fisheries have been beset with more difficulties—from conflict with foreign fleets on the fishing grounds to unfair competition in the marketplace—but these fishermen and those who market their products have continued to produce good qualities of

high-protein, low-fat resources from the sea. In addition, the good efforts of the International Pacific Halibut Commission in returning this resource to its maximum sustainable yield is a world-recognized accomplishment in the realm of ocean conservation.

I take pleasure in introducing this resolution and in saluting all of those who participate in the harvest and celebration.

The VICE PRESIDENT. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 13), which reads as follows, was referred to the Committee on the Judiciary:

S. CON. RES. 13

Resolved by the Senate (the House of Representatives concurring), That the President is authorized and requested to issue a proclamation designating the seven-day period beginning May 18, 1969, and ending May 24, 1969, as "National Halibut Week" and calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, March 20, 1969, he presented to the President of the United States the enrolled bill (S. 1058) to extend the period within which the President may transmit to the Congress plans for reorganization of agencies of the executive branch of the Government.

NOTICE OF HEARING

Mr. KENNEDY. Mr. President, I announce that on Thursday and Friday, March 27 and 28, the Subcommittee on Administrative Practice and Procedure of the Senate Judiciary Committee will hold hearings in room 2228, New Senate Office Building, on the subject of administrative practices and procedures utilized in the exercise of rulemaking and other functions implementing Executive Order No. 11246, relating to equal opportunity in Federal employment, and related laws, regulations, and constitutional provisions.

Witnesses who wish to testify may notify the clerk of the subcommittee in room 3214, New Senate Office Building, extension 5617.

NOTICE OF HEARINGS ON THE IMPACT OF HIGH INTEREST RATES ON THE ECONOMY

Mr. SPARKMAN. Mr. President, I wish to announce that the Committee on Banking and Currency will hold hearings on Tuesday and Wednesday, March 25 and 26, and Tuesday, April 1, 1969, on the impact of high interest rates on the economy.

The hearings will commence at 10 a.m. in room 5302, New Senate Office Building. Persons desiring to testify or to submit written statements in connection with these bills should notify Miss Henrietta S. Chase, room 5300, New Senate Office Building, Washington, D.C. 20510; telephone 225-7391.

ANNOUNCEMENT OF HEARINGS ON HEALTH CARE

Mr. YARBOROUGH. Mr. President, for the information of my colleagues and the press, I wish to announce at this time that on April 15 the Subcommittee on Health of the Committee on Labor and Public Welfare, of which I am chairman, will begin extensive and in-depth hearings on the quality and quantity of health care which is now available or which should be available to the citizens of this country.

In my opinion it is time that this subcommittee inquire into a wide range of health problems, including questions of the adequacy of our delivery systems of health care, health costs, our medical manpower needs, and the need for medical treatment facilities at all levels of care. The subcommittee will also examine the Federal health programs which are now in existence, including medical research programs, in order to determine whether additional legislation is needed and what, if anything, can be done to enhance Federal activities to improve the quality and availability of health care.

The task which I have outlined for the Health Subcommittee is indeed gigantic but I believe that it is time for us to do all in our power to alert the country to the need for a national dedication toward the goal of better health care for all.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. The nomination on the Executive Calendar will be stated.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

The bill clerk read the nomination of Thomas O. Paine, of California, to be Administrator of the National Aeronautics and Space Administration.

Mr. BYRD of Virginia. Mr. President, I rise to support the nomination of Thomas O. Paine, of California, to be Administrator of the National Aeronautics and Space Administration.

In commenting on the nomination of Mr. Paine, I wish to mention again, as I have in the past, the work of James Webb, who for many years held the position of Administrator of the National Aeronautics and Space Administration. Mr. Webb, I believe, is one of the ablest and most dedicated officials of our Government. He has now retired to private life. He is a man who has served his Nation well.

As I support today the nomination of his successor, Dr. Paine, I wish to mention again the services rendered to our Nation by Mr. Webb.

The VICE PRESIDENT. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The VICE PRESIDENT. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

THE BUILT-IN BLACKOUT

Mr. METCALF. Mr. President, history will be made next Sunday. For the first time, a television network will carry a documentary about the electric power business.

This program, produced by Public Broadcasting Laboratory of National Educational Television, is scheduled to be shown at 8 p.m. over 160 educational television stations, including channel 26 locally.

I am seldom surprised, anymore, by the extraordinary actions which officials of investor-owned utilities will take in order to keep from public view those details of their business which they regard as private, despite their public service nature. Yet I must admit surprise at reading, in yesterday's New York Times, George Gent's account of the efforts of the industry to keep the PBL program off the air.

I have not seen the program. Apparently, the power company officials have not seen it, either. Yet, around the country, the companies are calling stations and writing letters about it. As Mr. Gent's story states, one TV station—WGTE in Toledo—may have lost a $20,000 grant from Toledo Edison as a result of its decision to carry the program.

Mr. President, I think Public Broadcasting Laboratory should be commended for leadership, rather than criticized by an industry which for too long has exercised a monopoly on projection of its images as well as sale of its product.

PBL has been doing an outstanding job in trying to present a composite picture of the problems of America. This is as it should be.

Inevitably, someone will take issue with anyone—be he economist, sociologist, or historian—who is seeking solutions to the complex problems we face. This, too, is as it should be. Far from open debate and discussion, we derive the facts upon which prudent action is based.

One area of legitimate public concern is that of the electric power industry. Some ask if our electric utilities have grown too large; some wonder if these

utilities are in fact regulated in the public interest. The Federal Power Commission seeks to administer the wholesale power and reporting phases of the electric power industry. In most States, State regulatory commissions are laboring with inadequate and underfinanced staffs to handle a crushing workload ranging from regulation of grain warehouses to intrastate transmission of power. Grave questions have been raised as to the effectiveness of such regulation, and whether or not we should have regulation at all.

PBL has gone into this area with the program entitled "The Built-In Blackout." The electric industry is trying to prevent this program from being shown.

This is an outrageous breach of the doctrine of open decisions based upon open discussion. It is an outrageous attempt by the industry to conceal anything about the power business except the material which the industry chooses to use in house organs, advertising or furnish to schools.

Mr. President, the activities of the power companies in relationship to the TV stations which plan to use this documentary may be of special interest to members of the Committee on Commerce and to others interested in the free flow of public information. Therefore, I ask unanimous consent to have printed in the RECORD Mr. Gent's article of March 19, "Show on Utilities Prompts Concern," and Robert C. Maynard's article, "Film on Power Failures Stirs Row Between NET, Utilities," published in this morning's Washington Post.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 19, 1969]

SHOW ON UTILITIES PROMPTS CONCERN—COMPANIES INQUIRE ABOUT PROGRAM SET FOR SUNDAY

(By George Gent)

A study of public utilities, scheduled for Sunday night on the Public Broadcast Laboratory of National Educational Television, has prompted expression of concern from the nation's power companies and some of the educational network's affiliates.

Entitled "The Built-In Blackout," the program will study future forms of public power, including atomic power, and the location for such installations, the question of state regulation of utilities and the probability of large-scale blackouts, such as the one in November, 1965. The segment will take 50 or 55 minutes of the 90-minute telecast on N.E.T., including Channel 13 here, at 8 P.M.

An informed source, who asked not to be identified, said that Public Broadcast Laboratory and National Educational Television had received more than 30 phone calls and a dozen letters from power companies and N.E.T. affiliates, inquiring about the telecast and that "the calls are becoming more frequent."

Frederick M. Bohen, executive editor of P.B.L., said he was aware of the 12 letters, some of which requested an advance screening of the program. However, he declined to describe them as exerting pressure.

WITHDRAWAL OF A GRANT

But at least one station—WGTE in Toledo, Ohio—may have lost a $20,000 grant as a result of its decision to carry the program.

Mrs. Helen Davis, general manager of WGTE, confirmed the report yesterday. "We thought our request for a grant from the Toledo Edison Company had been practically approved but I was contacted yesterday by an official of the company and told that support had been withdrawn."

"The Edison official told me the company was very upset about the P.B.L. broadcast and that support was being withdrawn "because of it," Mrs. Davis said. "They asked me what we were doing lobbying against the utilities. However, they never asked me to cancel in so many words, something I wouldn't have done anyway."

The manager of public information for Toledo Edison, Donald Terrell, said the company "has objected" to the contents of the program as gleaned from publicity releases, but that "consideration of the grant to WGTE will be made separately."

Mr. Bohen said the letters to P.B.L. expressed fears that the program would support legislation against utilities. "It does not," he said. The program merely examines the public utilities field, Mr. Bohen added.

[From the Washington Post, Mar. 20, 1969]

FILM ON POWER FAILURES STIRS ROW BETWEEN NET, UTILITIES

(By Robert C. Maynard)

John F. White, president of National Educational Television, charged yesterday that private electrical power companies were told to launch a nation-wide campaign against the coming Sunday night edition of Public Broadcast Laboratory.

The 50-minute program, "The Built-In Blackout," charges that another great blackout—similar to the power failure of Nov. 9, 1965, in the Northeast—is possible.

White charged that many of the 160 NET stations that carry PBL were pressured not to carry the show by representatives of the power companies in their communities.

TELEPHONE INTERVIEWS

Edwin Vennard, managing director of Edison Electronic Institute, denied that his association had attempted to pressure NET, PBL or any local station.

"If it's a balanced show," we have no objection," Vennard said yesterday, adding that his organization wanted to know beforehand what PBL would say about the utilities.

But the story that NET and PBL officials tell is different. White and several of his aides in telephone reviews told of reports from local educational television stations that their managements were contacted by representatives of power companies expressing concern over the content of the program.

SCREENING SOUGHT

Although no one outside of PBL has been permitted to preview the program, the power companies are fearful that it supports a bill introduced recently by Sen. Edward M. Kennedy (D–Mass.) that calls for a system aimed at preventing recurrences of the Northeast blackout.

But the producer of the program, John Wichlein of PBL's Washington office, said the bill—National Electrical Reliability Act of 1969—"won't do the job, and the program says so."

PRESENT—ONE SIDE

Vennard, the Electric Institute official, stated the association's position in a letter to PBL demanding a screening of the program. Copies of his letter were sent to Rosel H. Hyde, chairman of the Federal Communications Commission and Frank Pace, chairman of the Corporation for Public Broadcasting.

"It is our belief," Vennard's letter said, "based on attached news releases, that the program has been produced or edited in such form as to present only one side of what is a controversial public issue."

Vennard, in addition to asking for a copy of the program, requested "a list of the NET stations which are receiving prints of the program film for broadcast purposes . . . so that we may facilitate direct communication with these stations by those members of electric utility companies who may wish to request the opportunity to present an opposite or more balanced view."

Frank Bohen, a White House aide during the Johnson Administration and now a PBL executive producer, said PBL produced neither film nor list to the Electric Institute.

Although the NET outlet in Toledo, Ohio, WTGE, was threatened with possible loss of a grant from a local utility, White said no station has opted to drop out of PBL Sunday night.

Mr. METCALF. Mr. President, Mr. Edwin Vennard, managing director of Edison Electric Institute, which is a publicity organ for the utilities, said, "If it's a balanced show, we have no objection." But a balanced show, so far as the Edison Electric Institute is concerned, is a biased, prejudiced, and nonobjective show; and to demonstrate that it is not a balanced show, he has asked for a copy of the program and for a list of the TV stations which are going to carry the program.

This program reportedly discusses a problem regarding which legislation has been proposed by the Senator from Massachusetts, on blackouts in the Northeast. I have not seen the program. I have been consulted by persons working for Public Broadcasting Laboratory and discussed it with them. I know that the electric utilities have had free and open discussion. But this outrageous attempt, without seeing it, to prevent a program from being broadcast and to censor such a program is indicative of the fear that the electric utilities have of free, frank, and open discussion.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. METCALF. I yield.

Mr. KENNEDY. Mr. President, I commend the Senator from Montana for bringing this matter to the attention of the Senate today.

The article which the Senator has asked to have printed in the RECORD refers to legislation I have introduced—and which I discussed in a speech last Tuesday, in Atlantic City, before the annual convention of the National Rural Electric Cooperative Association. In that speech, I received some observations I have made in studying the problems we face in the Northeast and throughout the country in terms of providing reliability, low cost, and assurance to the consuming public that they will be given the kind of consumer protection they should receive.

There are points I mentioned in the course of my speech. These are vital questions which should be discussed and debated. They are questions which quite appropriately are of interest to the Senate and to the public. Certainly, public presentation of these matters would in no way prejudice the rights or the positions of the utilities. To attempt to block the discussion of these issues and questions does not add to the illumination of the American people in trying to guide us in making correct and appropriate decisions.

Mr. President, when we realize the millions of people in New England who suffer from blackouts because of unreliability in terms of the power they re-

ceive, when we think also of those people in the New York, Pennsylvania, and New Jersey markets who have suffered in the last 2 or 3 years in blackouts, when we think of the inconvenience and danger to citizens across the Nation; and when we think of the senior citizens in nursing homes who suffer when electricity is turned off, people who are unable to get out and who are terrified at night—it is not unreasonable for us to give the Federal Power Commission authority to assure the public a certain amount of reliability that is not going to increase significantly the cost of power.

Mr. President, in another area, I know the Senator shares my concern about the ecological implications of the development of new atomic energy and other large power sites and what this will do to the rivers of our country. We should be able to establish some guidelines so we will not add to the pollution of our streams with thermal heating and other causes of pollution.

Mr. President, these are questions in the public domain. They should be discussed and considered. As I understand the matter, that is what the television program referred to is attempting to do.

I think the Senator has performed an extremlly important service in bringing this matter to the attention of the Senate. I think it was an extremely unfortunate act on the part of some of the utilities to try to block the kind of discussion and debate I understand the television program is trying to present.

I believe the Senator is to be commended for bringing this matter to the attention of the Senate. I think his comments are well taken.

Mr. METCALF. Mr. President, I would hope our committees with jurisdiction over freedom of information and over the television industry at large will have these controversial issues presented without interference from utilities on the one side, or my point of view on the other side, but with full discussion that will stimulate other discussions and conferences and lead to the solution of these problems in the American way, and which results from public disclosures.

THE INTERPARLIAMENTARY UNION MEETING, VIENNA, AUSTRIA—APPOINTMENTS BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair, in accordance with title 22, United States Code 276, appoints the following Senators to attend the Interparliamentary Union meeting, Vienna, Austria, from April 7 to 13, 1969: Senators SPARKMAN, chairman, YARBOROUGH, YOUNG of Ohio, HART, JORDAN of North Carolina, WILLIAMS of New Jersey, HOLLINGS, ALLOTT, THURMOND, MATHIAS, and SCOTT.

NINTH MEXICO-UNITED STATES INTERPARLIAMENTARY CONFERENCE—APPOINTMENTS BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair, pursuant to Public Law 86–420, appoints the following Senators to attend the Ninth Mexico-United States Interparliamentary Conference, in three cities in Mexico, from April 2 through April 8, 1969: Senators MANSFIELD, chairman, HARTKE, DODD, MONTOYA, NELSON, BAYH, GRAVEL, ALLEN, AIKEN, FANNIN, MILLER, MURPHY, and SAXBE.

TRIBUTE TO SENATOR RUSSELL

Mr. SPARKMAN. Mr. President, the March issue of City East, a magazine published in New York, contained a very interesting article entitled "Senatorial Spotlight: The Senator from Georgia." The article, which is very readable, is about the President pro tempore of the Senate, the Senator from Georgia, Mr. RUSSELL.

Mr. President, I ask unanimous consent that the article may be printed in the RECORD.

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

SENATORIAL SPOTLIGHT: SENATOR FROM GEORGIA

(By George Douth)

Richard B. Russell is considered the foremost authority in Congress on military matters and is a forceful champion of a strong military defense for the nation and the free world.

Senator Russell relinquished his chairmanship on the Senate Armed Services Committee on January 3, 1969, to become Chairman of the vitally important Senate Appropriations Committee which was left vacant upon the retirement of the Senator from Arizona, Carl Hayden.

On the Appropriations Committee, Russell also serves as Chairman of the Defense Appropriations Subcommittee which is responsible for providing money for all of the nation's military activities—about one-half of our total annual budget.

EXPERTISE IN MILITARY AFFAIRS

Russell, who headed the Armed Services Committee at the time the new draft law was whipped into shape, recommended action by Presidential order to shift priority for service to the younger age group. He also proposed continuing deferments for students through the college undergraduate level.

The Senator stated, "There has been a great deal of discussion about the practicality of ending the draft. I recognize that the draft is imperfect in its operation, but until now, no one has suggested a practical alternative. Although the number of young men actually inducted through the draft is relatively low, the existence of the draft causes thousands of enlistments in all the armed forces. If the draft can be ended without endangering the strength of our armed forces, no one would be more pleased than I, but I must state frankly that I am skeptical whether it is safe to end the draft in the foreseeable future."

Richard B. Russell did not command full national attention until 1951 when, at the height of the Korean War, President Truman fired General Douglas MacArthur as Far East Commander. The General's admirers were so resentful they began to murmur of impeachment. Russell, newly chosen chairman of the Armed Services Committee, suggested a Joint Congressional Investigation to help restore national unity by allowing both sides to be heard.

The handling of the investigation was a classic of legislative skill, judicial impartiality. Though held behind closed doors, the proceedings were censored on the spot and transcripts released within minutes. This examination wound up justifying both parties to a considerable degree and defused what might otherwise have exploded into a full-scale national crisis.

Time and again, Russell has declared his opposition to any program of disarmament, prohibiting testing of nuclear devices, or their use as weapons, whether partial or complete, that did not provide for onsite inspections, adequate in number and scope. To him it seems to be the height of folly to adopt any other policy.

It was a matter of profound regret to him that he had reached the conclusion that he could not in good conscience vote his consent to the ratification of the Nuclear Test Ban Treaty of 1963.

Russell commented, "I supported the original proposal because I believed that it included adequate safeguards. But it was rejected by the Soviet Government."

"I have followed as best I could the long series of negotiations with the Soviet Union looking to a Nuclear Agreement. There have been times when hopes have been high. But in every case, the Russians have, in the last analysis, refused any agreement of any kind that contained a practical, foolproof method of detection of treaty violations."

Senator Russell has warned that the nation must not become complacent as to the continued communist danger to our national security.

Russell gave President Johnson invaluable support on Vietnam. In 1954, when the expulsion of France from Southeast Asia presented President Eisenhower with the question of whether to send U.S. Military Advisers to South Vietnam, Russell was firmly opposed. And he spoke his mind with characteristic candor: "If you send 200 advisers now, you'll send 10,000 before it's over."

Since then, the size of the U.S. forces in South Vietnam has confirmed this prophecy. Senator Russell has taken the stand that, once committed, the United States should make its commitment good.

The Senator has underlined that we learned long ago that military might and strength speak with a language that all people understand.

He contends that our military strength is firmly based on the maintenance of a variety of forces and upon what the military calls a "mix" of weapons that will permit us to respond to any given situation.

"I cannot, as of today," Russell declared, "report that we still hold a clear margin of superiority over the Soviet in the field of strategic missiles, because I do not know that to be the case, and I think there is a very grave doubt about it."

The Senator emphasized that our own defense planning has been based on the assumption that the Chinese Reds eventually would become a nuclear power. But the time is now at hand when we must make certain that our defense programs are adequate, and our arsenal of weapons sufficient, to meet any new threat that may be posed by China's entry into the "nuclear club."

Russell stated, "I want to satisfy myself that those charged with our national security are taking every action that may be needed as a result of this new development. I believe that the American people are entitled to this assurance."

FAMILY OF DISTINCTION

Richard Brevard Russell was born at the Russell family home near Winder, about 45 miles east of Atlanta, on November 2, 1897, the fourth of 15 children. He springs from an old and distinguished Georgia family that long has been identified with the public life of the State.

His father, the late Richard Brevard Russell, Sr., was Chief Justice of the Georgia Supreme Court when he died in 1938.

Russell's mother, who was Miss Ina Dillard, was named Georgia's "Mother of the Year" in 1949. She died in 1953.

Russell was raised with Bible-reading Calvinist discipline. He received his early edu-

cation at public schools of Winder, the Agricultural and Mechanical School of Powder Springs, and Georgia Institute in Barnesville, Georgia. He enrolled at the University of Georgia at Athens and received his Bachelor of Laws degree from there in 1918. He is a member of the American and Georgia State Bar Associations.

Russell began his political career at the age of 22 when he was elected to the Georgia House of Representatives in 1920. He served ten years as a member of that body; the last four years, from 1927 to 1931, were spent as House Speaker.

In 1930, Russell was elected Governor of Georgia and took office while only 33 years old—the youngest Chief Executive ever chosen by his State.

He served as Governor during the depths of the great depression of the 1930's which brought a financial crisis to Government at all levels as well as to private firms and individuals. Russell brought Georgia's State Government through the crisis by adopting a rigid austerity program. One of his first economy moves was to reduce his own salary by $3,950.00.

Under his leadership as Governor a model higher education program was established through the consolidation of the independently-administered state-supported colleges into a unified University System under a single board of regents. Russell's reorganization plan laid the foundation on which the present university system of Georgia is built.

During the final year of Russell's term as Governor, United States Senator Robert Harris died in office and Russell was elected to succeed him. He replaced Senator Robert LaFollette as the youngest member of Senate.

Richard Brevard Russell entered the Senate on January 12, 1933, and his continuous service since then has made him ranking member of that legislative body in point of seniority—only two other Senators in history have served longer than Russell. On January 3, 1969, he was elected President Pro Tempore of the Senate.

Senator Russell, a lifelong bachelor, is frequently described as "a Senator's Senator." He twice has been voted the most effective member of the Senate in polls conducted by national publications.

Since there is unanimous agreement that Russell is the quintessential Senator, perhaps the simplest way to describe a full-fledged member of the Club is to describe him, although few others of the Inner Group have all of his characteristics. Russell has immense seniority, he is the chairman of a potent committee, he is a Southerner. Personally he is courtly and unostentatious; his word is good; he lives and lets live; his dignity is both seen and felt.

The critical requirement that he fulfills so grandly—the sine qua non for real membership—is a lifetime of never putting anything ahead of the Senate.

However, there was a time when he aspired to be the number one man of the nation.

Russell was put forward for the Democratic Presidential nomination at the 1948 Democratic National Convention. He received 263 votes for the nomination. Four years later, he received 294 votes on the second ballot, many of them cast by delegates from 27 states outside his native South. He had solid support in the South and some support in the West. But civil rights had become a major issue in national politics. Russell failed and the Democratic Presidential nomination went to Adlai Stevenson.

President Truman later wrote that Dick Russell would have succeeded if he had been from a western state.

The Georgian was one of the persons President Johnson called on the tragic night he flew into Washington to take over the reins of government after the assassination of President Kennedy in Dallas.

"He called me at my apartment and talked for 10 minutes, telling me what had happened," the Senator stated.

He and Johnson have been close friends for 30 years.

Soon after Johnson moved from the House of Representatives to the Senate in January 1949, he and Russell were working together closely.

Russell backed Johnson for Democratic Leader of the Senate in 1953.

The Senator and President Johnson were on opposite sides of the 1964 civil rights legislation.

A STATES RIGHTER

Russell served as leader and Chief Strategist of the Southern Bloc of Senators who opposed the so-called civil rights bills of 1957, 1960, 1964, 1965 and 1968. Russell's opposition to these proposals was based primarily on his conviction that they were contrary to the Constitution, politically-inspired, and punitive in nature against the people of the South.

On March 16, 1964, the Senator from Georgia introduced a bill that would get away from all the political implications of the so-called Civil Rights issues, "by affording the underprivileged of both races an opportunity to better their lot in life."

In the very best faith, and in an effort to take at least a step forward toward a permanent solution of racial differences, he proposed a workable and realistic means of easing the problem by bringing about a more equitable distribution of the white and black populations throughout the United States by a purely voluntary and thoroughly democratic relocation program.

Russell contends that it would go further to implement the President's campaign to abolish poverty than all the temporary plans and proposals that are now in process.

Senator Russell said, "The Federal Government should provide Federal financial and technical assistance to effectuate a more equal distribution of the races throughout the country.

"By perusing the purpose and objective of the proposal, the distribution and equalization of the population of our two main solid groups would not be confined merely to adjustments between States, but the states of their own accord—and as a States Righter, I would not have it otherwise—would create commissions that would attempt to cure the imbalance of the population within the States."

As a Senator from an agricultural State, he is interested in farm problems. Senator Russell is given credit for the Farmer's Home Administration Law and the salvation of thousands of small farmers during the great depression of the late 1930's.

He is the author of the school lunch program and considers this to be one of the proudest achievements of his Senate career.

Senator Russell has pioneered a number of agriculture conservation and forestry programs and was floor manager in the Senate for the 1936 Act that created the rural electrification administration. He is a vigorous proponent of full development of water and river resources.

FREEDOM OF DEBATE

Russell has stressed that there is continued need for thorough discussions, dialogue, and debate in the United States Senate.

The Senator said, "For the greater part of our history, the right of full and free debate in the U.S. Senate has stood as a vital safeguard over the right of the minority to protest against legislation it believes to be injurious or oppressive.

"The issues that have generated prolonged debates or filibusters (the term used often depends on which side of the question one is on) cover a vast range of economic, political, and constitutional conflicts. The filibuster is not the exclusive weapon of any philosophy, party, or section. Distinguished Senators of both parties, representing every shade of political thought and every area of the country, have taken part on occasion in extended debates in support of a minority position.

"The present rule of the Senate that allows a high degree of freedom of debate is the natural outgrowth of the peculiar position that the Senate occupies under our constitutional system. Indeed, the right of an individual Senator to insist on full discussion of any question or issue is the essential element which distinguishes the Senate as the greatest deliberative body yet devised."

Russell contends that under gag rule, Senators would serve little other purpose than to act, in effect, as additional members of their State's delegation to the House of Representatives. For once the Senate yields the right of its Members to express themselves fully, it undoubtedly would be only a matter of time before Senators would find themselves begging for the privilege of speaking for five minutes—as can and does happen under the rules of the House.

It also is probable that the loss of freedom of debate in the Senate would be followed by an attempt to abolish the Senate's time-honored right of amendment, the other principal characteristic that distinguishes the Senate, in Gladstone's description, as "the most remarkable of all the inventions of modern politics."

The right of free speech in the Senate is particularly important because the Senate is the only institution of the Federal System in which the smaller States exercise an equal influence over the conduct of the affairs of the Nation.

Senator Russell commented:

"Without freedom of debate in the Senate, the United States eventually will go the way of the unlimited democracies; we will reach the stage where a misguided majority can destroy the liberties and rights of individual citizens in the name of some currently popular cause.

"I cannot, therefore, escape the conclusion that those who advocate restricting the rights of the minority by curtailing freedom of speech in the Senate may be sowing the seeds of their own downfall on some future question of burning national interest."

DAVID K. E. BRUCE—AMERICAN PATRIOT

Mr. SYMINGTON. Mr. President, after serving longer in England than any previous American Ambassador to the Court of St. James, today Ambassador David K. E. Bruce is retiring to private life. His retirement brings to a close, for the time being, an exceptionally distinguished career in the service of his country.

Ambassador Bruce had a first, brief taste of diplomatic life when, in 1926, he went to Rome as vice consul. Resigning from the career Foreign Service in 1928, Mr. Bruce returned to the United States and spent most of the remaining interwar years in business and farming.

David Bruce has the unique record of having served in two State legislatures. He was a member of the Maryand House of Delegates from 1924–26; thereupon, on the eve of World War II, he was a member of the Virginia House of Delegates. In 1941 he went to London as chief representative in Great Britain for the American Red Cross. Later, when his country went to war, he directed from London the European operations of the Office of Strategic Services.

In the early postwar years, Ambassador Bruce filled a variety of posts within the Federal Government, including that of Administrator of Marshall plan aid to France. This was followed by his appointment as Ambassador to France in 1949.

Before coming to Britain as Ambassador, David Bruce also served as our Ambassador to the Federal Republic of Germany. He therefore has the distinction—shared by no other American in our history—of having been Ambassador to France, Germany, and Great Britain. While he has served in these posts as a noncareer Ambassador, it is the opinion of career diplomats as well as all of us who are familiar with his work that he has been one of the greatest professional diplomats this country has produced.

Those who know David Bruce can testify to his wisdom, experience, and ability. They are unlikely, however, to stop after mentioning only those qualities. His friends speak also of his courtesy and his kindness, his understanding and his modesty.

No recounting of the career of David Bruce would be complete without mention of his wife, Evangeline. A woman of notable beauty, poise, and intelligence, Evangeline Bruce has been an outstanding representative of her country in her own right. David Bruce would be the first to agree that his success has been due in no small part to the assistance of his wife.

I know my colleagues in the Senate join with me in expressing gratitude to David Bruce for his years of devoted service to his country. We hope we may continue to have the benefit of his counsel in the future and wish him and his wife every happiness in the years that lie ahead.

THE PRESIDENT'S ABM DECISION

Mr. SCOTT. Mr. President, last Friday the President of the United States in a nationally televised news conference announced to the people of this country his decision regarding the modified Sentinel ballistic missile defense system.

The President, in the press conference, indicated that he had carefully considered all the alternatives and had thoroughly reviewed the program, which had been initiated by the previous administration. On the basis of that review and those considerations, he reached the decision to substantially modify the program in such a way that its "defensive intent" is unmistakable.

I have in the past supported the funds for research and development for the ABM but have on two other occasions opposed the expenditure of funds for massive large-scale deployment. Since the safeguard deployment is free of the objections I had to the earlier Sentinel proposal, I can support it.

Mr. President, I believe that this proposal, as now submitted by the White House, is one which can provide and maintain, for some time to come, the security of our people and our Nation without arousing the alarm which the earlier suggestions generated.

I was also glad to see that the President's statement contains a statement that the program will be reviewed annually. I think this is most important as the presence of these options will permit the President to diminish or enlarge the means for our protection as diplomatic and military developments permit.

On March 15, The Philadelphia Inquirer published an editorial entitled "Safeguard Program for ABM," and I ask unanimous consent that the editorial be included at this point in my remarks.

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

SAFEGUARD PROGRAM FOR ABM

In any discussion for or against the proposed antiballistic missile system, national security has to be the paramount issue. It is on the basis of that security that President Nixon has made his decision to go ahead with a modified and flexible ABM program.

His decision, arrived at only after the most searching examination of all options open to him, from massive and ever-increasing deployment of antimissile sites to abandonment of the whole defensive program as worthless, was not an easy one, as he told the members of the press at his televised news conference on Friday.

But the decision was his to make, and he would not submit to the easy "out" of delaying action one way or the other, for further "research," leading to postponed deployments of a year of more—which could prove to be too late.

What President Nixon proposes is a "safeguard" system which is intended to guard against any Communist Chinese nuclear attack that can be foreseen over the next 10 years. The changed Sentinel program would primarily assure the security of the nation's missile and bomber forces and would provide protection against any irrational or accidental attack of less than massive magnitude from Soviet Russia.

The first two ABM sites are scheduled to be in North Dakota and Montana to protect Minutemen missile bases. The Nixon proposal will require a budget of about $800 million originally, compared with the $1.8 billion the Johnson Administration's would have initially cost. Ultimate expenditure is expected to reach about $6 billion to $7 billion, as more sites are added.

Opposition to any ABM system has already been widespread and vociferous, and the President looks for a close vote on his proposal in Congress. But he presented his case well at the news conference, and his conviction, earnestly expressed, that "this system is the best we can provide for our nation's security," is bound to have great weight, in Congress and out.

NEED REVIEW AND EVALUATION OF THE INTERNATIONAL GRAINS ARRANGEMENT

Mr. DOLE. Mr. President, wheat is the most widely traded food grain in the world. About a fourth of total world production moves in world trade. Wheat is also America's leading agricultural export commodity, accounting for more than 60 percent of total domestic production and approximately 20 percent of total U.S. agricultural exports.

As many of my Senate colleagues know, Kansas is our ranking wheat State. In fiscal 1968 when U.S. wheat exports totaled approximately $1.2 billion, Kansas' pro rata share equaled $177.6 million, $105 million under Government programs and $72.6 million in commercial sales.

Wheat exports are as important to the entire American agricultural economy as they are to the State of Kansas because production so greatly exceeds domestic demand. Thus, the strength of the domestic wheat economy depends largely upon export outlets. Stated differently, if our domestic wheat economy is to prosper, we must depend upon exports as outlets for substantial portions of annual production because we have the capacity to produce so much more than we can consume domestically. Export volume is a means of clearing the market at satisfactory price levels to avoid rigid limitations on production.

FORECAST: LOW WORLD WHEAT TRADE

Because wheat exports are so important to the United States and Kansas, it is particularly distressing to note that, based on current indications, 1968–69 world wheat trade will be the lowest since 1964–65 and possibly the lowest since 1962–63:

Year	Million metric tons	Million bushels
1962–63	43.7	1,604.6
1963–64	56.4	2,074.0
1964–65	50.7	1,864.2
1965–66	62.4	2,292.4
1966–67	26.1	2,061.8
1967–68	52.4	1,926.6

Source: USDA–ERS "Wheat Situation," February 1969, p. 8.

According to the U.S. Department of Agriculture, prospects for the current year are dim because "at least for the current year the world not only has more than enough wheat for its needs, but the grain is so adequately distributed that trade expansion is not expected."

THE U.S. EXPORT SITUATION

The unhappy prospect that there will be no wheat trade expansion this year contradicts strong U.S. interests in increasing export earnings to protect the balance of payments and the stability of the dollar. Based on current indications, we are now projecting only 600 to 625 million bushels in U.S. wheat exports for the current marketing year ending June 30. This would compare with 761 million bushels exported last year and an original export target of 750 million bushels this year. It would also be the lowest U.S. wheat export year since 1959–60 when 510 million bushels were exported.

Exports of Hard Red Winter wheat, the kind grown in Kansas, account for one-half of the reduction in U.S. wheat exports for July 1 through February, compared to the same period last year. But, what most concerns me is that commercial exports of Hard Red Winter wheat since July 1 are down 43 percent, more than any other class or type of wheat exported from the United States. This clearly tells me that we are not competitive on Hard Red Winter wheat exports at our traditional gulf ports, where the International Grains Arrangement bases its fixed price differentials.

WHILE IN OTHER COUNTRIES

With U.S. wheat exports apparently sharply reduced this year, I was dis-

tressed to read recently that the U.S. Department of Agriculture forecasts Australian wheat exports this year at 281 million bushels, an increase of 35 percent over last year and the second highest export year in Australian history. The Department also forecasts wheat export increases in Canada by 19 percent and in France by 13 percent over last year. French exports are projected at an all-time high of 203 million bushels.

Viewed through the eyes of my wheat producer constituents whose prices are the lowest since before World War II, forecasts for a wheat export decline in the United States contrasted with increases in Australia, Canada, and France is rather anomalous in view of our overriding interest in wheat export expansion.

It is only reasonable to ask why.

WHAT IS THE IGA?

World wheat trade is prescribed by terms of the International Grains Arrangement. The arrangement became effective July 1, 1968, and is to remain in force for 3 years. It replaced the International Wheat Agreement of 1949. The International Grains Arrangement has two parts: a wheat trade convention and a food aid convention. The former sets forth minimum and maximum prices for 14 major wheats traded in world markets and attempts to convert their respective values to a U.S. gulf port basing point.

GROWING CRITICISM OF IGA

Since the International Grains Arrangement became effective, there has been increasing criticism that it is a major impediment to wheat trade expansion.

Since last Thursday, IGA member Canada has dropped its Atlantic export price of the Manitoba No. 3 wheat by 10 cents a bushel. This is the type of Canadian wheat that most competes with U.S. Hard Red Winter wheat, as well as with similar types from Australia, Russia, Eastern Europe, and Argentina. This Canadian move puts their prices clearly below the IGA minimum, while the United States is lagging way behind in the export of our equivalent-type Hard Red Winter wheat.

RECOMMENDATION: IGA REVIEW

Several persons—myself included—have recommended a review of the U.S. position in the IGA.

PRODUCERS EXPORT CO.

Upon returning from a U.S. wheat mission to Western Europe last November, Ralph J. Crawford, executive vice president of Producers Export Co., Kansas City, observed that U.S. wheat exports had not been helped by the International Grains Arrangement. He and other members noted that during their mission several U.S. wheats were not competitive at specified minimums with wheat being offered in Europe by other exporters, including both members and nonmembers of the International Grains Arrangement. It was Mr. Crawford's view that IGA minimum prices placed the United States in an untenable position in world markets. The mission urged that our Government ignore these minimums if others refused to accept adjustments necessary to make U.S. wheat fully competitive in world markets.

SENATOR WALTER F. MONDALE

Also in November, the Senator from Minnesota, Senator WALTER F. MONDALE, recommended to the Farmers Union Grain Terminal Association:

> The International Grains Arrangement . . . should be examined to determine if it is actually working as anticipated.

USDA OFFICIALS

On December 12, Clifford G. Pulvermacher, Assistant Deputy Administrator for Commodity Operations in the USDA Agricultural Stabilization and Conservation Service, told a wheat quality conference sponsored by the Crop Quality Council in Minneapolis that the International Grains Arrangement might be one of the causes for decreasing U.S. wheat exports. He said that if a satisfactory solution to the problems in the arrangement could not be reached, it might be desirable to consider some basic modifications or revisions in some of its provisions.

In an address to the North Carolina State University Agriculture and Trade Conference that preceded his recent appointment to the Department of Agriculture, Dr. Carroll G. Brunthaver, of Cook & Co., cited four reasons for considering the International Grains Arrangement "the major impediment facing the U.S. wheat merchant today."

Mr. President, I ask unanimous consent that the text of Dr. Brunthaver's remarks be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 1.)

CONTINENTAL GRAIN CO.

Mr. DOLE. Mr. President, in a recent address before the Colorado Grain and Feed Dealers Association, James R. Good, vice president of the Continental Grain Co., observed that—

> The fastest, most effective and simplest way to eliminate many of the current defects of the International Grains Arrangement would be to lower the minimums, at least to the equivalents of the old International Wheat Agreement.

Mr. President, I ask unanimous consent that the text of Mr. Good's remarks be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 2.)

MY REMARKS AT KANSAS STATE UNIVERSITY

Mr. DOLE. Mr. President, on December 4, I had the honor to address the first annual Senator Frank Carlson Symposium on the World Population and Food Supply at Kansas State University.

At that time, I recommended a complete review of the U.S. position under the IGA. In light of growing evidence that the United States may not be faring well under the arrangement, it seems the time has come for such a review. Accordingly, I have recommended to the Secretary of Agriculture a complete review and evaluation of the International Grains Arrangement.

Mr. President, I ask unanimous consent that the text of my letter to the Secretary of Agriculture be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 3.)

U.S. WHEAT EXPORT MEETING

Mr. DOLE. Mr. President, in this regard, I am pleased to learn that the Department of Agriculture will convene a meeting on April 2 to review the progress of U.S. wheat exports since July 1, 1968, under the IGA. I understand the purpose of the meeting is to discuss U.S. wheat exports as they are influenced by the IGA price schedule and its supporting provisions. That meeting should provide a useful opportunity for representatives of producer, trade, and exporter organizations to discuss improvements in the IGA that will best serve strong U.S. interests in preserving producer income and increasing export earnings.

EXHIBIT 1

ADDRESS OF CARROLL G. BRUNTHAVER

In any organized discussion of barriers to trade expansion it is appropriate that the subject of nonpolicy barriers be held last since it is, in my estimation, the least important barrier to U.S. agricultural exports.

I wish to comment briefly on what I consider to be the types of barriers which confront U.S. grain merchants so that the nonpolicy discussion will be in its proper perspective.

The most important barrier to increased sales of grain may be the lack of organization, technology and capital in a major part of the world to develop an efficient and productive livestock and poultry industry. The production limitations co-exist with the absence of effective demand for livestock products in this large area of the world.

The affluent West European consumes approximately one-half the supply of feed grains in the form of livestock and livestock products per capita as does the U.S. citizen. In Pakistan, India, Russia, China, and nearly every other country (with the exception of Australia and Canada) the per capita demand for feed grains in the form of livestock is but a fraction of what we enjoy in this country.

In the U.S. this year we will feed approximately 137,000,000 tons of feed grains to supply meat, milk, and eggs for a population of slightly over 200,000,000 people. This represents approximately two-thirds of a ton per person.

HUGE POTENTIAL FOR FEED GRAIN

If every person in the world were to consume livestock products at this rate, the demand for feed grains would exceed 2,200,000,000 tons, or over five times the current world production. In terms of world trade, we could theoretically project an increased demand of 1,800,000,000 tons, compared with current world trade in feed grains of only 43,000,000 tons. So if only one-tenth of the increased demand were reflected in increased import demand, the volume of feed grain demand would increase from 43,000,000 to 223,000,000 tons.

This example is purely hypothetical; people do not share a common desire to consume livestock and livestock products even if the income problem could be solved. But the example does illustrate, as does our experience in selling feed grains to Japan following World War II, that the potential demand for feed grains in the world is very large. The primary barrier for U.S. grain merchants in reaching this market goal is the lack of livestock production technology, organization, capital, and effective demand.

QUESTION SELF-HELP EMPHASIS

The "self-help" provisions of the current P.L. 480 legislation are mainly concerned with increasing indigenous production of food

grains. This may or may not be a worthy goal. It may not be if scarce resources are expended on such production which would earn a higher return in other ventures. This may be true especially if the resource allocation results in surplus production of a commodity already in excess supply.

The misallocation problem becomes more acute when countries strive to produce for a high priced export market at the expense of developing a domestic milling and livestock production industry, then find that the high export prices are declining because of burdensome world supplies.

SHIFT TO MORE LIVESTOCK AID

It may be time for our aid and "self-help" effort to be directed toward the development of livestock and poultry operation in aid-recipient nations. Such efforts may help increase employment opportunities, lower the cost of food, and help increase the demand for grain in the world.

Provision for such an aid effort is included in the P.L. 480 Act and an attempt is being made to assist in the development of a livestock economy in Spain and Korea. This effort deserves renewed attention and, perhaps, extension to other aid recipients.

I know that our A.I.D. mission in Brazil has confronted the problem of keeping grain in the interior production areas where livestock production can occur. Once the grain has left the production area because of lack of storage, tradition, high export price, or for other reasons the cost of bringing it back to the interior for feeding is prohibitive.

Certain commercial firms are attempting to spur livestock production in Pakistan and this may be the most efficient way to make progress in this area.

LIMITED BY HIGH PRICE SUPPORTS

The second type of barrier is the high price supports which encourage uneconomic production and limit consumption throughout the world.

U.S. feed grain sales into Western Europe have declined from 16,600,000 tons in 1966 to approximately 9,000,000 tons this year, despite the fact that feed grain consumption in Western Europe has increased from 78,000,000 tons to 86,000,000 tons during this period of time. It is difficult to compete with a farmer in France who is guaranteed $2.40 per bushel of corn. At that price he can add irrigation, abandon livestock production, and still make a satisfactory income.

BARRIER NOT REMOVED BY IGA

The Kennedy Round and the resulting International Grains Arrangement did not come to grips with this important barrier to trade, even though the barrier was recognized. The Trade Expansion Act of 1965 was specific in its requirement that agriculture be included in the negotiations in a meaningful way.

John Schnittker, writing in the January 6, 1969, issue of *Foreign Agriculture*, reminds us that: "One of the major issues to be dealt with when the Kennedy Round began was the reduction of incentive for inefficient production. This action could be the primary means of trade expansion in agriculture. All the major trading nations said they were prepared to face up to this issue. None were."

And what should be added is that the U.S. did not insist that this major issue be dealt with. In fact, we did not even seize upon the opportunity to limit further incentives to inefficient production which were implemented by the E.E.C. before the agreement was even ratified.

Before leaving the subject of high price support systems as a form of barrier, allow me to comment further on the I.G.A. and some of the problems this agreement presents to the U.S. exporter. Some of these are policy, but some of the operational type problems become non-policy.

ONLY UNITED STATES WILLING TO LIMIT CROP

In effect, the I.G.A. is the major impediment facing the U.S. wheat merchant today. It is an impediment because:

(1)—The guaranteed world price level stimulated wheat production in the world, and to date the U.S. is the only country that shows any willingness and, perhaps, ability to curtail production because of mounting world surpluses.

Whenever you attempt to guarantee a price level for any product you must have a means of limiting production.

Allow me to use an example. In 1950 when I graduated from high school my folks bought me a good watch for approximately $50. Sixteen years later I replaced that watch with the following improvements: shockproof, waterproof, self-winding, with a sweep second hand plus a gismo that indicates the day of the week and the day of the month plus a stainless steel band costing several times the amount of the leather band on the old watch.

And I bought this watch after 16 years of inflation at a price of $30 from some watchman in Japan. Now, can you imagine how many of the old $50 watches would be owned by the government if they had attempted to guarantee at $50 the type of watches produced in 1950?

HUGE RISE IN WHEAT PRODUCTION

The producers of the world are an ingenuous lot. In response to the impetus of high world wheat prices Australia has cleared or otherwise shifted to wheat production 9,300,000 acres of land since 1961 (approximately equal to the wheat acreage in Kansas). Canada has added nearly 5,000,000 acres to wheat production since 1961. Wheat producers have learned to add bus per acre to the point that we are faced with a carryover of 800,000,000 bus in Canada, 150–200,000,000 bus in Australia, over 100,000,000 in France and over 700,000,000 in the U.S.

Had not the U.S. taxpayer paid to hold U.S. acreage out of production during the past 15 or so years, these surpluses would have long ago forced wheat producing countries to reevaluate their production incentive programs.

Canada cannot afford to increase her carryover of wheat much above current levels. Australia physically will have difficulty handling a large crop on top of this year's expected carryover.

The pressure on these countries to either break the agreement or find ways to circumvent the minimum pricing provisions will become so intense in the months ahead that I believe the agreement can hold together only because of U.S. efforts to curtail production (estimated down 14% this year) and because of limitations on U.S. export sales.

NO GUARD ON NONMEMBER PRICING

(2)—The second reason the I.G.A. represents an impediment is the lack of protection from non-member competition. The Sino-Soviet Bloc are not members of the Arrangement, but importing countries may purchase varying percentages of their needs from nonmembers. As a result, Russia is under no minimum pricing restrictions and since the Arrangement came into effect has simply priced their wheat slightly under the I.G.A. minimums.

CHECK ON COMPETITIVE PRICING

(3)—The third reason the agreement represents a barrier is related to the United States' right to price competitively. Despite Secretary Freeman's assurance, as a practicality, there is little effective means of protecting the competitiveness of U.S. wheat when other members undercut the minimum prices and we continue to live up to our treaty obligations, as we have.

A member Prices Review Committee is detailed to periodically review world trading in wheat and to "consult" with member nations in an effort to restore prices when their individual sales appear to have been made at levels below the minimums. When the committee is unable to accomplish this, the matter is referred to the Wheat Council for additional "review."

The council may decide whether any provisions of the arrangement shall be suspended, and if so, to what extent. However, this suspension requires the two-thirds vote of all exporter and importer members of the convention.

On the basis of past experience, it is not hard to envision the difficulty we would have in persuading the dominant exporting nations to vote to suspend the minimum price provisions so that U.S. wheat could compete in all markets again, or to persuade the importers, on the other hand, to vote for restoration of higher prices once the minimums were breached.

It is clear, in fact, from the testimony of our negotiators before the Senate subcommittee last March and April that they returned from Geneva with no specific, automatic, and reliable mechanism for restoring U. S. competitiveness. Quite on the contrary, it is evident from the written reply submitted to the Senate subcommittee that the Executive Branch relied on their ability to deal with this most sticky future problem by moral suasion and the mechanics of the Arrangement itself are only a cumbersome adjunct.

EXEMPTION FOR SOME SELLERS

Of even greater concern to us, however, is a provision whereby E.E.C., Sweden, Greece, and Spain have apparently been granted an exemption which, in effect, excludes them from the minimum pricing provisions of the agreement. This provision allows these countries to reduce the minimum price of their wheat by part of the transportation cost from U. S. Gulf to their respective load ports.

For example, on a recent Turkish commercial tender for wheat of any world origin, French wheat was sold for $57 per metric ton, delivered Turkey. The I.G.A. minimum for French wheat is $1.50 per bu, or $55.11 per metric ton f.o.b. U.S. Gulf, compared to $1.60 per bu, or $58.79 per metric ton, for U.S. soft red winter wheat. Our freight brokers estimated the freight rate from U.S. Gulf to Turkey as being about $6.40 per metric ton; thus, the I.G.A. minimum for French wheat would be, say, $61.50 delivered Turkey (or so we assume) and the sale by France is $4.50 per metric ton (12¼c per bu) under the established minimum.

But through an interpretation of the fine print of the agreement we find that France is allowed to reduce their minimum price of $55.11 by $5 per ton, i.e., the freight from U.S. Gulf to Marseilles, making it $50.11 plus the freight from Marseilles to Turkey of $4, or a minimum price c.i.f. Turkey or $54.11 as opposed to the U.S. minimum of $58.79 plus freight of $6.40, or $65.19. This difference of $11.08 (which includes $3.75 per ton quality differential) is still enough to exclude us from every sale that comes along until France, Sweden, and Greece under this interpretation sell every bu they offer.

COMPLETE MOCKERY BY FREIGHT

There is almost no destination in the world where French wheat would not sell at less than its Gulf I.G.A. minimum. This is true because even to the most distant markets of Far East Asia we cannot envision a freight rate situation where the freight rate from France to the destination would be more than, say $2 at 2.50 per ton over the rate from U.S. Gulf to the same destination—far less than the rate from France to the U.S. Gulf. This, of course, makes a complete

mockery of the agreed upon I.G.A. minimums.

This means that we are allowing France to dispose of her wheat, minimizing the cost of her price support and storage program so that the funds can be used to maintain her system of high price supports.

PRICES A CHECK ON CONSUMPTION

4—The fourth reason that the I.G.A. represents a deterrent to U.S. trade is that higher prices retard consumption. In the developing nations of South America, Africa, and the Far East, price has a significant influence on consumption. The higher prices embodied in the new I.G.A. cannot help but retard the growth of our sales to the very areas where we should be concentrating on building new markets.

We have been taught by long experience that when world wheat production and surplus are small, prices will rise without artificial agreements; when they are large, price flexibility is absolutely necessary to protect our share of world markets, as well as to help increase the total market.

CARGO RULES AS SELF-DEFEATING

Let's discuss for a moment the nonpolicy barriers relating to East-West trade. Over the past five years the United States has erected certain ocean freight barriers to East-West trade, the origin and classification of which are difficult to fix. They are, in effect, "non-policy" policies. They exist partly in law, but more generally in interpretation and extension of executive ruling. They lack any clear-cut purpose and have most often led to weirdly self-defeating ends.

On Oct. 10, 1963, President Kennedy, in announcing an intended sale of wheat to Russia, stated *inter alia*, ". . . an added feature is the provision that the wheat we sell to the Soviet Union will be carried in available American ships, supplemented by ships of other countries as required. . . ."

Not only do our cargo preference laws make no such requirement, but the President's advisors at the time had not bothered to consult the Maritime Administration as to the general effects of such a condition or even inquired as to whether it was physically and economically workable. It wasn't, but in the struggle to somehow make it work, a nonpolicy interpretation that at least 50% of most U.S. grain sold for cash to the Soviet bloc nations must move on American flag vessels has evolved.

The cost of ocean carriage in a U.S. flag vessel is very substantially higher than that of an identical vessel operating under a foreign flag. First, the cost of building and repairing the vessel in the U.S.—a flag prerequisite—is higher than almost anywhere else in the world; and secondly, the operating labor cost in direct wages and benefits for American crews is three to four times higher than the cost of operating the vessel under a "foreign" flag. Additionally, lower tax bases, minimal registry requirements, and greater latitude in operating practice combine to further lower the foreign owner's ton-mile costs.

U.S. FLAG SUBSIDY IN PUBLIC LAW 480

Starting with Public Resolution 17 of 1934 and subsequent federal statutes including the Cargo Preference Act of 1954, it has been required that all shipments from the U.S. financed, donated, or loaned by our government shall be made on U.S. flag ships. The Maritime Administration originally, and other departments and agencies subsequently, have interpreted the law to be satisfied if at least 50% of the shipment was made in U.S. vessels, and the balance in flags of the recipient's choice. In the case of agricultural goods, the requirement has meant very little to the recipient since the U.S. government paid the extra cost of "differential" between the American flag rate and the foreign. The delivered cost to the buyer is the same as if all foreign flags were used. In other words, the U.S.D.A. simply subsidizes the use of U.S. flag vessels in connection with U.S. financed agricultural exports.

In speaking of sales to the Soviets and the Soviet Bloc nations, however, we are not talking about U.S. financed sales. We are talking about normal commercial sales for dollars.

To give effect to President Kennedy's 1963 condition, Maritime Administration simply "borrowed" the 50% concept and ruled that it would apply on Soviet sales even though these were for cash. The rule is still in force.

As a specific example of the U.S. flag premium, Maritime Administration "guideline" (i.e., maximum) U.S. flag rates to Russia contrasted with the approximate current foreign flag market shows:

U.S. GULF TO BLACK SEA—ODESSA

	Vessel capacity		
Long tons	10,000	15,600	Over
Voyage rates per long ton	15,500	30,000	[1] 30,000
American	$22.53	$18.03	$13.00
Foreign (estimated)	$9.50	$8.50	$7.75
American (premium)	$11.00	$9.53	$5.25

[1] Maritime Administration has not published "guideline" rates for the over 30,000-ton size American vessels, leaving them open to negotiation and the $13 is only our own educated guess.

ADDED COST TO RUSSIA OF $2.72

Thus, a sale of wheat to Russia today under the 50% rule (basis this estimate) would cost $2.72 per ton more delivered Odessa by virtue of the U.S. flag requirement, and this assumes the use of only the largest and most economical American vessels. The Russians would thus have to pay for the American flag subsidy if they bought our wheat. Not unreasonably however, they have said that they will leave that privilege to the U.S. government and will continue to buy Canadian wheat and Mexican corn, etc.

To this basic idea of using U.S. vessels have been appended some incongruous complications. For example, a Commerce Department license is required to export U.S. grain to East Germany. If the grain is wheat, 50% of it must be carried on a U.S. flag vessel. If the grain is corn, however, no U.S. flag is required provided some portion (the exact portion, incredibly, being unknown to the Commerce Department but generally rumored to be about 10–15%) of the cargo on that vessel is first delivered to a Western European destination.

If Poland is the buyer of either wheat or corn, however, no license or U.S. flag is required, and, in fact, the Department of Agriculture encourages dollar exports to Poland by including this country under concessional barter program sales. However, Poland is not an acceptable "Western" destination under an export license of corn to Czechoslovakia, but Yugoslavia is. No license or U.S. flag is required to export U.S. grain to Rumania, but both are required for Bulgaria, and so it goes.

INVOLVED AND CUMBERSOME LIMITS

The barrier or problem created by the part-cargo rule embodied in the "Western" destination requirement is that it most frequently raises the delivered price to the buyer through increased freight charges for taking a vessel to two ports of discharge. Licensing, as such, is an impediment in that the Commerce Department requires that a trade actually be made and its terms approved by themselves before a license is issued. While the Department takes this sale under advisement, the exporter is obviously prevented from protecting himself from interim market risks such as freight rate changes, futures market fluctuations, and changes in applicable subsidies. The whole process is involved and cumbersome to any merchant who is working with a combination of rapidly shifting values.

As one might suppose, an exporter who has wound his way through this thicket is forced to reflect on whether these manifold and contradictory restrictions have any central purpose or useful goals and what in the world these might be. If there were an outright prohibition against food exports to any communist nation, that situation could be argued on its merits. But the idea that by the means of licensing red tape and/or by adding a 5–10% export "flag tax" on wheat and feed grains we are thereby inhibiting the spread of communism is absurd.

This "tax" since its very inception has been completely self-defeating. It has had only one single effect—to prevent the sale of U.S. farm goods and surplant them by sales to the Soviet Bloc from Canada, Australia, France, Mexico, and other free world nations.

NO POSSIBLE REASON TO CONTINUE

In itself, this is bad enough, but since 1963 not one American vessel owner nor any American crew has benefited from cargoes which could not be sold in the first place. If the U.S. flag "tax" cannot aid the group for whose benefit it was intended, what possible reason is there in continuing it?

In 1965 the Senate Foreign Relations Committee recommended that this U.S. flag requirement be dropped, but no action has been taken.

It is time now that the new administration begin an immediate review of these self-imposed handicaps. The U.S. farmer not only should, but must, be allowed to compete with other farmers among the exporting nations of the free world. It seems very little to ask that this particularly senseless obstacle be banished.

EXHIBIT 2

ADDRESS OF JAMES R. GOOD

The subject of "International Wheat Prices" is not only an interesting one, but, more important, of vital impact upon all of us. Whenever we speak of price we immediately have two distinct sides, that of the consumer who normally contends it is too high and that of the producer who always find it too low.

Before we analyze international wheat prices, it might be well to review the world supply-demand situation. Let us look back a couple of years, take a pulse of the present and a most important look ahead to see some problems and hopefully propose some solutions.

GOOD SOUTHERN HEMISPHERE CROP

The Southern Hemisphere is presently in the midst of completing the 1968–69 harvest. The wheat bins in Australia are bulging with the record crop which will exceed 500,000,000 bus. Growing and harvesting conditions were nearly ideal to permit the Australians to stock the shelves with a wide range of good quality.

In Argentina, the mid-November early-December drouth caught the crop at the critical state. The most recent official and trade estimates forecast final production to be about 217,000,000 bus. Early deliveries have indicated a good quality of better than average protein.

Most other countries in the Southern Hemisphere have fared well also. South Africa, which for any years was an importer, will enjoy its second year of total self-sufficiency. The only country suffering from weather hazards is Chile, which is expected to import higher than normal amounts. Inflation plagued Uruguay, finally returning to supply side again and expected to be a small exporter.

FAVORABLE FOR NORTHERN HARVEST

In the Northern Hemisphere as a whole, last summer the crop had good growing conditions. In North America, both Canada and the United States had harvest weather problems which reduced final outturn. Canada

produced 650,000,000 bus of spring and winter wheat, which, added to the 670,000,000-bus carryover, makes available the highest amount in history at 1,320,000,000 bus. Mexico, which has been a recent entry to the exporter group, has only produced its domestic requirements.

After years of surplus problems, the United States entered the crop year with a carryover of 537,000,000 bus and produced 1,570,000,000 for a total supply of 2,100,000,000. Our domestic consumption is expected to increase to 750,000,000 bus due to higher livestock feed usage resulting from harvest damage and relative low prices in some areas. At the end of December the government controlled 640,000,000 bus. Assuming exports at 600,000,000, total July carryover will be 160,000,000.

In Europe the major producing country is France, which last summer harvested 545,000,000 bus. Since almost all of the French wheat is a soft variety, quality determines its domestic usage whether animal feed or milling. Of the 1967 crop, 336,000,000 was used domestically and 177,000,000 exported, so it is reasonable to assume France could export a record near 200,000,000 this year.

The Communist Bloc of Eastern Europe was estimated to have produced 850,000,000 bus which was 7 to 8% less than 1967 due to spring drouth. It is very difficult to forecast the amount available to the world market but conditions of winter wheat in Rumania are reported to be excellent.

MORE RUSSIAN TO FREE WORLD

The Soviet Union was estimated to have produced 2,400,000,000 bus, an increase of 150,000,000 from 1967. The spring drouth in the hard wheat areas was more than offset by increased production of spring wheat. With higher production in Poland, East Germany and Czechoslovakia, we can expect the Russians to export more to the free world.

In summation of the world wheat supply at the end of 1968, the four major exporting countries—the United States, Canada, Argentina and Australia—had for export and carryover at the end of their respective crop years 2,324,000,000 bus, an increase of 18%, or 352,000,000 bus, from 1967.

LITTLE CHANGE IN WORLD DEMAND

Very little change in demand is seen throughout the Southern Hemisphere during the crop year. In South and Central America domestic production in the normal importing countries appears about unchanged, except for Chile. Brazil, the largest importer, is expected to equal last year's 90,000,000-bu requirement.

The European demand has shown little change from last year, except the quality requirements changed somwhat to stronger wheats to offset the lower quality of the crop. The British harvest weather increased their demand by about 35,000,000 bus, which was largely filled by Spain and Rumania after the price increase of United States wheat under I.G.A.

EGYPT AND TURKEY AS IMPORTERS

In the Middle East, Egypt is likely to import around 50,000,000 bus. Turkey, like its neighbors, suffered from spring drouth and, after two years of self-sufficiency, imports are likely to be around 25,000,000. Iran for the first time in many years was a small exporter. Algeria, Morocco and Tunisia all enjoyed good harvests. Their imports will be down by rather high percentages.

CROP RISE IN INDIA, PAKISTAN

The major change in the demand picture focused on India and Pakistan. After the disasters of the mid-1960's, India, with good rainfall, improved technology and new seed varieties increased its 1968 production by 47% to a record of 625,000,000 bus. Neighboring Pakistan, under similar conditions, produced 230,000,000 bus, an increase of 45%. Needless to say, this had a very direct effect upon the United States and Canada since these two countries were importing around 300,000,000 bus.

Japan, which has become one of the major world importers over the past decade, shows signs of leveling off. The reason in part is due to record rice production which is now a domestic surplus problem.

To finish the demand picture we must try to peek behind the Bamboo and Iron Curtains. Because of the size of the purchases, the Chinese impact upon the world market can often be considerable. Just recently they signed the largest contract ever negotiated with Australia for 81,200,000 bu. to be shipped by March, 1970. Prior to this, China bought 55,000,000 from Canada to be shipped by July, 1969, while France, a China supplier for the past few years, is currently negotiating a trade. Total trend of Chinese imports has been downward the past two years.

Russia, which staggered the international market from 1963 to 1966 with sizable imports, has successfully rebuilt the system to return to export ledger. They have a one-year balance on a three-year purchase commitment with Canada for 150,000,000 bu., which the Russians are unlikely to take during this crop year. Usually they shipped Canadian wheat to Cuba, but the Spanish are reported to have sold 15,000,000 bu. to the Castro regime.

RISING RATE FOR WORLD USAGE

World consumption of wheat has been increasing at the rate of about 200,000,000 bu. per year. This is due to the increasing world population, the substitution of wheat for rice, especially in Asia, and food aid, particularly P.L. 480, which has converted need into demand.

FREE DEMAND DOWN 50,000,000 BUSHELS

The total free world wheat import demand for the 1968–69 crop year is expected to decline by around 50,000,000 bu. This forecast, of course, can change rapidly during the next four months should any drastic weather changes occur in the Northern Hemisphere.

Having looked at both the demand and supply sides of the equation, we can now better evaluate world prices. From what we have seen so far, it certainly appears to be a buyers' market. Looking forward to next year there is little doubt but Australia is faced with a potential record carryover of 300,000,000 bu. by the end of this year; an amount double any previous crop.

Of the exporting group, it appears Canada may have the most serious problem when come August the carryover may well exceed 750,000,000 bu. Amazing and frightening was a Feb. 8 *Toronto Globe and Mail* headline, "Increased Output Held Farmers' Solution," which was based on a report prepared by the Federal Task Force on Agriculture. The report contends supply management should not be relied on to solve the problems of agriculture until all other possible approaches have been tried.

BASIC RULES DICTATED BY IGA

Having analyzed the world situation let us now confine our subject of international wheat prices by looking at it from the viewpoint of the United States. Since the world market price is not dictated by the free forces of supply and demand, we must know the rules and regulations established by the governments of the world. The basic rule book is called the International Grains Arrangement which became effective July 1, 1968, and is to remain in force for three years. Generally known as IGA, it replaced the 18-year old International Wheat Agreement.

The IGA negotiations setting forth the ground rules were completed in August, 1967, following two years of discussions in Geneva, Switzerland, and essentially covered the provisions reached in the Kennedy Round cereals negotiations. The IGA consists of two parts: wheat trade convention and food aid convention. It is important to note IGA was conceived during a period of time when the world was overly concerned about its food supply and many feared Malthus' theory was about to be proven.

PRICE BASIS CHANGED TO GULF

The important provision of the Wheat Trade Convention sets forth the minimum and maximum prices for 14 major wheats moving in world trade. Prices were generally raised about 23c per bu over the former IWA minimums and the maximums were raised 40c. IWA prices used as its basis only Canadian No. 1 Northern Manitoba in store at Fort William/Port Arthur with other types and origin of wheat calculated on quality differences as agreed between importing and exporting countries. IGA changed the price basing to f.o.b. U.S. Gulf ports and set the min-tax prices for Canadian Manitoba Nos. 1 and 3, Argentine Plate, Australian f.a.q.. European Common Market standard wheat, Swedish, Greek, Mexican, two types of Spanish and four varieties of U.S. wheat—dark northern spring 14% protein, No. 2 hard red winter, No. 1 soft red winter and No. 1 western white. Since the agreement went into effect, two grades of Australian hard wheats have been added.

The Food Aid Convention provides for contributions in the form of wheat, coarse grains for human consumption or cash equivalent to be made to the lesser-developed countries of the world. The annual yearly pool is to consist of the equivalent of 165,000,000 bus to which the United States contributes 42%, or 69,400,000 bus. Our grants under P.L. 480 now apply against this commitment. Other major country contributions include the European Common Market, 23%; Canada, 11%, and United Kingdom, Australia and Japan, 5% each.

DIFFICULT TO ABBROGATE TREATY

The I.G.A. has been in effect only eight months and already we hear many demands for the United States to either withdraw or to immediately renegotiate various provisions. Much as many of us might like to abandon the whole idea, we need to keep several things in mind. First, the I.G.A. is a three-year international treaty. A responsible world power does not abrogate treaties lightly. Second, we need to be fair to those who negotiated the I.G.A.; it was conceived in a period when many responsible people were forecasting a worldwide food shortage and food prices were high. I.G.A. has been implemented during a period of world wide food surplus and falling world wide food prices. From the beginning of the 1961 crop year to beginning of the 1966 crop year, carryover stocks of the United States, Canada, Australia, Argentina and France went from 2,162,000,000 to 1,080,000,000. My guess is the 1969 crop carryover will be above 1,800,000,000.

MUST SEEK REVISIONS BY 1969–70

Realistically, we should keep the I.G.A., but work vigorously to revise it as soon as possible, hopefully by the beginning of the 1969–70 crop year. Those countries most dedicated to the idea of international commodity agreements should be willing to accept changes, because the longer a cumbersome and inequitable arrangement persists, the less likelihood it can be revised and extended past its scheduled termination.

We have a new administration, with a new policy group in the Departments of State and Agriculture. Let us challenge and encourage them to change the I.G.A.

MINIMUM PRICES AS "TOO HIGH"

What are the problems of the I.G.A. from the U.S. viewpoint? The first and most obvious is that the minimum price is too high. I recognize that many of you will contend that a minimum price which equates to about $1.35 per bu for ordinary wheat in Colorado is not too high. But in all candor I have yet

to learn any way to define a "fair and just price." In the final analysis, perhaps the best test is that nothing is too high if you can sell it and nothing is too low if you can buy it. Another test is whether farmers are anxious to produce it at these prices. Acreage increases in Australia, Canada, and the U.S. Delta indicate they are. Perhaps the best *prima facie* evidence that the I.G.A. minimum is too high is that nearly all major grades of wheat on the international market are trading at the fringes of the minimum. I say on the fringes because every subterfuge is being used to cut prices to or below the minimum. During the 18 years of the International Wheat Agreement it was free of criticism only when it traded well below the maximums and well above the minimum prices, that is closer to the middle of the range.

The fastest, most effective, and simplest way to eliminate many of the current defects of the I.G.A. would be to lower the minimum at least to the equivalents of the old I.W.A. Perhaps it would be wise to have minimums and maximums set by a pre-determined formula based on ratios of wheat supplies in the 5 leading countries as a percent of world wheat trade. As supplies increase as world wheat trade decreases the range of I.G.A. prices would be lowered and vice versa.

TAXING U.S. FARM EFFICIENCY

From the very day I.G.A. was implemented, we have been forced to impose an export certificate, or more appropriate a tax, to raise the U.S. price of most wheat classes to agreed world levels. During last September, this tax reached 48c per bu for soft red winter wheat and 27c per bu for ordinary hard winter wheat. By taxing exports of U.S. wheat to higher world prices, we are indirectly subsidizing our competitors, the producers in the five other major I.G.A. exporter countries. We are taxing the efficiency, the technology and know-how of U.S. agriculture through a high world price that gives incentive to increased production in all other countries whether importer or exporter.

By agreeing to higher world prices, we simply raised a higher umbrella over all producing areas and invited more competitors to the demand area. It is difficult to understand the approach of higher prices of I.G.A. as related to humanitarian concept of feed the world. I am sure Madison Avenue would have difficulty selling the slogan, "Eat more—Pay more," even in our country, let alone the developing countries.

HELPING SOVIET BLOC NATIONS

The last extension of I.W.A. included Russia as an exporting member. So far, the Russians have chosen not to join, neither have the Eastern European countries which are normal wheat exporters. The present I.G.A. is tailored for their not being a member. Are we not also indirectly subsidizing their agriculture with high world prices as well as giving access to all our customers?

Let me quote in part two recent cables. From our Rotterdam office came:

"Hard winter 13.5% protein. Dutch mills did not buy any hard winters since September, 1968. Since then their mills have changed grist completely by using Australian prime hard, also f.o.q. and Russian and later Argentine. To make mills change their grist it takes primo overly attractive levels and secundo some assurance that hard winter 13.5% will be available at realistic prices over an extended period. For transshipment U.K., Swiss, Belgium market and German Rhine picture essentially the same."

An Oslo cable reads:

"Re spring wheat: had expected State Grains would be a buyer this week but understand they negotiating with Russians for SKS 14 wheat and they will in no case do anything until such negotiations completed. There is definite possibility that U.S. spring wheat will be rendered uncompetitive by Russia's SKS 14."

WORK FOR RUSSIAN MEMBERSHIP

How can an International Grains Arrangement be effective if one major exporter is not a member? During the past election campaign and in the present Congress, we hear much about a nuclear arms treaty with Russia. If we were able to get the Russians to join I.W.A., should we not be negotiating with them to continue as an I.G.A. member also? Can we not combine or in some way tie these negotiations together?

MUST CONSIDER ACREAGE ASPECT

The national wheat acreage allotment of 51,600,000 acres for 1969 is a reduction of 13% from last year with further reduction expected from the signup through March 21 under the voluntary acreage diversion program. Contrast this with our exporting I.G.A. partners when in the last decade the Canadians have expanded acreage more than a third and the Australians more than doubled wheat acreage. Is the United States to carry the burden alone for attempting to control the world supply? A revised I.G.A. must consider the acreage aspect.

NIGHTMARE IN PRICE EQUIVALENTS

Another I.G.A. aspect that has proved detrimental to the United States is the spelling out of all our grades and classes of wheat. With the exception of two grades of Canadian wheat, all other wheats are simply identified by country, leaving a lot of latitude for trading on quality specifications. The equating of all prices to f.o.b., U.S. Gulf ports has proven to be a nightmare in trying to police or translate prices of competing origins to the buyer's discharge port. Continuing changes in ocean freight technology and port facility improvement have left the exporter members at constant odds, not only on how to interpret prices but to arguments and charges of violating the agreement. By lowering the minimum prices and leaving the world price to seek its trading level, we will eliminate these technical difficulties.

MAY HAVE PROBLEM OF HYBRIDS

Another challenge I.G.A. may well be confronted with during its three-year lifetime is hybrid wheat. The president of a major U.S. seed company announced that 1,000 bus of seed of 15 different hybrids were placed in farmers' hands last fall. Commenting to this in his Feb. 14 newsletter to the National Association of Wheat Growers, Glen Hofer, executive vice-president, made this excellent statement:

"It is hard, as a farmer, not to be excited about breakthroughs like that, but if you can stand being solidly realistic—each production research success is digging us a little deeper into the supply situation that is smothering us now. No one could be heartless enough to criticize the life-saving aspect of the dramatic increase in food self-sufficiency made possible in India and Pakistan through the use of new wheat varieties developed largely with U.S. funds. No one can be so inhuman as to complain about the insistence of our government on self-help provisions in many PL–480 agreements which force agricultural reforms in the recipient countries. No farmer is going to resist a new fertilizer, a new machine, or a new variety if he is convinced it will grow him another bushel, but we had better believe that all of these factors are likely to combine eventually into a pretty painful reorganization (from our point of view) of U.S. agriculture's productive resources."

HALF-TRUTHS IN MANY OPINIONS

On the subject of price, it is well to remember that an untruth is not as dangerous as a myth or a half-truth. The often used statement that price does not affect the United States' ability to gain access to markets is a half-truth. It is truth that with a variable levy as exists in the Common Market, we cannot effectively compete pricewise with indigenous supplies. But we sure can compete with Russia, Canada, Australia, and the rest if we are not hampered by I.W.A.'s, I.G.A.'s etc.

Also, a half truth is that price does not really matter when competing with Spain, Greece, Mexico, etc. because they will sell their surplus regardless of price. This is true in the short run, that is, after the crop has been produced. But it is untrue for the long run as land resources will be diverted to other crops when farmer or government costs become too burdensome.

There are many other aspects to international wheat prices from the viewpoint of the United States, such as political. Our trade restrictions with Red China, our requirement of 50% American flag ocean vessels to certain countries are just a few examples why we cannot compete for one-sixth to one-quarter of world wheat trade.

The name of the game is competition. Other wheat exporters are going to try to increase their exports even if the United States does not. And with high international wheat prices, importers are going to try to increase domestic grain production and import less.

CITES PROBLEMS OF RAILROADS

There is a good example of an industry which administered prices above a level at which others are willing to perform the service. The U.S. railroads, with rates set by the Interstate Commerce Commission, have lost a great share of their business to airlines, to truckers and barge operators who were able to perform the service at lower cost and still make a profit. The railroads can compete and are competing. But they are finding it a lot harder to win back business than it would have been to avoid losing it in the first place.

The U.S. can compete in the world trade. It needs to have the rules altered to allow it to compete. We have the resources. Do we have the will?

EXHIBIT 3

MARCH 14, 1969.

Hon. CLIFFORD M. HARDIN,
Secretary, Department of Agriculture, Washington, D.C.

DEAR MR. SECRETARY: I was distressed to see in the February Wheat Situation that the USDA is now projecting only 600–625 million bushels of United States wheat exports for the current marketing year ending this coming June 30. This would mean the lowest U.S. wheat export year since 1959 and compares with 761 million bushels exported last year and an earlier export target of 750 million bushels for this year. I was, however, more than shocked to read in the March 10 issue of Foreign Agriculture that the USDA forecasts Australian wheat exports for this year at 281 million bushels, an increase of over 35 percent over last year and the second highest export year in Australian history.

Upon further investigation I have found that in the February Wheat Situation the USDA also forecasts wheat export increases this year by Canada of 19 percent, and by France of 13 percent over last year, with French exports projected at an all time historic high of 203 million bushels.

Wheat farmers are complaining bitterly that wheat prices received this year are the lowest since before World War II and are for the first time in five years below current price support loan levels. It is obvious, since we are dependent upon export markets for sale of more than 50 percent of our wheat production that strong exports are essential to wheat farm income and a successful farm program at acceptable public cost.

I noticed as well on page 13 of the March 10 issue of Foreign Agriculture that Russia, as well as Australia, is offering wheat in Rotterdam at prices undercutting our U.S. Hard

Winter and Hard Spring wheat prices. This is distressing and leads me to question very seriously what is happening to our wheat export position as a result of the International Grains Arrangement, which was entered into last July and which, I understand, prescribes specific terms of trade on our wheat exports.

In recent weeks there have been several stories in the press pointing out a greater degree of flexibility under the IGA in calculating or accounting for ocean freight costs by both Australia and France in pricing their wheats in the prime European and Japanese markets. Is this a result of the basing point of the IGA being placed at our Gulf ports, or is it a result of the fixed differentials between wheats from competing countries specified in the Agreement, or is it both? Russia is not a member of the IGA. What effect is that having, in light of lower Russian wheat prices quoted recently in Western Europe? Also, of equal importance, is what effect will IGA price levels have on otherwise uneconomic wheat production and the substitution of other food grains for wheat in consuming countries?

In light of the foregoing, I believe that a complete review and evaluation of the IGA is called for, in order to regain our competitive position in world wheat markets. If this requires amendment of, or withdrawal from, the IGA then that determination must be made as soon as possible. I believe you would agree that this situation is serious and of utmost importance to our balance of trade and our wheat export interests. Time is of the essence since less than four months remain of this marketing year and less than that before a new U.S. wheat crop will begin to be harvested.

Sincerely yours,

BOB DOLE,
U.S. Senate.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations at the desk which were reported earlier today, and which have been cleared on both sides.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider executive business.

Mr. DIRKSEN. Mr. President, I simply want to note for the RECORD that I am fully aware of the necessity for timeliness on these nominations and, therefore, I ask unanimous consent that the requirement of printing be waived.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

DEPARTMENT OF THE INTERIOR

The legislative clerk read the following nominations:

James R. Smith, of Nebraska, to be an Assistant Secretary of the Interior.

Reginald Norman Whitman, of Minnesota, to be Administrator of the Federal Railroad Administration.

John H. Shaffer, of Maryland, to be Administrator of the Federal Aviation Administration.

Leslie Lloyd Glasgow, of Louisiana, to be Assistant Secretary for Fish and Wildlife.

Hollis M. Dole, of Oregon, to be an Assistant Secretary of the Interior.

Carl L. Klein, of Illinois, to be an Assistant Secretary of the Interior.

Mitchell Melich, of Utah, to be Solicitor of the Department of the Interior.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

U.S. COAST GUARD

The Chief Clerk read the nominations of Leo G. Vaske of the U.S. merchant marine to be a permanent commissioned officer in the Regular Coast Guard with grade of lieutenant; and James L. Hassall, of the U.S. merchant marine to be a permanent commissioned officer in the Regular Coast Guard with grade of lieutenant, junior grade.

The VICE PRESIDENT. Without objection, the nominations are confirmed.

DEPARTMENT OF COMMERCE

The legislative clerk read the nomination of Myron Tribus, of New Hampshire, to be an Assistant Secretary of Commerce.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Larry A. Jobe, of Illinois, to be an Assistant Secretary of Commerce.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

COMMODITY CREDIT CORPORATION

The legislative clerk read the nomination of Don Paarlberg, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. ALLOTT. Mr. President, the Senate has just confirmed various nominees to be Assistant Secretaries of the Interior.

These nominations have moved with very great deliberation and yet with some speed.

I merely want to express to the chairman of the Committee on Interior and Insular Affairs, the Senator from Washington (Mr. JACKSON), my own appreciation and my compliments to him for the speedy way in which he has handled the hearings on these nominations.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The VICE PRESIDENT. Without objection, it is so ordered.

AUTHORIZATION FOR THE SECRETARY OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that during the adjournment of the Senate, following conclusion of its business today until Monday next, the Secretary of the Senate be authorized to receive and appropriately refer messages from the President and the House of Representatives; and that committees be authorized to file their reports, together with any minority, supplemental, or individual views, as desired.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL MONDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon on Monday next.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER OF BUSINESS

The VICE PRESIDENT. Is there further morning business?

Mr. DIRKSEN. Mr. President, I ask unanimous consent to proceed for 35 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

THE FIRST 60 DAYS

Mr. DIRKSEN. Mr. President, on January 20, 1969, just 2 short months ago, at noon of that day, Richard Milhous Nixon became the 37th President of the United States. A new administration had begun. How well I remember other Presidents under whom I had served and their administrations: Roosevelt, Truman, Eisenhower, Kennedy, and Johnson. Each different from the other but each striving in his own way to set a course that he felt best met the needs and filled the aspirations of the country as they existed at that particular time in our history.

Each President met the responsibilities of his office in a different fashion and each left to his successor a different legacy. Before looking at the first 60 days of this administration and its accomplishments, let us review the legacy that constituted Richard Nixon's inheritance.

No decade in American history began with greater hope and promise than did the 1960's; and few decades in America have seen the first 8 years end in such doubt and despair. The people were bewildered and afraid, not knowing what to believe or expect from their Government.

When Dwight Eisenhower rode for the last time down Pennsylvania Avenue, there was peace and tranquillity in the United States in an uneasy world. Eight years later, America was a Nation bitterly divided between the races and between the generations. The spillover of street crimes from the slums into cities and suburbs of America had made "freedom from fear" a vital concern of Americans unlike anything that had existed in their history.

When Richard Nixon, Eisenhower's Vice President, returned to Washington, this is the condition in which he found the world's most productive economy:

First. The prices people pay for food and clothing and housing were rising at close to 5 percent per year—the highest rates since the Truman years.

Second. Interest rates that families must pay for mortgages on their homes were the highest since the Civil War.

Third. The tax burden on the American people was the heaviest in the history of this country.

Fourth. The cost of living had risen 16 percent since 1960.

Fifth. The Federal Government had spent $70 billion more than it had been able to earn.

Sixth. Forty percent of the American gold supply had been carted off by foreign bankers and foreign speculators who had lost confidence in the ability of the United States to manage is own affairs.

Seventh. Confidence in the American dollar had never been lower in foreign capitals since the bottom of the depression.

Eighth. The international monetary system was being shaken by two and three crises a year—the question of its collapse had become the subject of speculation in the capitals of Europe.

Ninth. The domestic budget of the U.S. Government had expanded by 90 percent, the Federal payrolls ballooned by 30 percent, and yet the population who had to pay for both had grown by only 12 percent.

Tenth. For the last 3 years, the pay of the average American wage earner in manufacturing had not increased a dime in real terms. The American laborer was on a Federal treadmill. Every pay raise he had won was taken away by inflation and taxes to pay for the programs which the Federal Government was buying.

In those same 8 years, the United States was washed over by the worst crime wave in the history of a civilized and democratic people. Crimes increased by 89 percent since 1960. The rate of crime growth over these years was close to seven times the growth of the population, and it was not just crime against individuals that flourished; mob violence became something of a hallmark of American society. When Dwight Eisenhower left office, America was a peaceful Nation; when Richard Nixon returned to Washington, he assumed the leadership of a Nation that had experienced the worst domestic violence since the War Between the States.

Partially in reaction to the terrible unrest, the Federal Government launched a war on poverty. Billions of dollars were spent, millions of words were spoken, and hundreds of grandiose promises were made. And what was the result? Two and a half million Americans were added to the relief rolls. Fraud, corruption, waste, and self-aggrandizement burgeoned in the war's bureaucracy; the poor who had been promised Utopia were left in anger and despair.

And what of the country folk?

In the 8 years since Dwight Eisenhower left office, one in every four farms in America was shut down. Three and one-half million Americans left the farms to drift or to join earlier migrants in overcrowded cities. Farm prices plummeted to 74 percent of parity—the lowest level since the depression. But the bureaucracy prospered. In 1960, the Department of Agriculture had one employee for every 29 farmers. While 3½ million farmers left the farms, 30,000 more bureaucrats were added to the Department's payroll.

And labor? The absence of any real gain in income by American workingmen and the loss of substantial savings through inflation helped to produce the new unrest in the labor movement. More man-hours were lost through strikes in 1968 than in any other year in the decade. The previous years had seen the arrival of the "public strike" on the American scene—walkouts by public employees, teachers, police and firemen, and even garbage collectors, strikes in effect against the public's right to health and safety.

And how did America stand abroad when Richard Nixon took the oath as President of the United States?

In the 8 years since the end of President Eisenhower's administration, more American installations abroad were bombed or assaulted than in all the previous decades of the Republic. Confidence in the United States dropped to its lowest ebb in our history. The system of alliances forged by the United States in the 1950's was in crucial decline.

NATO, the cornerstone of Western security, was cracked and threatening to crumble. Many of America's former close allies and friends were suspicious and disillusioned. In Latin America, the vaunted Alliance for Progress was in a state of failure.

When Dwight Eisenhower left office, he left an enormous military superiority over any and all potential adversaries on the face of the earth. At that point in time, America possessed an 8-to-1 superiority in strategic missiles and bombers; but since that time, the Soviets have almost completely closed the gap in offensive weapons.

We started this decade in peace, and now we are struggling in the longest war in our history. We started this decade first among nations in military power; now we are in a new and dangerous state of "parity." We started this decade with alliances strong; now we found them in serious disarray. We started this decade with the confidence of the free world in American leadership; now we found that confidence vanishing and a go-it-alone mood rife in the Western World. We started this decade as the undisputed leader of the world, and now we found our leadership challenged everywhere.

This, then, was the patrimony left Richard Nixon on the assumption of office.

But all that is history, just as this administration is now history, for it cannot escape history, neither the Nixon administration nor the 91st Congress can escape it, for what together we do we will be remembered, but how we will be remembered will depend on what we do. We now hold the power and we bear the responsibility of governing. But to govern well, this administration must be one in which all people have a part. The way in which this administration has begun convinces me that all will have a part.

As I mentioned earlier, Mr. President, this administration has been in power for 2 months, so let us look to see what has been done in the first 60 days.

There are those who cry out for action—now—action for the sake of action. They should be reminded, as it is written in Ecclesiastes, chapter III, verse 1, that "To every thing there is a season, and a time to every purpose under the Heaven." And how appropriate that is today. This is not a time for a hundred days or a thousand days, but a time for reexamination of what has been proposed, consolidation of programs already in progress, and review of programs for the future. The time for phrases and slogans is past.

There is a time in the life of nations when success must be measured not in terms of how much but in terms of how good. This is such a time. The first 60 days have given the American people the basic structure of the Nixon approach; quality not quantity; programs which will operate as good in practice as they do in theory, words chosen to stand for facts, and not for fantasies.

Contrast this administration with the man who builds his house upon the rock with the man who builds on shifting sands. This administration is building on solid rock—and it works, and will therefore withstand the wind and the waves.

The first 60 days have been a time for laying the foundations. This is not an administration which rushes in with the roof and with readymade walls before the foundation is in place. Those will come in their time—and so will the furniture and rugs.

But I can report that the foundation stones are already moving into place on—and even ahead of—schedule.

And what are the building blocks in this foundation?

First, there is trust. The President used that word to sum up his trip to Europe—I use that word to sum up his success at home. How good it is to live again in a country which trusts its President.

That trust is in part a product of a second element: Candor. This is an administration which respects the people's right to know. Consider the directive which ordered that statistical material from all agencies be written objectively, released promptly, and not used for political purposes. Consider the news conferences, the press announcements, the visits by Senators, Congressmen, Governors, foreigners, and private citizens.

A third element is expressed in the word "quality." The administration has restored the proper relationship between quality and quantity in Government. There has been an unfortunate tendency in recent years to ask not how well are we doing, but rather, how much are we doing. There has been too much concern for the number of actions taken or bills passed or dollars spent, and too little concern for the skill of those actions, the wisdom of those bills, or the impact of that money.

It was said long ago that "perseverance is more prevailing—and many things which cannot be overcome when they are together, yield themselves up when taken little by little." And this ad

ministration understands that it is better to do 10 things well, and get them done, than to do 100 things poorly which will later need undoing. It understands that it is better to appoint 10 extraordinary men and then turn them loose than to appoint 100 mediocre men who will need constant supervision.

Fourth, I would point to the new quality of humility in the Government—and what an important ingredient that will be in future successes. For this is not an administration which claims that it knows all the answers or that it can provide all the solutions. It has enough confidence in its strengths that it can be realistic about its limitations. How encouraging it is that President Nixon has already won a reputation as a good listener—both at home and abroad. How well received were his visits to all the departments of Government—to tell the career employees that there was little he could accomplish except as they helped him. How commendable is his strong encouragement for nongovernment efforts to meet social challenges.

This administration does not say, "we can handle everything if you just stop 'bugging' us." Rather it says—"come in with your questions, your problems, and your suggestions, and then go out again sharing with us the burden of responsibility."

Fifth, I would mention the quality of discipline. Now, I do not just mean the fact that the President gets to work early every morning, but the fact that he is bringing a disciplined approach to all the processes of the Government. Decisions are made in a disciplined way. Programs are developed in a disciplined way. Action is implemented in a disciplined way.

Discipline has been defined as "giving up the freedom to do as you please, in order to attain the freedom to do your best." It means refusing to act on whims, not overreacting to criticism, restraining one's day-by-day emotions. It requires a kind of double vision; a long-range view of goals, and a short-run ability to focus on the infinitely detailed work which is required to achieve them.

Only as Government becomes a model of discipline can we restore discipline to our society—from college campuses to the streets of our cities.

There is a time to plant and a time to harvest. Now it is the spring of the year—the time for planting.

Mr. President (Mr. ALLEN in the chair), I interject that yesterday morning I went out and looked at my tulip beds. I looked at the forsythia and the daffodils. I saw the japonica buds and the lilacs so ambitiously wanting to burst forth. The dogwood pips are swelling; and the resurrection of spring is visible over the earth.

The administration is planting well—planting good seeds in good soil—and tending to them carefully. The harvest will testify to its skill and wisdom. But the worst thing it could do would be to unnecessarily hurry the pace. For that would be comparable to the child who grows impatient after planting his vegetable seeds—and then keeps pulling the young plants out by the roots because they are not shooting up fast enough.

The new administration has been moving with a combination of determination and care, recognizing that after a period of sometimes too-hasty experiment, the time has come when the things the Government does have got to be right.

Precisely because our domestic needs are so urgent, and precisely because the problems of our cities are so vast and difficult, the need is greater now than ever to measure carefully what we know and what we do not know, what we can do and what we cannot—and not waste our precious energies and resources on the pursuit of the impossible or the impracticable.

One of the first essentials of today is to restore the faith of the American people in the decisionmaking processes. By establishing a sense of order, by arranging the mechanisms of decision, by leaning down the rhetoric to promise no more than can be delivered and to deliver whatever is promised, the new President has gone a long way in restoring that faith.

Actually few administrations have accomplished so much in their first 60 days in office. But if this is to be appreciated, people have to be made aware of things that have happened undramatically—and also of the fact that the lack of drama has been part of the achievement.

The undramatic aspect of this achievement is a reminder of the days when President Woodrow Wilson refused to authorize raising a division in World War I under the command of Theodore Roosevelt. Wilson's answer was simple and direct. He said:

> The business in hand is undramatic.

What a great line from a great President.

A free society is held together by mutual trust. Only by reestablishing that trust can we create the conditions in which progress is possible.

In a situation that centers on a crisis in human relations, style is substance.

Among the first moves of the new administration were those that reorganized the decisionmaking machinery. This was more than just form. The President's intention from the start has been to shift emphasis from crisis management to crisis prevention: these new and revived organs of Government—the National Security Council, the Urban Affairs Council, the various subcommittees—are all aimed in part at facilitating that intention.

By moving first on organization, the administration was putting first things first: setting up the decisionmaking process before the decisions were made, and preparing for the crises before they arose.

The European trip was another example of putting first things first; moving swiftly to recement the alliance, to open discussions, to establish the conditions in which further progress could be made in an atmosphere of increased trust and greater understanding.

The people of America are developing trust in their Government again. The closed doors have been opened. Decisions are discussed in public before they are made. In his press conferences, the President has spelled out the considerations that will go into choices still pending. He and the whole administration have sought to be responsive, both to the press and to the public. Conflicting points of view are aired; dissenting opinions are sought out; the process is shared with the people.

Let me describe some specific problem areas of national importance and the manner in which this administration is moving on each.

First is spending. The President is determined that this country's budget after having gotten completely out of control over the past 8 years will once again be brought back under control. In other words, spending except for essential national needs will not be tolerated. In meeting after meeting with the leaders of Congress he has repeated his determination to hold spending to essentials and to an amount we can afford. In the budget reviews no area nor no program has been regarded as immune from examination and possible reduction, and very soon the President will submit his recommendations to Congress. There will be no sacred cow. Further, this President has manifested a receptivity to expenditure ceilings enacted by Congress—as a matter of fact, it was discussed only last week or earlier this week at the leadership meeting at the White House. This is further proof of his intense commitment to fiscal integrity.

Then there is the matter of taxes. Again in meetings with the leaders the President has expressed his dissatisfaction with our present tax laws and particularly with the heavy burden that has been placed upon the middle-income taxpayers over the last 8 years. He has sought congressional advice and the advice of private individuals. And based on that advice and on the recommendations of Treasury, he is now preparing a revenue proposal for submission to Congress. But it is being prepared carefully and surely and is designed to provide the maximum possible benefits for the taxpayer while at the same time producing sufficient revenues to meet the essential needs of Government.

In the field of national security the President has already acted to insure the security of our vital nuclear defensive system by recommending the deployment of antiballistic missiles around those sites so as to safeguard them from possible enemy destruction. The Secretary of Defense, at the direction of the President, has already concluded his inventory so as to establish priorities for needed new weapons that will insure the security of this Nation. These recommendations will soon be sent to Congress.

One further area is that of foreign trade with all of its problems and potentials. In meeting after meeting with the leaders of Congress and with the leaders of industry and labor, the President has expressed his intention of placing foreign trade on a truly reciprocal basis. What was formerly a healthy surplus in trade has now dropped to an actual serious deficit.

This trend, the President has assured us, must and will be reversed. Very soon the Secretary of Commerce will be going to Europe to discuss common trade problems with our Western allies in an effort to develop mutually satisfactory solutions. Later, after discussions with our

other trading partners, legislation will be submitted to Congress. But not until a thoroughly realistic solution has been decided upon.

Theory is always easier than practice. One great question confronting the new President was this: How—in practice—do you reverse the flow of power so that it moves from Washington back to the States and localities. On February 14, 1969, the President took an historic step in that direction when he signed an Executive order creating a new Office of Intergovernmental Relations.

The immediate supervisor for this new Office is the distinguished Vice President, and through this instrument he will work to better coordinate Federal, State, and local activities. The Office, which is already very active, will provide a two-way street for communications between Washington on the one hand and the statehouses and the city halls on the other. Most importantly, it will provide the machinery for what the President called "a broad and relevant dispersal of authority."

Or take another area which the President talked about a great deal in the campaign: that of giving greater business opportunities to members of minority groups. Again, he has carefully created the right machinery and has set it in motion. In this case, the instrument is called the program for minority business enterprise, created by Executive order on March 5, 1969. The program works primarily through the Department of Commerce and a new information center established within it—coordinating public and private activity, collecting information, gathering opinion, implementing decisions, and recommending further action. It will draw particularly on the suggestions of a new Advisory Council for Minority Enterprise which was also established by the President's order.

There is one other specific example of administrative action which will have major implications in the years ahead. I refer to the reorganization of the Department of Labor's Manpower Administration—announced on March 13 by the President. This is a division of Government which spends $2 billion per year—and yet one which was badly in need of a major overhaul. The Nixon administration is providing that overhaul—decentralizing and streamlining the Manpower Administration, clearing up confused lines of authority, eliminating duplication, and strengthening the regional offices. As the President said when he announced the reform:

> If there is one area of government that should serve as a model for the best use of manpower, it is the Manpower Administration.

Only if faith is restored in the process of decision will people have faith in the decisions themselves. And by showing its faith in the people, the new administration is rapidly winning the faith of the people.

Now let me review what has taken place in foreign affairs in these 60 days.

On the part of our adversaries in the world, on the part of our allies abroad and on the part of our people here at home, there is a new assessment of the leadership in the United States. Around the world there is the feeling that there is a firm hand on the rudder of our ship of state.

Our adversaries know that in Richard Nixon they have a man who can be negotiated with, but cannot be coerced; they sense both a firmness of purpose and a flexibility of approach.

Our allies have seen a new area dawn in relations with the United States. They no longer feel the danger of neglect or the danger of domination; they are listened to and respected, and as a result they are far more likely to work closely with us on our common purposes. Shakespeare's words certainly apply:

> O, it is excellent to have a giant's strength; but it is tyrannous to use it like a giant.

Our people at home have gained a new sense of confidence for two reasons: First, because the President has spoken out clearly and plainly on the great issues facing us. No bombast, no slogans, no unattainable promises; if anything, the President has been super-cautious about building false hopes. This is refreshing, and makes the Presidency more credible. And, if there is one overriding expectation of our people today from this administration, it is a craving for credulity.

And the second reason for the new confidence at home has simply to do with the quality of leadership. The people, in their wisdom, sense that their President is proceeding according to plan; that he cannot be pushed or panicked or pleaded into hasty actions now that lead to regrets at leisure.

We can observe how this new confidence has gained momentum: the President's carefully prepared trip abroad built new respect for the United States in Europe; Americans at home felt a new pride at the European reaction; and that added confidence—a people united behind a President's search for peace—adds to our strength at the negotiating tables with our adversaries.

We can see how it all interrelates; we can see what once was a vicious circle now changed into a new forward momentum.

We do not know exactly how much ground was gained in this new spirit of trust among our allies. As the President noted:

> You do not build confidence by breaking confidences.

But we do know that fresh thinking is the order of the day, and that new long-range strategies are being devised that fit the new needs of the future.

In 60 days, shooting has not ended in Vietnam, nor do we feel the warmth of detente, but a start has been made on the road to peace. We cannot travel that road alone; a willingness to negotiate must exist on the other side. But the world now knows that we stand ready to do our part, to take new initiatives—and that is a great deal of accomplishment in a very short time.

This administration will take no action for which it will not willingly be responsible—action based on reason, on humanity, and on justice.

For nearly two decades, one administration after another has been identified with a description of its purpose. When I came to Congress 36 years ago, it was the New Deal. Later it became the Fair Deal. Later it became the New Frontier, and then it became the Great Society. How, then, shall we characterize the Nixon administration? If it were given to me to select an appropriate term, I would like to think of it and to refer to it as the "Responsible Society."

Churchill once said that no one can guarantee success in a given effort—but he can conduct himself so as to deserve success. On the basis of the first 60 days, I cannot guarantee that this administration will be a success, but I can say it is well begun; and I conclude that it deserves success and, I confidently predict that it will have success.

Mr. STEVENS. Mr. President, I have been listening with great interest to the remarks of Senators as they have referred to the first 60 days of the Richard Nixon administration. For, as this is a new administration, I am a new Senator and I come from a new State, Alaska.

I was especially interested in the remarks made by the esteemed minority leader, the gentleman from Illinois (Mr. DIRKSEN), while he was noting the atmosphere of the Eisenhower administration during the turn of the decade. It was just prior to 1960, on January 3, 1959, that Alaska was admitted to the Union with all of the rights and privileges accorded a State. I remember so well the excitement in Alaska at the time: the eagerness we all had to participate, not to change or alter, Mr. President, but to participate.

Senator Bartlett and Senator Gruening had this sense of participation and did much for my State and the Nation. As a new Member of the Senate, I look forward to participating also and contributing to my State and our Nation within the traditions of the Senate.

As a new Senator, I have looked to the Nixon administration for leadership—and found it. I have called on the Richard Nixon administration for guidance—and received it. In 60 days I have seen the groundwork lain for the return to peace, and understanding, and practical deliberate Government with all of the imagination that will move us ahead.

ORDER OF BUSINESS

The PRESIDING OFFICER. Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order of the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CORRECTIONAL REHABILITATION STUDY ACT OF 1965

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 8438.

The PRESIDING OFFICER laid before the Senate H.R. 8438, an act to extend the time for filing final reports under the Correctional Rehabilitation Study Act of 1965 until July 31, 1969, which was read twice by its title.

The PRESIDING OFFICER. The bill will be placed on the calendar.

ATTACK ON CRIME BY NIXON ADMINISTRATION

Mr. HRUSKA. Mr. President, I wish to commend our able minority leader for his thoughtful analysis of the first 60 days of the Nixon administration and for his perceptive treatment of the legacy with which this administration took up the task of governing America.

I would like to comment about one aspect of the Nixon administration which I find most gratifying. That is its realistic and vigorous attack on crime. For much too long crime was like the weather; everyone talked about it, but precious little was done.

We see a refreshing change in that attitude under Attorney General Mitchell. Consider what has transpired in just 60 days: First, the President announced, only 11 days after taking office, a comprehensive program to fight crime in the District of Columbia. The plan was realistic—it established goals within reach. It was balanced—it called for a strengthening of criminal justice and an attack on root causes of crime. It was right on target.

The response of the District in support of the message was heartening. Mayor Washington pledged his full support and that of the District government. The Washington Evening Star commended the President for making an excellent start on efforts to curb crime. The Washington Post described the program as a comprehensive attack.

It was, indeed, a comprehensive attack and forecasts the approach of the Nixon administration in the war on crime. Included in the message were calls for additional judges, prosecutors and court facilities. He urged reform of the bail procedures and improvement in correctional institutions. Juvenile delinquency and narcotics merited special attention and the President instructed the Bureau of Narcotics and Dangerous Drugs to increase significantly its efforts in the District of Columbia.

Steps were taken also to rebuild devastated areas of the city. Within 24 hours of submission of the plan, Secretary Romney approved a $29.7 million neighborhood development plan for the Shaw area. A major portion of the Seventh Street neighborhood damaged in the riots was included in this program. This is what has been begun in the District.

On a national basis the Attorney General established for the Department of Justice the following priority: "protection for the law-abiding citizen from street crime and organized crime." It is refreshing to witness the type speech which was given by Judge Curran of the U.S. District Court for the District of Columbia, which was published in one of the newspapers of the District of Columbia under the headline "Nice People Have Rights Too." In fulfilling this commitment, he began by choosing forceful and competent men to assist him. Will Wilson, former district attorney and former attorney general of Texas is leading the Criminal Division. He is a man with the reputation for enforcing the law. Charles Rogovin, Administrator of the key Law Enforcement Assistance Administration, who is presently under consideration for confirmation by this body, is a proven crime fighter and the Associate Administrator, Richard Velde, is an expert on anticrime legislation.

The Attorney General has authorized the use of wiretapping in the war against organized crime. In doing so he has demonstrated his intention to make full use of the tools Congress provides him to sap the growing strength of La Cosa Nostra. I am sure most of my colleagues, who supported title III of the Omnibus Crime Control and Safe Streets Act, agree with me that using this congressionally approved power, is a logical action. Compared with the previous administration's attitude, however, it becomes a major indication of the direction to be taken by President Nixon and Attorney General Mitchell.

Another major event was the Attorney General's call for a volunteer citizen's war on crime. There are more than 1 million independent volunteer organizations in the United States. Yet there had been no effort to utilize this manpower before the Attorney General's action. He acted within 14 days of assuming office. The potential for such a program is almost incalculable. A nationwide poll estimated that 61 million adults could contribute 254 million man-hours each week to volunteer activities. That manpower can be put to good use in the fight against crime.

Attorney General Mitchell has testified before the Criminal Laws Subcommittee, of which I am a member, on this problem of organized crime. His cooperation and willingness to commit his Department to this critical effort was heartening.

This administration is not interested in concentrating crime programs in the Federal Government. They do not belong there. On this point the positions of both the President and the Attorney General are clear.

I might add that that point is reaffirmed in the substance, spirit, and legislative history of the Omnibus Crime Control and Safe Streets Act. The Federal Government can, however, offer guidance and assistance to State and local law-enforcement agencies. Great progress in retarding crime can be made through coordinated efforts of all levels of government. That spirit of cooperation, rather than domination, have characterized the President and the Attorney General.

The ideas are present: a National Council on Law Enforcement, a National Crime Information Center, townhall meetings on the crime problem. The Nixon administration has been in office only 60 days. Despite the short time, major steps have been taken to meet the crime threat; much more is to come.

I commend President Nixon and Attorney General Mitchell for their dedication, effectiveness, and leadership, and I look forward to a continuation and intensification of that type effort.

RETIREMENT OF AMBASSADOR DAVID K. E. BRUCE

Mr. BYRD of Virginia. Mr. President, today our Ambassador to the Court of St. James, Mr. David K. E. Bruce, is retiring to private life. Ambassador Bruce had a very unusual career. He is the only man in the history of our Nation to have served as Ambassador to France, Great Britain, and Germany.

I have visited him in the Embassy in Paris and also in the Embassy in London. He has rendered unusual service to his Nation.

Incidentally, Mr. Bruce served as a member of the House of Delegates of the State of Maryland and, subsequently, as a member of the House of Delegates of the State of Virginia.

We in Virginia are very proud of the valuable service Mr. David K. E. Bruce has rendered the United States.

AMERICAN CASUALTIES IN VIETNAM

Mr. BYRD of Virginia. Mr. President, I wish to comment on the casualties in Vietnam. For 3 years now, it has been my practice—almost weekly—to attempt to present to the Senate and to the American people these casualty figures.

During the 2½ months of 1969—January, February and through the 15th day of March, the United States has suffered more than 17,000 casualties—that is dead and wounded—in that brief period of time.

This past week, U.S. casualties in Vietname totaled 1,700. To me, the significant part of that figure is this: During the past 3 weeks, the United States has suffered more men killed in Vietnam, and more men wounded there, than during any other 3-week period in the long history of that war.

It will be a week ago tomorrow that President Nixon made this statement:

> If we conclude that the level of casualties is higher than we should tolerate, action will take place.

Of course, Mr. President, I do not know what figure the President regards as "higher than we should tolerate," but I point out once more, as I have pointed out time after time in this Chamber, that the war in Vietnam will not go away by our ignoring it.

Since the Paris peace talks began on May 10 or 13 of 1968, the United States has suffered 74,000 casualties in Vietnam. I suggest that we have been lulled into a false sense of security as a result of these talks. I fear that our men in Vietnam have become the forgotten men.

I take this occasion to comment on the testimony given yesterday before the Armed Services Committee by Secretary of Defense Laird. He discusses Vietnam, and my feeling is that he has placed the Vietnam situation in its proper perspective. My own conclusions as well as his testimony yesterday are that he gave the committee, the Senate, and the American people a more accurate appraisal of the

actual conditions existing in Vietnam than we have heretofore received.

I want to bring out several points the Secretary made. By and large it was not an optimistic report. That is why I think it is an accurate report, because the best he can determine—and I have been trying to keep in touch with this for a long time—is, it is nothing to be optimistic about, insofar as bringing the Vietnam war to an early conclusion is concerned.

The Secretary said:

I regret to report, however, that I see no indication that we presently have a program adequate to bring about a significant reduction in the U.S. military contribution in South Vietnam. The current operating assumption as stated to me is that even the currently funded modernization program for the South Vietnamese forces will equip the South Vietnamese forces only to withstand the VC insurgents that would remain after all North Vietnam forces had been withdrawn to North Vietnam. Also, the presentation given to me by the MACV Staff was based on the premise that no reduction in U.S. personnel would be possible in the absence of total withdrawal of North Vietnamese troops. Our orientation seems to have been more on operations than on assisting the South Vietnamese to acquire the means to defend themselves.

Mr. President, I feel that while Secretary Laird's comments and his appraisal of conditions are not optimistic, I am convinced he puts the situation in Vietnam in an accurate perspective.

General Cushman, who has just returned to the United States after being in command of the I Corps of the Marines, was quoted by Secretary Laird as having informed him that an additional 2 years would be required before we could see the situation as being satisfactorily in hand.

Thus, I suggest again that the war in Vietnam, the way it has been handled, and the way in which it is being conducted now, is a long way from being over.

I am pleased that the Secretary of Defense has given a frank appraisal of the Vietnam situation.

Incidentally, I spent 2 days with the Secretary of Defense—yesterday and today—and while I am not prepared to take a position in support of—or in opposition, for that matter—to his ABM program, I do want to say that I am convinced the American people have in Melvin Laird, our Secretary of Defense, as well as in David Packard, the Deputy Secretary of Defense, two extremely able individuals.

As a Senator from the State of Virginia, and as an American, I think we can be reasonably sure the Defense Department is in the hands of two able and capable men, two men who, I am convinced, will be frank with the American people and present the facts as they are.

Mr. GORE. Mr. President, will the Senator from Virginia yield?

Mr. BYRD of Virginia. I am happy to yield to the Senator from Tennessee.

Mr. GORE. Mr. President, in connection with the comments of the able Senator on the report of the distinguished Secretary of Defense, I invite his attention to an entirely different assessment and an entirely different report to the American people.

Shortly before the current Vietcong offensive began, Adm. John S. McCain, commander in chief, Pacific, was quoted in the Reader's Digest as follows:

We have the enemy licked now. He is beaten. . . he cannot even mount another offensive.

Mr. President, there is a very sad lesson in this story of self-deception. A revolutionary, political war in Asia cannot be won by white westerners with acceptable risks and losses. Secretary Laird has indeed brought to the Senate and the country a grim report, and I think he must have foreseen great difficulty.

Our military and economic power, as great as it is, has been unable to stop the tide of history which long ago ended the possibility of western control over Asia's political life.

In that connection, I wish to call to the attention of the able Senator a statement by former Ambassador Edwin O. Reischauer as follows:

Asian countries cannot be controlled from abroad, even though communism or any other ideology.

And I would like to add, on my own, that I doubt if an Asian country can be controlled by proxy.

I raise these questions because the able Senator has made some very interesting and eloquent remarks.

I wrote a letter to the editor of the New York Times, which was published today, on the question of the phased withdrawal. I believe that this is the long-range plan of the Pentagon. In fact, since early last February, hints of incremental withdrawal of U.S. troops, as the South Vietnamese troops improve, have come out of Saigon and out of the Pentagon.

The President of South Vietnam was quoted on February 28 as saying that—

One and possibly two United States divisions can leave South Vietnam during the last six months of 1969.

I wish to say to the able Senator that one day this week I read an Associated Press dispatch which stated that a delegation of so-called congressmen from South Vietnam was in Washington and had dispatched to President Nixon a wire recommending a phased withdrawal of U.S. troops and a South Korean-like occupation and support of the South Vietnamese Government by U.S. troops.

I find all this very disturbing, because, to me, a phased, drawnout withdrawal of U.S. Forces is not a formula for peace, but, rather, for prolonged war and indefinite involvement.

I would like to ask unanimous consent, if the Senator would consent, to have printed at this point in the RECORD the letter which I addressed to the editor of the New York Times.

The PRESIDING OFFICER. Is there objection?

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

PRIORITY IN VIETNAM

TO THE EDITOR: A phased withdrawal of U.S. troops from Vietnam, the long-range plan being advocated by both the Pentagon and the Saigon regime, avoids the crucial issue: how to reach a political settlement, which is the only means by which the United States will be able to extricate itself from Vietnam.

Despite the current troop requirements, the Pentagon planners envision a withdrawal of United States troops over a period of several years, leaving a Korea-like force to back up the South Vietnamese forces.

This is not a formula for peace but of prolonged war and long-term involvement.

If we are to have peace in Vietnam soon, President Nixon must soon decide that American interests and those of the South Vietnamese regime do not necessarily coincide; that we are not committed to holding out for a settlement which will insure continuation of the Thieu-Ky Government; that our repeated offer to withdraw United States forces has a quality of immediacy, leaving the South Vietnamese people free to work out their own system without outside interference.

ROOM TO MANEUVER

Unhampered by ties to past policy, as was President Johnson, President Nixon has room to maneuver in charting a new course for United States policy. It is imperative, however, that he act decisively before events foreclose his options. These options are being foreclosed rapidly by actions in South Vietnam, by inaction in Paris, and by indecision in Washington.

If progress is to be made in Paris, the President must make the willingness of the United States to accept a compromise political settlement more credible. Indeed, this should be our first goal. (Why not, for example, repair to the Geneva accords?)

Yet there is a growing chorus from those who believe in military solutions to political problems, urging a hold-fast, no-compromise stance in Paris, and a fight-it-out policy in Southeast Asia—the trap that ensnared President Johnson.

The political turmoil of the last four years, brought about by the steady escalation of a war which the Congress has not declared, has subsided. But the American people will not, and should not, be content to sacrifice indefinitely our youth and our treasure for a Government which muzzles folk singers who sing of peace, which shuts down newspapers which dare suggest talks with the N.L.F., which locks up Buddhist priests and politicians who have the audacity to call for peace.

Of course, we would like to see a democratic republic in South Vietnam, the more in our own image the more to our liking. But this is a matter of ideological preference, not of our security.

Whether there be one Vietnam or two, whether the Government of either or both be democratic or autocratic, Communist or non-Communist, no genuine threat to our security is involved.

Our broadest interest, I am convinced, would more surely be served in Vietnam by a neutralist, nationalistic order determined by indigenous people than by any Government of our patronage. A long drawn-out, phased withdrawal would more likely defeat than assure this.

Our national interest, then, must neither be bound to our ideological preferences, nor equated with the fortunes of the Saigon military government. A political settlement must have first priority.

Mr. GORE. I thank the Senator for yielding.

Mr. BYRD of Virginia. I thank the distinguished senior Senator from Tennessee.

Three years ago high officials in the Defense Department gave very optimistic reports that the war would be over very shortly. Two years ago reports coming out of Saigon and Vietnam were optimistic, both by South Vietnamese offi-

cials and officials here in Washington. Last year they were optimistic.

So I am not very much of a mind to accept optimistic reports regarding Vietnam after the 3 years that we have been getting these reports and it turns out to be just the opposite. That is why I think the new Secretary is wise to put the cards on the table.

In my judgment, Vietnam is the No. 1 problem facing our Nation. It is the No. 1 problem, one that should have first attention. There should be a sense of urgency in getting this war over with.

I am hopeful that, as the new team takes over, they will direct prime attention to Vietnam.

I want to point out again—because I think it is significant—that the United States during the past 3 weeks has suffered more casualties in Vietnam than during any other 3-week period in the history of that long and tragic war.

Mr. GORE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator's additional time has expired.

Mr. GORE. Mr. President, I ask unanimous consent that the Senator have 5 additional minutes.

The PRESIDING OFFICER. Is there objection to an extension of 5 minutes? Without objection, it is so ordered.

Mr. GORE. I thank the Senator for his comments and for his generosity in yielding to me.

I do not understand the able senior Senator from Virginia to be speaking critically of the President or of the Secretary of Defense. I do not have such motive in mind, either. In that spirit, I wish to join him in urging that peace in Vietnam be given top priority and consideration. Perhaps it is, but progress is nowhere to be found.

Our Ambassador to South Vietnam is en route home now, according to press reports. According to other reports, a review of Vietnam policy and strategy is now underway.

I have raised these questions, not to be critical, but in the hope of making a contribution. I think it would be a sad and lamentable error to adopt the policy of trying to make of South Vietnam a replica of South Korea. This is not a satisfactory conclusion. It seems to me the first priority in Vietnam is a political settlement. That is the only way the United States can extricate herself from that morass. It is a political war, a civil war, in which we, unfortunately, injected ourselves, and a political settlement is called for.

Compromise will be necessary. Time after time the United States has proposed, through her President, through her Secretary of Defense, through her Secretary of State, that she, the United States, is willing to withdraw her troops from South Vietnam if North Vietnam will withdraw her troops from South Vietnam, thus leaving the people of South Vietnam to work out their own will in their own way, and be the masters of their own fate. Yet certain other conditions have attached.

I hope that President Nixon will let it be known that there is a quality of immediacy about this; that we would prefer this over what is now being propagandized from Saigon—a phased withdrawal and the involvement of American troops there for an indefinite number of years to prop up a government which has not yet demonstrated its capacity to provide the kind of leadership to attract the loyalty and support of the Vietnamese people.

Mr. BYRD of Virginia. I thank the distinguished senior Senator from Tennessee. I know, from the exchanges we have had on the floor during the past 3 years, that he has had a very deep interest in the tragedy in which we find ourselves in Vietnam. He has raised his voice many times in this regard.

Let me make just one additional comment. The Senator mentioned the possibility of a plan in the Defense Department. If there is a plan there now, it is the first time there has been a plan in the last 3 years. I am not convinced there is a plan, but, I repeat, if there is one now, it is the first time there has been one in the last 3 years. I hope the Senator is correct, and that there is one now.

A KEY ISSUE IN CRIME

Mr. McCLELLAN. Mr. President, on March 18, 1969, there was published in the Washington Daily News an editorial entitled "A Key Issue in Crime." The editorial comments were on the decision rendered by the District of Columbia Circuit of Appeals on March 14, 1969, in the case of Frazier against United States—Docket No. 21426.

This editorial is quite illuminating, and I believe should be brought to the attention of all Members of Congress and all readers of the CONGRESSIONAL RECORD. It reads as follows:

If the courts (that is, some judges) keep on bollixing up the rules of evidence in criminal cases, it may not be long before the administration of justice is immobilized.

This is the trend of a dissenting opinion by Judge Warren E. Burger of the U.S. Court of Appeals for the District in a recent case.

The Appeals Court sent back to the trial court a holdup case in which a food market had been robbed because, Chief Judge David L. Bazelon said, there was some "implication" that the police, on arresting the suspect, did not make clear than an "oral" confession, as well as a written confession, could be used against him.

The robber was convicted by a jury after one of his victims had clearly identified him.

The case was returned to the trial court to determine if the convicted man's oral confession was wholly voluntary.

Judge Burger, in dissent, said there was "not a scintilla of evidence" that the confession was coerced, and summed up the whole issue in this recent trend of nitpicking, hair-splitting court rulings which have freed convicted criminals or sent back their cases for another go-round in the trial courts.

"Guilt or innocence," said Judge Burger, "become irrelevant in the criminal trial as we flounder in a morass of artificial rules poorly conceived and often impossible of application."

The whole purpose of criminal trial is to determine guilt "beyond doubt" or innocence; not whether all the nice technicalities the courts recently have been inventing have been precisely met.

"The seeming anxiety of judges," wrote Judge Burger, "to protect every accused person from every consequence of his voluntary utterances is giving rise to myriad rules, sub-rules, variations and exceptions which even the most alert and sophisticated lawyers and judges are taxed to follow.

"Like the hapless centipede on the flypaper, our efforts to extricate ourselves from this self-imposed dilemma will, if we keep it up, soon have all of us immobilized."

And, we would add, paralyzed in the effort to combat the crime wave.

Mr. President, I have read the report of this decision with deep concern. Apparently the majority of the Court said, "Well, we do not know; this fellow might not have understood that if he made a confession, it would be used against him."

The record reflects that the arresting officer immediately gave him the Miranda warning. The record further reflects that after he got to the police station, where they were processing him by fingerprinting and doing the routine things that are done in such cases, there was again read to him the Miranda warning, and he was asked if he understood it. He said he did. He said he wanted to waive the right not to make a statement, and also the right to have an attorney.

And, Mr. President, not only did those two incidents occur, but they gave him the printed warning, had him read it aloud, and asked him the question, did he understand it? He said he did, and that he still waived his rights. Thereupon he began making statements, not about the case for which he had just been arrested, but about four other robberies that he said he had participated in or that he had committed, among them the one for which he was here tried. He had not been asked a single question about it—not one. All they asked him—and this was after he confessed—was to identify the place, the particular marketplace, that he said he had robbed. He gave all of the information voluntarily. And, as if that were not enough, he then proceeded to walk out and demonstrate how the robberies took place. But the Court said, in reversing the case, "Well, we do not know whether he understood that his confession could be used against him."

He went even further. He then signed a written waiver—a written waiver, mind you—of the Miranda rule. But the court said, "Well, we do not know whether he understood what he was doing," and reversed the case.

Mr. President, the court's opinion also indicates that defendant did not raise at his trial the voluntary confession question considered by the appellate court. The question was never raised in his trial; the confession was voluntary. Thus the appellate court not only sought to penetrate the mind of the defendant to determine, without evidence in the record for support, that the defendant might not have understood the repeated warnings, "Anything you say may be used against you in court," but it also relieved the defendant and his counsel of the burden of preparing their case properly for the trial. No question was raised as to whether defendant's counsel had the needed access to his client to develop a defense; therefore, we must assume that he had full opportunity to do so.

None of these questions was raised, Mr. President. This case is an outstanding example of the lengths some of our judiciary will go to protect the fictitious

and alleged rights of criminals, in this instance the rights of a confessed, without coercion in any form, four-time robber.

He confessed to four robberies voluntarily, with no coercion—there was not the slightest bit of evidence anywhere, even on cross-examination of the witness, that there was any coercion used. Yet they found excuses to remand the case for a determination of whether the confession was voluntary.

With hindsight and imagination, the court is acting as counsel for the defendant, even going so far as to conjure up technicalities for the defense and to suggest lines of action to be taken by the defendant after the case was remanded—page 13, footnote 36. Thus, if the ruling in this case stands; if the Supreme Court should adopt this doctrine and it should become the law of the land—and as of now it is the law of the land in the District of Columbia; a defendant will have two trials and two sets of counsel, the second with the benefit of hindsight made by a judge who may pass on whether counsel for the defendant properly presented his case the second time—if indeed a case can be made out. Presumably if the attorney does not, the higher court will give him yet another chance.

This is the kind of decision that has outraged citizens across the country; this is the kind of decision which has made the streets of Washington unsafe for the law-abiding citizen; this is the kind of decision which results in overcrowded courts; and this is the kind of decision that makes a mockery of the word "justice" as applied to our judicial system.

Mr. President, I ask unanimous consent that the opinion of the Court and the dissenting opinion of Judge Burger be printed at this point in the RECORD so that those who read it may know that the comments I have made are absolutely justified.

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

U.S. COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT, No. 21,426; EUGENE R. FRAZIER, APPELLANT v. UNITED STATES OF AMERICA, APPELLEE, APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA, DECIDED MARCH 14, 1969

Mr. Ira S. Siegler (appointed by this court) for appellant.

Mr. Joel M. Finkelstein, Assistant United States Attorney, with whom *Messrs. David G. Bress*, United States Attorney, and *Frank Q. Nebeker*, Assistant United States Attorney, were on the brief, for appellee.

Before BAZELON, *Chief Judge*, and BURGER and ROBINSON, *Circuit Judges*.

ROBINSON, *Circuit Judge:* This is an appeal[1] from a conviction for the armed robbery[2] of the Meridian Market on August 24, 1966. The Government's proof against appellant consisted of in-court identifications by the proprietor and an employee of the market, and an oral confession by appellant while detained by the police after his arrest. Appellant offered no evidence in his own behalf. He now argues, as he did at trial, that the presiding judge should have excluded both the confession and the identifications, and thus left the Government with a case no better than his defense.

Footnotes at end of article.

Both confessions and identifications made while an accused is in police custody without benefit of counsel are constitutionally suspect.[3] Appellant's contentions on this appeal thus not atypically invoke doctrinal considerations that would have a vitiating effect on each prong of the Government's presentation unless exempted by special conditions. Accordingly, we must examine closely the circumstances surrounding appellant's confession and identifications in order to determine whether they pass the strict tests for admissibility which have been judicially prescribed.

I

Appellant was arrested at 4:15 p.m. on September 7, 1966, pursuant to a warrant issued in connection with a robbery at Mike's Carry Out, and was taken to a precinct station. Upon arrival at about 4:30 p.m., the arresting officer immediately telephoned Detective Sergeant Robert T. Keahon, of the Robbery Squad, who instructed him to book appellant and bring him directly to the Robbery Squad office at police headquarters. At a pretrial hearing, held to pass upon the admissibility of the confession, Keahon testified that all arrestees brought to a precinct station are subsequently conveyed to headquarters for processing, that is, fingerprinting, photographing and completion of the "line-up sheet." In addition, Keahon stated that he was personally in possession of appellant's arrest warrant, "was familiar with the case, and . . . was going to handle the case. . . ."

The arresting officer called in a police wagon from the streets and, when it arrived, drove appellant through closing hour traffic to police headquarters, and presented him to Keahon at 5:20 p.m. Keahon ascertained that appellant had been advised of his rights by the arresting officer, and read to him from a form which gave the *Miranda*[4] warnings in some detail. Appellant said he understood the contents of the form, did not want a lawyer, and would obtain one the next morning if necessary. He then signed a statement to the effect that he knew his rights and did not desire the assistance of counsel.

Keahon then "started talking to him about the Mike's Carry Out," the offense for which he had been arrested, but before he could utter more than a few words, appellant exclaimed, "I don't care, I want to clear Ted. Teddy didn't do it. . . . Teddy didn't shoot that woman in the High's store or rob her. I did." "Teddy," it developed, was one Theodore Moore, who had been arrested for a robbery at a High's Market. With that, appellant proceeded to confess, without prompting, to a series of other recent crimes, the fourth of which was the Meridian Market holdup for which he was convicted in this case. Keahon testified that he asked appellant no questions whatever about that affair except to identify the market appellant was admitting he had robbed.

The Meridian Market confession was made at 5:45 p.m. When appellant finished confessing to various other offenses, Keahon brought in witnesses to identify him.[5] Formal processing was completed at about 7:30 p.m., and appellant was taken before the United States Commissioner on the following morning.

II

Appellant contends that his confession was inadmissible under *Mallory* v. *United States*[6] because it was obtained during a period of unnecessary delay in his presentment before a judicial officer. The Government denies a *Mallory* violation and argues that, even if there was one, the confession is admissible under Title III of the so-called District of Columbia Crime Bill.[7] We think the record raises a substantial question as to whether appellant's transfer from the precinct station to police headquarters was an unnecessary delay in terms of contemporary judicial construction of Rule 5(a) of the Federal Rules of Criminal Procedure.[8] We do not, however, reach that question, or the sensitive issues concerning the applicability[9] and constitutionality of Title III which lurk behind it, because the case is properly resolvable on another basis.

Appellant attacks his confession on *Miranda*[10] as well as *Mallory* grounds, alleging that he did not effectively waive his Fifth Amendment privilege against self-incrimination. Our decisions have recognized the importance of inquiry as to whether the accused was effectively apprised of his rights when the admissibility of a confession under *Mallory* is at stake.[11] And as we recently observed in *Naples* v. *United States*,[12] which involved a pre-*Miranda* confession, the evolution in our understanding of *Mallory* has "paralleled the visible movement by the Supreme Court towards the application of Fifth and Sixth Amendment considerations to the pre-arraignment period. That movement culminated, of course, in *Miranda*, in the shadow of which Rule 5(a) now resides and which has probably made academic problems of the kind we confront on this record."[13]

Now we must consider directly the effect on *Mallory* of a *Miranda* that has come of age.

Although not explicitly premised on constitutional grounds, *Mallory* has been ultimately concerned with effectuation of Fifth and Sixth Amendment protections against the dangers of involuntary self-incrimination in stationhouses and with the other evils inherent in police interrogation of an accused in secret.[14] "[T]he delay [in presentment before a magistrate]," *Mallory* admonished, "must not be of a nature to give opportunity for the extraction of a confession."[15]. Its parent opinion, *McNabb* v. *United States*,[16] rested on the proposition that—

"[l]egislation [comparable to Rule 5(a)] . . ., requiring that the police must with reasonable promptness show legal cause for detaining arrested persons, constitutes an important safeguard—not only in assuring protection for the innocent but also in securing conviction of the guilty by methods that commend themselves to a progressive and self-confident society. For this procedural requirement checks resort to those reprehensible practices known as the 'third degree' which, though universally rejected as indefensible, still find their way into use. It aims to avoid all the evil implications of secret interrogation of persons accused of crime."[17]

Mallory itself has stood guard against not only the "third degree," but also "the pressures in a Police Station upon prisoners under secret interrogation without counsel, relative or friend."[18] These, of course, are precisely the concerns of *Miranda*.

The *Mallory* solution for these iniquities was enforcement by an exclusionary rule of the requirement that the accused be brought "before a judicial officer as quickly as possible so that he may be advised of his rights. . . ."[19] But this remedy was at best imperfect because some delay in presentment is unavoidable and, as *Mallory* concedes, additional delays for some purposes may be justifiable.[20] Such postponements are, of course, as susceptible to abuses as any others, and experience has exemplified the difficulty inherent in ascertaining either the real purpose of a challenged delay or the actual nature of interrogations carried out behind closed stationhouse doors.[21]

In *Miranda*, the Supreme Court eschewed this uncertain detour through Rule 5(a) and attacked the problem of custodial interrogation directly. It held that the accused is entitled to the assistance of counsel before he is questioned and, in effect, that any confession he makes while in exclusive police custody prior to arraignment is presumptively inadmissible under the Fifth and Sixth Amendments. Such confessions can stand if, but only if, the accused affirmatively and understandingly waives his rights, and the

Government bears "a heavy burden" in attempting to show such a waiver.[22]

Thus, absent convincing evidence of waiver, no confession may be admitted, regardless of the dispatch with which the accused is presented before a magistrate. Conversely, should the Government carry its burden, we think it follows that the confession is not inadmissible solely on the ground that the accused was not taken before a magistrate at the earliest possible moment. A valid *Miranda* waiver is necessarily, for the duration of the waiver,[23] also a waiver of an immediate *judicial* warning of constitutional rights.[24] And what *Miranda*, as a constitutional interpretation, leaves an accused at liberty to yield, he may, we believe, forego equally under *Mallory*.[25] Provided the exacting standards for waiver are met, the overriding purpose of *Mallory* has been served.[26]

By no means is this to say that unjustified delay in compliance with Rule 5(a) has no bearing on the admissibility of a confession forthcoming during a period of such delay. As *Miranda* made clear, "[w]hatever the testimony of the authorities as to waiver of rights by an accused, the fact of lengthy interrogation or incommunicado incaceration before a statement is made is strong evidence that the accused did not validly waive his rights. In these circumstances the fact that the individual eventually made a statement is consistent with the conclusion that the compelling influence of the interrogation finally forced him to do so. It is inconsistent with any notion of a voluntary relinquishment of the privilege." [27]

Thus, the greater the tardiness in presentment prior to a confession, the heavier the Government's already "heavy burden" of showing effective waiver. Certainly some conceivable delays are so long that no subsequent confession could be deemed the product of voluntary waiver. And nothing in *Miranda* affects the admissibility *vel non* of evidence of any sort obtained during detention following an illegal arrest.[28]

III

Thus the vital question here is whether appellant voluntarily and understandingly waived his *Miranda* rights. If he did not, his confession was inadmissible under *Miranda*. If he did, the confession was admissible even if the purpose inspiring his transfer to police headquarters was interrogation for the production of evidence.[29]

The record discloses that appellant objected when, as he began his string of confessions, Sergeant Keahon started to take notes on his confession. How strenuously he objected does not appear, but it is noteworthy that Keahon stopped writing at that point. He testified entirely from memory to the details of the confession, which was made a year before the trial began, explaining that "at the beginning of his admission, I started to write notes, and he stopped me and said: Don't write anything down. I will tell you about this but I don't want you to write anything down." [30]

The strong implication is that appellant thought his confession could not be used against him so long as nothing was committed to writing. If, as his avowed motive for confessing suggests, he was brooding over a guilty conscience while the warnings were being given, he might well have failed to absorb their message. Or he may simply have been laboring under the common misapprehension that the police could not use in court anything he said unless they were able to introduce a written statement. Whatever the reason, the evidence raises a serious question as to whether he intelligently waived his right to remain silent.[31]

Appellant was given the *Miranda* warnings in their entirety. He signed what purported to be an express waiver. If there were no other evidence in the record, the Government would have discharged its burden, and no further inquiry would be necessary. But while "[a]n express statement that the individual is willing to make a statement and does not want an attorney followed closely by a statement *could* constitute a waiver," [32] *Miranda* teaches that in many circumstances it does not.[33] Here, Sergeant Keahon's testimony suggests powerfully that the waiver was not understandingly made; in addition, the hour appellant spent in custody before the ceremonial "waiver" casts doubt on whether it was voluntarily made. Since the Government offered no evidence to dispel these doubts, we cannot say on this record that it carried its "heavy burden . . . to demonstrate that the defendant knowingly and intelligently waived his privilege against self-incrimination. . . ." [34]

The Government argues, however, that because the question was not raised below, appellant should not be allowed to present it here. We disagree. Appellant's counsel [35] was initially confronted with the signed waiver and what appeared to be a spontaneous confession. It is scarcely surprising that he prepared a *Mallory*, not a *Miranda*, argument. The evidence connoting that appellant did not understandingly waive his rights did not develop until the direct examination of Sergeant Keahon. Defense counsel then made an apparent attempt to raise the issue in a general way, but the matter was lost in the *Mallory* argument he was pursuing. We do not demand more of appellants as a condition to litigation of issues fundamental in the criminal process.

Nonetheless, because the Government had no clear warning that it would need to produce more evidence, we are reluctant to reverse for a new trial. Appellant's ban on note-taking inveighs against intelligent waiver, but this inference might be overcome, for example, if Sergeant Keahon admonished him that even an oral confession would be used against him, and appellant replied that he knew that but still did not want anything written down. Absent some additional evidence, comparable in quality, of understanding waiver, however, his confession cannot stand. Accordingly, we shall remand this case to the District Court for an evidentiary hearing and findings of fact on the validity of appellant's purported waiver.[36]

IV

Appellant also contends that the trial judge erred in permitting two eyewitnesses to the Meridian Market robbery to identify him at the trial as a participant. His argument is that these in-court identifications were products of prior extrajudicial identifications made in circumstances so unnecessarily suggestive and promotive of faulty recognition as to impinge on due process of law.[37] We deferred our disposition of this case to enable evaluation of appellant's claim in the light of the recent *Clemons* [38] decision by the full court.

One, but only one, of the pretrial episodes complained of falls within the area of constitutional condemnation. More than a month after appellant's arrest. Louis I. Reznick, the owner of the market, and William Simpson, an employee, both of whom were present when the holdup occurred, viewed appellant while confined in a cellblock. Appellant was the only person they were shown, and both witnesses knew at the time that appellant had confessed. As the Government now itself characterizes the incident, this single-suspect cellblock confrontation was "indeed suggestive"; so much so, we hasten to add, as to render it offensive to due process.[39]

The Government, however, did not rely upon the out-of-court identifications at the trial.[40] The question, then, is whether the in-court identifications had a source sufficiently independent of the cellblock exhibition as to be free from its taint.[41] The trial court found that there was no taint, and we deem the evidence adequate to support that finding.[42]

Reznick and Simpson each testified at trial that they remembered appellant from impressions received at the time of the robbery. The offense was perpetrated by two men during daylight hours over a period of several minutes during which both Reznick and Simpson had excellent opportunities to scrutinize the two robbers. Afterwards, they gave the police detailed joint descriptions of the culprits, one of which depicted appellant reasonably well. In addition, Reznick selected appellant's photograph out of "a box of pictures" given him by the police shortly after appellant's arrest. This evidence, we hold, was sufficient to support the finding that Reznick's identification was not tainted by the cellblock confrontation.[43]

As to Simpson, who made no prior photographic identification, the proof on independent source on his in-court identification included a very significant event. On the night of appellant's arrest, Simpson was brought to police headquarters to identify him. According to the uncontradicted testimony of Detective Keahon, "when Mr. Simpson walked into the office, he saw Frazier and he said: There's the man that approached me in the back and stated, this is a hold-up. And at the same time the Defendant Frazier shook his head; and I asked him what did he mean by shaking his head; and he said: Yes, that is the man that was behind the meat counter."

Ordinarily, an identification arising out of so suggestive a confrontation would itself be constitutionally dubious.[44] Here, however, not only did Simpson identify appellant, but appellant also identified Simpson. There can be no doubt on the record that by "the man that was behind the meat counter," appellant referred to Simpson's presence there at the time of the robbery. At this juncture, his urge to confess was so strong that he even acted out one of the other holdups to which he had confessed in order to convince hesitant eyewitnesses to that crime that he had indeed been the perpetrator. His statement, however, is relevant here, not because it is evidence of guilt and thus, indirectly, of the reliability of Simpson's identification, but rather because it tends directly to confirm the existence of an independent source for the challenged identification. And, with this, there could hardly be any "substantial likelihood of irreparable mistaken identification."[45]

We remand the case to the District Court for proceedings consistent with this opinion.

REMANDED.

BURGER, *Circuit Judge*, concurring in part and dissenting in part: I agree that the identification testimony was properly admitted under the principles recently set forth by this court in *Clemons* v. *United States*, No. 19,486 (D.C. Cir., Dec. 6, 1968) (*en banc*), but I do not agree with those parts of the majority opinion relating to the inadmissibility of statements which Appellant made to the police.

(1)

The sole issue separating me from the majority is whether *Miranda* v. *Arizona*, 384 U.S. 436 (1966) required Appellant's statements to be excluded from the evidence. In answering this question affirmatively the majority leans heavily on *Mallory* v. *United States*, 354 U.S. 449 (1957), the standing of which has been drawn into serious doubt by recent Congressional enactments.[46] The majority's cognizance [47] of the message that this series of legislation bears for *Mallory* and their apparent agreement with the lower court's finding that *Mallory* was not violated here,[48] belies *Mallory's* true significance to the issues at hand. Moreover it is unsound to treat *Mallory* and *Miranda* as closely related; the former is a quantitive test of time delay, the latter is a qualitative test of the circumstances of the interrogation.[49]

Footnotes at end of article.

Of more concern is the majority's expansion of *Miranda* into a *per se* exclusionary rule, thereby transcending the Fifth Amendment requirement that only those statements elicited through *compulsion* be excluded from evidence. Indeed, *Miranda* itself cannot be read as going beyond the language of the Fifth Amendment.[50] Any lingering doubts on this score were resolved by a recent exposition on the subject by the Supreme Court. In discussing the scope of *Miranda* the Court pertinently noted in *Hoffa* v. *United States*, 385 U.S. 293, 303–04 (1966), that, "since at least as long ago as 1807, when Chief Justice Marshall first gave attention to the matter in the trial of Aaron Burr, all have agreed that a necessary element of compulsory self-incrimination is *some kind of compulsion*". (Emphasis added) (footnote omitted)

In *Miranda* the Supreme Court held that certain warnings must be given to a suspect before "custodial interrogation" could be conducted. The underlying assumption was that these warnings were necessary to prevent the subversion of trial rights at unsupervised pretrial confrontations between an accused and the State. Whereas pre-*Miranda* cases had alternately invoked the Fifth and Sixth Amendments[51] *Miranda* made clear that the Fifth Amendment was the central value at stake. The articulation of a stringent waiver requirement was merely a device through which the Court sought to ensure that Fifth Amendment guarantees were not unduly impaired at pretrial interrogations. The guidelines set forth in *Miranda* were means servicing constitutionally prescribed ends; as artifices of implementation they are subordinate and only incidental to the rights they were designed to secure. By postulating a waiver concept the Court did not intend to eclipse the threshold inquiries into the presence of compulsion and the quality of police conduct attending the making of inculpatory statements. This is the background of controlling legal principles on which this case ought to be decided. I do not agree that they give rise to a plausible claim of improper police tactics amounting to coercion requiring reversal or remand.

(2)

Frazier was presented to Officer Keahon at headquarters at 5:20 P.M. Their meeting was prefaced by Keahon's reading the *Miranda* warnings to him from PD–47 (a form card which all police officers carry and which had previously been read to Frazier by Officer Sandy upon his arrest). He repeated these warnings to Frazier when he read PD–54, a form which advised him of his Fifth and Sixth Amendment rights[52] and contained a statement of an intention to waive his right to remain silent and his right to counsel. Thereafter, at 5:30 P.M., Frazier himself read this form, orally stated that he understood its meaning,[53] and signed the waiver.

Officer Keahon testified that he then read the arrest warrant relating to the robbery of Mike's Carry Out Shop and started to question Frazier on that robbery. But, after Keahon had spoken but a few words, Frazier blurted out his desire to clear a third person who had been arrested for the robbery and shooting at a High's Store. Within minutes Frazier, by way of exculpating others, admitted to his involvement in the robberies at the High's Store, at Mike's Carry Out Shop, at the Dodge Market, and at the Meridian Market—the last robbery being the one for which he was convicted in this case. During this discourse Frazier objected to Officer Keahon's taking written notes. Keahon testified: "At the beginning of his admission, I started to write notes, and he stopped me and said: 'Don't write anything down. I will tell you about this but I don't want you to write anything down.'" [Tr. 72.]

The admission of the Meridian Market robbery was unsolicited and appears to have been volunteered. Officer Keahon testified that he did not ask Frazier whether he participated in the Meridian Market robbery and that the only questions asked in relation to that robbery during the initial confession were for the purpose of corroborating the identification of the market. Thus it seems that the confession was totally spontaneous and voluntary.

Following the statements Frazier was retained in the robbery squad office for nearly two hours, where he was quizzed in detail about the four robberies, reiterated his confessions, was displayed to several witnesses, and reenacted several of the robberies. Thereafter he was placed in a cell for the night because a Commissioner was not available and was presented the following morning.

(3)

The record demonstrates entirely reasonable police activity satisfying the deterrent purposes underlying the *Miranda* rule. There is not a scintilla of evidence suggesting that what had been forthcoming from Appellant's lips was the result of unreasonable or improper police conduct. The fact that Appellant may not have desired the statement to be transcribed does not compel the conclusion that he was being subjected to the kind of police activity found unconscionable in *Miranda*. The most that can be said from Appellant's statements is that he may have *unintentionally* incriminated himself. The Fifth Amendment, however, serves neither to discourage nor to prohibit self-incrimination, it militates only against *compulsory* self-incrimination. The record does not even remotely suggest that Appellant was being compelled to incriminate himself, no less compelled to utter any words at all. There is not the slightest indication that Appellant was unaware of his rights or labored under a misbelief that his failure to speak could be used against him as evidence of guilt. There is no intimation that the environment would have neither permitted nor honored a non-waiver.

In fact, no issue is even purportedly raised as to Appellant's willingness to make the statements that were eventually used against him. Indeed, evidence of his volition may be inferred from his voluntary participation later that evening in a series of identification procedures. In view of the obvious spontaneity surrounding its making, the statement could plainly have been used as a threshold oral confession.[54]

In this regard it also bears noting that the "plus factors" so frequently contributing to a rejection of a confession are not present in this case. Frazier was repeatedly told of his right to counsel and his right to remain silent; he confessed immediately and without prior denials; he never repudiated his confession and he did not make any allegations of coercive threats or physical abuses.[55]

By equating Frazier's insistence that the police not write notes with a desire not to incriminate himself, the majority engages in sheer speculation of Appellant's thought processes which places a premium on the capacity of judges to probe Appellant's mind. This approach bears an unfortunate resemblance to the sophistry engaged in by the courts which labored under the albatross of *Betts* v. *Brady*.[56] Indeed, the rule requiring courts to peer through kaleidoscopes in search of constitutional violations inevitably deteriorated into measuring the constitutional right in terms of the suspect's need and invariably a horribly guilty suspect at that. Although this theory received currency during the era of "special circumstances," twenty years of inconsistent application which produced no judicially manageable standards eventually persuaded the Supreme Court in *Miranda*[57] to turn to an essentially *objective*[58] mode of analysis.

Since the underlying purpose of *Miranda* was to curb police improprieties, the use of objective criterion provided courts with a more workable method of evaluating the reasonableness of police conduct. The unhappy theory holding the police accountable for environmental and personality beyond the pale of police perception came to rest in the shadow of an exclusionary rule grounded in deterrence. Indeed, the Supreme Court in *Johnson* v. *New Jersey*[59] confirmed the essentially deterrent underpinnings of *Miranda* and thereby placed its imprimatur on an interpretation focusing on the reasonableness of police conduct instead of the vagaries of human nature.

Miranda did not set down a *per se* proscription against pretrial questioning; it was addressed primarily to abusive and unwarranted tactics designed to subvert constitutional rights. Even if Frazier unwittingly incriminated himself, the police should not be held accountable in the absence of some evidence of deceit or misconduct on their part. Here, of course, there is no such evidence. Indeed, the majority clothes Appellant's remarks with a significance bearing no relationship to the record or to ordinary human experience. Throughout the majority opinion is circumspect avoidance of any discussion relating to coercion or improper police conduct. To the extent Appellant's utterances may be construed as indicating a misunderstanding of the consequences of his making incriminatory statements the majority has failed to supply a nexus between this and the presence of improper police conduct amounting to coercion.

I have difficulty perceiving the basis for the majority's argument that it was unreasonable for the police to proceed with questions *after* Frazier made an apparently valid waiver. Although this waiver was not irrevocable,[60] there is nothing to show that Frazier indicated "in any manner, at any time prior to or during questioning, that he wish[ed] to remain silent" or that he wanted an attorney. *Miranda* v. *Arizona*, *supra* at 473–74.

Having complied with the postulates of *Miranda*, it was the absolute duty of the police as law enforcement agents to investigate promptly the circumstances of the crime and the suspect's possible participation. I am somewhat at a loss to know what more the Government could or should have done to comply with the directives of *Miranda*. Even if Frazier did not understand the privilege against self-incrimination, the majority's approach is unrealistic and goes beyond the mandates of any decided cases. It seemingly expects the police to detect indications of misunderstanding and lack of knowledge which are so subtle that not even judges would recognize the problem.

The seeming anxiety of judges to protect every accused person from every consequence of his voluntary utterances is giving rise to myriad rules, sub-rules, variation and exceptions which even the most alert and sophisticated lawyers and judges are taxed to follow. Each time judges add nuances to these "rules" we make it less likely that any police officer will be able to follow the guidelines we lay down. We are approaching the predicament of the centipede on the flypaper—each time one leg is placed to give support for relief of a leg already "stuck", another becomes captive and soon all are securely immobilized. Like the hapless centipede on the flypaper, our efforts to extricate ourselves from this self-imposed dilemma will, if we keep it up, soon have all of us immobilized. We are well on our way to forbidding *any* utterance of an accused to be used against him unless it is made in open court. Guilt or innocence becomes irrelevant in the criminal trial as we flounder in a morass of artificial rules poorly conceived and often impossible of application.

The record raises the possibility that the only statements put into evidence were those made *prior* in time to Appellants alleged equivocations.[61] Police who act reasonably on facts presently in their possession should not be ascribed a taint by virtue of subsequent utterances of a suspect which might be said

Footnotes at end of article.

to exhibit qualities forbidden by *Miranda*. The use of such a relating-back theory does violence to *Miranda*[32] and brings us beyond the point of diminishing return in enforcing an exclusionary rule grounded in deterrence of proscribed police conduct.[33] The Constitution does not prohibit, and surely the majority holding will not help, deter the police from continuing to question a suspect once there has been—as there was here—an apparent waiver of rights; but the majority holding will baffle policemen as it will many judges.

FOOTNOTES

[1] Heard together with No. 21,427, *Bryson* v. *United States*, now pending before this court, which is an appeal from a conviction for the same offense.

[2] D.C. Code § 22–2901 (1967 ed.), since amended (Supp. I 1968).

[3] As to confessions, *Miranda* v. *Arizona*, 384 U.S. 436 (1966); see also *Escobedo* v. *Illinois*, 378 U.S. 478 (1964). As to identifications, *United States* v. *Wade*, 388 U.S. 218 (1967); *Gilbert* v. *California*, 388 U.S. 263 (1967); *Stovall* v. *Denno*, 388 U.S. 293 (1967).

[4] *Miranda* v. *Arizona*, *supra* note 3, 384 U.S. at 467–73.

[5] This aspect of the case is discussed *infra*, pt. IV.

[6] 354 U.S. 449 (1957).

[7] 81 Stat. 734, 735–36 (1967). Title III in pertinent part provides:

"Sec. 301(a) Any person arrested in the District of Columbia may be questioned with respect to any matter for a period not to exceed three hours immediately following his arrest. Such person shall be advised of and accorded his rights under applicable law respecting any such interrogation. . . .

"(b) Any statement, admission, or confession made by an arrested person within three hours immediately following his arrest shall not be excluded from evidence in the courts of the District of Columbia solely because of delay in presentment."

[8] "An officer making an arrest under a warrant issued upon a complaint or any person making an arrest without a warrant shall take the arrested person without unnecessary delay before the nearest available commissioner or before any other nearby officer empowered to commit persons charged with offenses against the laws of the United States. . . ." F.R.Crim.P. 5(a).

[9] The question is whether the statute operates retroactively to require admission of a confession obtained prior to its enactment in the course of an unnecessary delay in presenting an accused before a judicial officer.

[10] *Miranda* v. *Arizona*, *supra* note 3.

[11] See *Naples* v. *United States*, 127 U.S.App. D.C. 249, 258, 382 F.2d 465, 474 (1967), and cases cited in n. 10. In *Alston* v. *United States*, 121 U.S.App.D.C. 66, 67–68, 348 F.2d 72, 73–74 (1965), Judge McGowan, in his separate opinion, deemed the fact that appellant "was not, prior to his interrogation, informed of his right to remain silent or of the fact that such answers as he chose to give might be used against him" at trial a "decisive consideration" in his conclusion that *Mallory* required barring of the confession.

[12] *Supra* note 11.

[13] 127 U.S.App.D.C. at 258, 382 F.2d at 474.

[14] *Spriggs* v. *United States*, 118 U.S.App.D.C. 248, 251, 335 F.2d 283, 286 (1964).

[15] 354 U.S. at 455.

[16] 318 U.S. 332 (1943).

[17] *Id.* at 343–44.

[18] *Spriggs* v. *United States*, *supra* note 14, 118 U.S.App.D.C. at 250, 335 F.2d at 285.

[19] 354 U.S. at 454. *Mallory* and its progeny have also voiced concern at the possibility that police may interrogate, or otherwise use a delay in presentation before a magistrate, to obtain probable cause to support the arrest. Whenever it appears that an arrest was made without probable cause, a question may arise independently of *Mallory* as to whether evidence subsequently obtained in violation of Rule 5(a) must be excluded as fruit of the illegal arrest. See *Adams* v. *United States*, No. 20,547 (D.C. Cir., June 21, 1968); *Bynum* v. *United States*, 104 U.S.App.D.C. 368, 262 F.2d 465 (1958). *Mallory*, however, which applies regardless of the legality of the arrest, and which has been read to exclude only testimonial evidence, see cases cited in *Adams*, *supra*, at 5 n. 4, is ill-suited for more than incidental impact on that problem.

[20] 354 U.S. at 455. Se also *Alston* v. *United States*, *supra* note 11, 121 U.S. App. D.C. at 68, 348 F.2d at 74 (opinion of Judge McGowan).

[21] Compare the majority with the dissenting opinions in, *e.g.*, *Coor* v. *United States*, 119 U.S. App. D.C. 259, 340 F.2d 784 (1964), *cert. denied* 382 U.S. 1013 (1966); *Muschette* v. *United States*, 116 U.S. App. D.C. 239, 322 F.2d 989 (1963), *vacated on other grounds* 378 U.S. 569 (1964); *Heideman* v. *United States*, 104 U.S. App. D.C. 128, 259 F.2d 943, *cert. denied* 359 U.S. 959 (1958). This case itself is illustrative of the difficulty: the police practice of processing at headquarters persons arrested at the precinct may or may not be essential to efficient police administration; if it is essential, it nonetheless presents obvious opportunities for improper interrogation.

[22] After the warnings have been given "[i]f the interrogation continues without the presence of an attorney and a statement is taken, a heavy burden rests on the government to demonstrate that the defendant knowingly and intelligently waived his privilege against self-incrimination and his right to retained or appointed counsel. . . . This Court has always set high standards of proof for the waiver of constitutional rights, *Johnson* v. *Zerbst*, 304 U.S. 458 (1938), and we re-assert these standards as applied to in custody interrogation." *Miranda* v. *Arizona*, *supra* note 3, 384 U.S. at 475.

[23] A valid waiver ceases to be effective whenever the accused indicates in any manner that he wishes to remain silent or that he wants an attorney. *Miranda* v. *Arizona*, *supra* note 3, 384 U.S. at 473–74.

[24] *Miranda* implicitly assumes that it is possible for the police to convey to the accused sufficient understanding of his rights to enable him to make an intelligent waiver. A police warning, to be effective, must be given with proper solicitude for actual understanding. Moreover, a waiver made in the coercive atmosphere of police custody is less likely to be voluntary than one made before a commission. Thus the Government carries such a weighty burden of providing waiver in cases involving confessions to the police. But irrespective of who gives the warnings or takes the confessions, the ultimate question is whether the waiver is voluntary in the full sense of the word. If an accused did not understand what a magistrate told him, an ensuing confession would not be rendered admissible because he had been advised of his rights by a judicial officer. Similarly, under *Miranda*, a waiver may be valid even though made on the basis of police warnings.

[25] We do not conclude, however, that in waiving his right to remain silent, the accused also impliedly waives his right to complain of a *prior* violation of Rule 5(a). Rather, we construe *Mallory* not to require exclusion of an otherwise admissible confession because of a brief delay in obtaining a *Miranda* waiver.

[26] Rule 5(a) also confers upon the accused a prompt opportunity to persuade a magistrate, at a preliminary hearing under Rule 5(c), that there is no probable cause for holding him. While, of course, that policy remains in force, see *Adams* v. *United States*, *supra* note 19, at 10, *Mallory* has enforced it only coincidentally, since it has no effect if no incriminating evidence is obtained as a result of the delay, and since it has been read not to apply where the unnecessary delay in presentment to a magistrate occurs *after* a confession. *Coor* v. *United States*, *supra* note 21, 119 U.S.App.D.C. at 260, 349 F.2d at 785; *Bailey* v. *United States*, 117 U.S.App.D.C. 241, 328 F.2d 542, *cert. denied* 377 U.S. 972 (1964); *Lockley* v. *United States*, 106 U.S.App.D.C. 163, 270 F.2d 915 (1959); *Porter* v. *United States*, 103 U.S.App.D.C. 385, 258 F.2d 685, 692 (1958), *cert. denied* 360 U.S. 906 (1959); and see *United States* v. *Mitchell*, 322 U.S. 65, 70–71 (1944).

If probable cause is found, Rule 5(a) still serves to promote early consideration of an accused's admission to bail. This function of the rule has taken on added importance with the enactment of the Bail Reform Act, 80 Stat. 214 (1966), 18 U.S.C. § 3146 *et seq.* But for the same reason that *Mallory* has little relevance to the goal of assuring expeditious determination of the existence of probable cause, it is not a significant antidote to the problem of delays in bail hearings.

Rule 5(a) also serves to provide early warning by a magistrate of the right to counsel, which may be important in protecting an accused's interest at a line-up. See *Williams* v. *United States*, No. 21,269–70 (D.C. Cir., Dec. 20, 1968). Thus, identification evidence obtained in the absence of counsel may be excluded independently of the rules of *United States* v. *Wade*, *Gilbert* v. *California*, and *Stovall* v. *Denno*, all *supra* note 3, if it is obtained during an "unnecessary delay" in presentment. If the right to counsel has been validly waived under *Miranda*, however, this issue will not arise. Moreover, even in the absence of a waiver, if counsel was in fact present at the challenged confrontation, and if the resulting identification is otherwise admissible, *Mallory* does not require its exclusion because of a violation of Rule 5(a). *Williams* v. *United States*, *supra*, at 9 n. 9.

[27] 384 U.S. at 476.

[28] See note 19, *supra*.

[29] *Cf. Naples* v. *United States*, *supra* note 11.

[30] We cannot agree with our dissenting colleague (*infra* p. 24) that "[t]he record raises the possibility that the only statements put into evidence were those made *prior* in time to Appellant's alleged equivocations." The confession at issue was the fourth in a series made by appellant to Sergeant Keahon, who testified that appellant put a stop to note-taking "[a]t the beginning of his admission," when he was narrating the first robbery in the series. If Sergeant Keahon was not admonished about note-taking until after the challenged confession was given, we must disbelieve his explanation as to why he had no notes concerning it.

[31] The thrust of *Miranda* is that in order to permit "a full opportunity to exercise the privilege against self-incrimination, the accused must be adequately and *effectively* apprised of his rights. . . ." 384 U.S. at 467 (emphasis added). Specifically included among the warnings the Court found essential to an *adequate* appraisal is notice of the fact that "anything said can and will be used against the individual in court" *Id.* at 469. This warning is needed in order to make him aware of the consequences of foregoing his privilege not to speak. "It is only through an awareness of these consequences that there can be any assurance of real understanding and intelligent exercise of the privilege." *Id.* And as this explanation suggests, a warning is not *effective* if it is not understood. Thus contrary to the thesis of the dissent, incriminating statements may be involuntary, and thus "compelled" within the meaning of the Fifth Amendment, even where the police are not at fault. *Cf.* note 24, *supra*. See *Procter* v. *United States*, No. 21,569 (D.C. Cir., Oct. 10, 1968) at 2–3.

[32] *Miranda* v. *Arizona*, *supra* note 3, 384 U.S. at 475 (emphasis added).

[33] *Id.* at 475–76.

[34] *Miranda* v. *Arizona*, *supra* note 3, 384 U.S. at 475.

[35] Not his counsel on this appeal.

[36] Appellant, of course, may wish to testify at that hearing. See *Simmons* v. *United States*, 390 U.S. 377, 389–94 (1968); *Bailey* v. *United States*, —— U.S. App., D.C. ——, 389 F. 2d 305 (1967).

[37] See *Stovall* v. *Denno*, *supra* note 3, 388 U.S. at 302; *Simmons* v. *United States*, *supra* note 36, 390 U.S. at 384; *Wright* v. *United States*, No. 20,153 (D.C. Cir., Jan. 31, 1968) at 5–9. Since the pretrial identifications occurred before the decisions in *United States* v. *Wade* and *Gilbert* v. *California*, both *supra* note 3, the fact that appellant was then unrepresented by counsel does not establish a constitutional violation. *Stovall* v. *Denno*, *supra* note 3, 390 U.S. at 300.

[38] *Clemons* v. *United States*, No. 19,846 (D.C. Cir. *en banc* Dec. 6, 1968).

[39] *Id.* at 16, 25, 32–33.

[40] The jury did hear a reference to the cellblock confrontation during the direct examination of Reznick. However, even if Reznick's reference amounted to an unintentional introduction into evidence of the out-of-court episode, there was no error if this identification, like its in-court sequel, had an "independent source." *Clemons* v. *United States*, *supra* note 38, at 30.

[41] *United States* v. *Wade*, *supra* note 3, 388 U.S. at 240; *Gilbert* v. *California*, *supra* note 3, 388 U.S. at 272; *Clemons* v. *United States*, *supra* note 38, at 9; *Wright* v. *United States*, *supra* note 36, at 9.

[42] In *Clemons* v. *United States*, *supra* note 38, at 8, 18, we emphasized the importance of the trial court's considered judgment on this question in the absence of further enlightenment by the Supreme Court. See also *id.*, opinion of Judge Leventhal at 37.

[43] The reliability of Reznick's in-court identification is additionally supported by appellant's concession that Simpson had correctly identified appellant as a participant in the Meridian Market robbery. See the text *infra* at note 45.

[44] Compare *Clemons* v. *United States*, *supra* note 38; *Wright* v. *United States*, *supra* note 37, at 3, 5.

[45] *Simmons* v. *United States*, *supra* note 36, 390 U.S. at 384; *Clemons* v. *United States*, *supra* note 38, at 34.

[46] Omnibus Crime Control and Safe Streets Act of 1968, 82 Stat. 197 (1968); District of Columbia Crime Bill, 81 Stat. 734 (1967).

[47] *See* majority opinion at notes 7–9 and accompanying text. The majority mentions only the District of Columbia Bill, but the Omnibus Act is also relevant. Its Title II substantially incorporates Title III of the District of Columbia Crime Bill. *See generally*, Note, *Title II of the Omnibus Crime Control Act: A Study in Constitutional Conflict*, 57 GEO. L.J. 438 (1968). *And see* Bell v. Maryland, 378 U.S. 226 (1964), dealing with the question of legislative retroactivity.

[48] In *Mallory* the exclusion of confessions rested on supervisory powers, not on the Constitution. Mallory v. United States, 354 U.S. 449 (1957); *see* McNabb v. United States, 318 U.S. 332, 340 (1943).

[49] Herman, *The Supreme Court and Restrictions on Police Interrogation*, 25 OHIO L.J. 449, 451 (1961). In any event, *Mallory* has never been interpreted as requiring the police to terminate an interview for purposes of arraignment when a suspect wants to make a confession of guilt. In Fuller v. United States, — U.S. App. D.C. —, — & n. 13, — F.2d —, — & n. 13 (1967), *reheard en banc on other issues* Fuller v. United States, No. 19,532 (D.C. Cir., decided September 26, 1968), Judge Leventhal noted: "Rule 5(a) did not require that the detectives break off the interview and try to arraign appellant rather than allow him to make an immediate elaboration of the mere assertion of guilt". (Citing Walton v. United States, 334 F.2d 343, 347 (10th Cir. 1964), *cert. denied sub nom.* Comley v. United States, 379 U.S. 991 (1965).)

[50] The *Miranda* Court expressly disclaimed any intention to traverse beyond the strictures of the Constitution. At the outset of its opinion the Court stated, "We start here . . . with the premise that our holding is not an innovation in our jurisprudence, but is an application of principles long recognized and applied in other settings". 384 U.S. at 442.

[51] *Compare* Escobedo v. Illinois, 378 U.S. 478, 491 (1964) *and* Massiah v. United States, 377 U.S. 201 (1964), *with* Ashcraft v. Tennessee, 322 U.S. 143 (1944) *and* Brown v. Mississippi, 297 U.S. 278 (1936).

[52] The warning reads as follows:

"You are under arrest. Before we ask you any questions, you must understand what your rights are. You have the right to remain silent. You are not required to say anything to us at any time or to answer any questions. Anything you say can be used against you in Court. You have the right to talk to a lawyer for advise [*sic*] before we question you and to have him with you during questioning. If you cannot afford a lawyer and want one, a lawyer will be provided for you. If you want to answer questions now without a lawyer, you will still have the right to stop answering questions at any time. You also have the right to stop answering at any time until you talk to a lawyer."

[53] Officer Keahon testified as follows: "He [Frazier] stated that he did understand the form and that he did not want a lawyer. . . . He stated 'If I need a lawyer, I will get one in the morning.'" [Tr. 63–64.]

[54] *E.g.*, United States v. Mitchell, 322 U.S. 65 (1944); Bailey v. United States, 117 U.S. App. D.C. 241, 328 F.2d 542 (1964) (Miller, J.); Jackson v. United States, 114 U.S. App. D.C. 181, 313 F.2d 572 (1962) (Edgerton, J.); Metoyer v. United States, 102 U.S. App. D.C. 62, 250 F.2d 30 (1957) (Burger, J.).

[55] *Compare, e.g.*, Greenwell v. United States, 119 U.S. App. D.C. 43, 336 F.2d 962 (1964) (allegations of coercion); Spriggs v. United States, 118 U.S. App. D.C. 248, 335 F.2d 283 (1963) (prior denials; repudiation of the confession).

[56] 316 U.S. 455 (1942), in which the "special circumstances" doctrine was evolved to determine the necessity for counsel in noncapital offenses.

[57] By the time of *Miranda*, *Betts* had already been overruled by Gideon v. Wainwright, 372 U.S. 335 (1963), holding the right to counsel universally applicable at trial in felony cases without regard to "special circumstances". In Cicenia v. Lagay, 357 U.S. 504 (1958), and Crooker v. California, 357 U.S. 433 (1958), the *Betts* analysis had been directly transposed on the determination of the admissibility of a confession. Both of these cases were distinguished and partially overruled in Escobedo v. Illinois, 378 U.S. 478, 491–92 (1964), and were completely overruled in *Miranda*, *supra* at 479 n.8. Of special interest is the discussion and rejection in *Miranda* of the "special circumstances" into which the rule of *Betts* necessitated an inquiry. *Id.* at 468–69 & n. 38.

[58] Analogously, in the arrest area a suspect's testimony of his understanding of the events would not be decisive but would be material. *Compare* United States v. McKethan, 247 F. Supp. 324, 328–29 (D.D.C. 1965), *aff'd by order* (D.C. Cir. No. 20059, 1966), where Judge Youngdahl states "the test must be not what the defendant himself . . . thought, but what a reasonable man, innocent of any crime, would have thought had he been in the defendant's shoes, . . . a reasonable man, interpreting these words [of the detective] and the acts accompanying them. . . ." *McKethan* has recently been cited with approval in Hicks v. United States, — U.S. App. D.C. —, — F.2d — (No. 20240, July 7, 1967).

Fuller v. United States, — U.S. App. D.C. —, — n.11, — F.2d —, — n.11 (1967) (Leventhal, J.), *reheard en banc on other issues* Fuller v. United States, No. 19,532 (D.C. Cir., decided September 26, 1968).

As Judge Bazelon's dissent in Hall v. United States, No. 20,711 (D.C. Cir., decided February 24, 1969) indicates, he too would subscribe to "reasonableness" of police conduct as the touchstone of exclusionary rules. Judge Bazelon said there, echoing a multitude of judicial holdings:

"It is not searches and seizures as such which the Fourth Amendment enjoins, but only 'unreasonable searches and seizures,' and the reasonableness of police conduct under the Fourth Amendment is ordinarily gauged by what the police reasonably and in good faith believed to be the facts at the time of the action. Thus, an arrest made on probable cause is not invalidated because the police were in fact mistaken in their good faith reasonable belief. * * *

"I fail to see how admission of the fruits of such police conduct could sully the integrity of the judicial process. Here was no shocking affront to the dignity of a citizen, *cf.* Rochin v. California, 342 U.S. 165 (1952), no police 'contempt for law,' no 'flagrant disregard' of prescribed procedures, no 'willful disobedience of (the) . . . Constitution. . . .'" (slip op. at 6, 9)

Although the *Hall* case involved the Fourth Amendment everything said in the dissent relates equally to the exclusion of reliable evidence under the Fifth Amendment; *see* Boyd v. United States, 116 U.S. 616, 630 (1886), where the Court noted that "the Fourth and Fifth Amendments run almost into each other." *Compare* Note, *Consent Searches: A Reappraisal After Miranda v. Arizona*, 67 COLUM. L. REV. 130 (1967).

Just as reasonableness has been the guidepost for protecting privacy, it also serves as the basis for determining the existence of compulsion. In assessing the legality of an arrest the question is framed in terms of whether the police officer had probable cause to believe a crime had been committed; similarly, in determining the admissibility of a confession, the question is whether there was sufficient reason for the police to believe that the suspect had consented to being questioned. In both instances the judicially declared objective of the rules is to prevent the police from reaping the benefit of official misconduct. Here Appellant is unable even to allege any police misconduct, hence the underlying predicate of the exclusionary rule is totally absent. In such circumstances there can be no justification for suppressing the evidence.

[59] 384 U.S. 719 (1966), holding *Miranda* not retroactive.

[60] Miranda v. Arizona, *supra* at 444–45.

[61] Although the majority argues that the record unambiguously demonstrates the contrary, *see* note 30 of majority opinion, it is unnecessary to resolve their speculation since the precise moment of these equivocations is not crucial either to the majority's or to my theory of the case. The majority neither claims nor are they able to demonstate how the precise moment of equivocal utterance is relevant for determining the breadth of Appellant's understanding of his rights. Similarly, since the police would have been acting well within the bounds of reason by questioning the suspect *after* he had equivocated, *a fortiori* it would have been proper for them to question him before. That the moment of equivocal utterance is totally unrelated to determining the *reasonableness* of police conduct is further indicated by the majority's careful abstention from any discussion of the one issue on which this case turns.

[62] *Cf., e.g.*, cases cited in note 9, *supra*. In these cases the Court held that "unnecessary delay" occurring *after* a confession does not retroactively infect the confession. *See also* Bayer v. United States, 331 U.S. 532 (1947).

[63] *Cf.* Thornton v. United States, —— U.S. App. D.C. ——, ——, 368 F.2d 822, 827–28 (1966), holding that an unconstitutional seizure is not a proper ground for collateral attack; Amsterdam, *Search, Seizure, and Sec-*

tion 2255: A Comment, 112 U. Pa. L. Rev. 378, 389–90 (1964). *See also* the dissenting opinion of Judge Bazelon in Hall v. United States, No. 20,711 (D.C. Cir., decided February 24, 1969) where he states: "Even if a search that was reasonable *when made* can be retroactively invalidated under the Fourth Amendment, such a search does not taint either its fruits, or, through them, the judicial process." (Slip. op. at p. 9) (emphasis added).

Mr. McCLELLAN. Mr. President, I have here the past criminal record of this defendant. I find that in 1965 this defendant was fined for disorderly conduct.

In 1965 he was again convicted, this time of petty larceny, and given 90 days.

On March 23, 1966, he was convicted for assault with a deadly weapon, a gun.

He was on probation for that offense at the time these robberies were committed. On November 7, 1966, prior to this decision, he was indicted again for robbery.

On November 15, 1966, he was indicted again.

He was convicted for carrying a deadly weapon.

On January 5, 1968, he was convicted for robbery and sentenced to from 2 to 7 years in the penitentiary. He was out on probation, I understand, from a conviction at the time he committed these four robberies to which he confessed, and for one of which he was convicted after being given every warning, having made the confession and having signed the written agreement that he had read the warning and understood it. Yet, this man is turned loose to prey again on society.

I simply ask the question: Can any civilized society protect itself with that quality of justice being administered by its courts? I do not think it is possible to do it.

If this doctrine becomes the law of the land, I would not be surprised to find the entire front page of the daily newspaper covered with stories of crime. Much of the newspaper is taken up now by the reporting of crime in the District of Columbia.

This is a trend. Our courts, with decisions like this, are lending impetus to the trend. They are giving encouragement to it. As long as our criminals, robbers, and thieves, such as this one, can receive assistance from judges who are willing to simply ignore the proper rules of justice and the proper rules of evidence in order to turn them back on the streets to prey upon other victims, we will have a continued increase in crime in the United States.

Mr. BIBLE. Mr. President, will the Senator yield for an observation?

Mr. McCLELLAN. Mr. President, I yield to the Senator from Nevada.

Mr. BIBLE. Mr. President, I commend and compliment the distinguished senior Senator from Arkansas for the fine speech he has made. I regret that I did not hear every bit of it. I assure the Senator that I will read it very carefully.

He is certainly the Nation's greatest fighter in this battle. The Senator knows that I share his sentiments in this general field. We have joined together on many bills and in committee hearings before.

I commend him for his continuing efforts.

I think that America does greatly need to heed the words he has so wisely and effectively and forcefully stated.

I commend him.

Mr. McCLELLAN. Mr. President, I thank the distinguished Senator from Nevada. I get no pleasure out of criticizing any court. There is no comfort in it. Instead, there is anxiety when it becomes necessary time and time again to point out what is happening in the courts of justice in our land with respect to the imbalance of justice as between the law-abiding citizens of this country and the robber and the rapist and the murderer.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. LONG. Mr. President, I commend the Senator for the very fine statement he has made today. It is appropriate that the statement be made at this time for a number of reasons.

One reason that occurs to me is that only last week Chief Justice Warren made a statement to the effect that Congress had been unwilling to appropriate as much money as the Chief Justice felt should be appropriated to the Supreme Court and to the Federal courts of our land.

It is very difficult to appropriate as much money as would be needed to meet the increase in the cost of combating crime caused by Justice Warren and the other members of the Court who agree with him.

The Senator knows that they have succeeded in fixing things so that governments have to prosecute a man several times. Cases must be tried over and over again in order to overcome all the technicalities that the Supreme Court, and Chief Justice Warren, have set as impediments to effective law enforcement.

When all of these impediments have been overcome by repeated trials of a man over and over again, while the court continues to grant writs of habeas corpus and the appellate courts follow the procedure recommended by the Supreme Court, the criminals are oftentimes turned loose by the Supreme Court of the United States, so that they are encouraged to stay in that sort of business.

It has been pointed out to me that the most profitable business in the District of Columbia nowadays is burglary. The Supreme Court of the United States has made it virtually impossible for policemen to do the jobs they are intended to do.

That being the case, the criminal element is being given great encouragement in this country. There has been a tremendous increase of crime in the District of Columbia alone. The Senator from Arkansas is very familiar with that.

This has occurred because the court itself has created the problem and has contributed to the tremendous increase in crime and the virtual impossibility on the part of a prosecuting attorney to bring a culprit to justice as speedily as the law is intended.

Mr. McCLELLAN. I thank the distinguished Senator.

Mr. President, the expressions of the Chief Justice, to me, are a very feeble and untenable alibi for the lack of proper administration of justice in this country. Certainly, there are congested dockets in metropolitan areas such as Washington, D.C., to the extent that Congress has not created more judges and provided ample funds for them. To some extent, Congress may be to blame. But I believe we have followed, as I recall, the full recommendations of the Chief Executive of the Nation with respect to the number of judges and the amount of funds. I do not recall having cut any funds for the Department of Justice in these areas. We have constantly increased the number of judges where this was deemed advisable.

I realize that more judges are needed in the District of Columbia, and I am going to support the authorization for the creation of more judges and more auxiliary officials to help them enforce the law.

But I agree with the Senator from Louisiana. The conditions that prevail are in part attributable to the quality of justice, or lack of it, that is reflected by Supreme Court decisions in criminal cases.

Mr. LONG. Mr. President, Chief Justice Warren indicated that he was interested in retiring last year, provided that one would name a successor satisfactory to Chief Justice Warren who would take his place in the event the Chief Justice retired.

The Senator well knows that four of the nine Justices on the Court have on a number of occasions voted contrary to Chief Justice Warren, in trying to uphold effective law enforcement as it has been in the past. May I suggest to the Senator that there would not be a need for so much money to try to apprehend the criminals and bring them to justice if Chief Justice Warren would carry out his desire to retire, so that the President could appoint someone who would undertake to construe the law the way four judges on the Court have said it should be construed.

Mr. McCLELLAN. That issue was thrashed out in the Senate, in an effort for some kind of arrangement which I thought was contemplated, whereby the Chief Justice would resign and an Associate Justice who was nominated would succeed him. But that issue was fought out in the Senate, and it was resolved in the last session of Congress. That is past. We are looking to the future.

Mr. President, I simply am trying to emphasize the impact that decisions such as this are having on the deterioration of law and order and on the safety of American citizens.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. McCLELLAN. I yield.

Mr. LONG. Can the Senator tell me the extent to which crime has increased in the District of Columbia during the last year?

Mr. McCLELLAN. My recollection is that crime is up 21 or 27 percent.

Mr. BIBLE. It is a very high percentage, and it is in that range.

Mr. McCLELLAN. Twenty-seven or 28 percent. It is more than 25 percent.

Mr. LONG. In just 1 year.

Mr. McCLELLAN. During the past year, according to the FBI reports, which

we accept generally as being the best information available.

I thank the distinguished Senator from Louisiana.

SMALL BUSINESS PROGRAMS AT THE CROSSROADS

Mr. BIBLE. Mr. President, as chairman of the Select Committee on Small Business, I feel it incumbent to advise the Senate that I have today transmitted by letter to President Nixon a resolution adopted by our committee expressing serious concern about the future independence of the American small businessman's spokesman on the national level—the Small Business Administration.

I ask unanimous consent that the text of the resolution and the transmittal letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BIBLE. There are persistent and recurring reports, published and otherwise, that an Executive reorganization is under consideration that would merge or, shall we say, "submerge" the Small Business Administration into the Department of Commerce. Secretary of Commerce Maurice Stans has been quoted as saying at the National Press Club, in Washington, D.C., on March 5, that the Small Business Administration "by definition belongs in the Department of Commerce."

Of course, I must disagree completely and unequivocally with Secretary Stans because that statement flies in the face of the language of the Small Business Act of 1953 itself which established the agency. The law reads that the SBA "shall not be affiliated with or be within any other agency or department of the Federal Government."

Mr. President, it is my judgment that this country's almost 5½ million small businessmen view the Small Business Act of 1953 and the Small Business Investment Act of 1958 as two of the outstanding legislative achievements of the Eisenhower-Nixon administration. Certainly, Congress and the administration must have felt at that time that the specific language setting forth that SBA was not to be affiliated within any other agency or department represented a strong mandate. It represented a conviction that the small businessman was entitled to a strong, clear, independent voice in his Government—a voice free from the pressure and influence of big business special interest groups whose competitive purposes would not be dedicated to serving the small business community.

It was important for SBA to speak independently for the small businessman during the Eisenhower-Nixon years of the 1950's. It was equally important for SBA to remain independent during the succeeding Democratic Kennedy-Johnson administration, during which at least one abortive merger effort was shot down before it became airborne. Today, it is even more urgent that SBA remain an independent agency during a difficult economic cycle for small businesses marked by high interest rates, shortage of capital, fiscal uncertainties, and the march of corporate giantism, mergers of small businesses into big business, and the advent of the conglomerate umbrella. These have and do provide real threats to the small businessman as a viable force in protecting himself in the world of competition.

The Nation's 5½ million small businessmen must retain their spokesman—SBA—at the national level if they are to continue to provide employment for 40 million people and contribute approximately 40 percent of the country's gross national product of $808 billion annually.

It is my deep hope that these published and increasingly recurrent reports about a proposed SBA merger or submerger with the Commerce Department continue to be only from the rumor mill.

In my letter to the White House transmitting the Small Business Committee's resolution, I have urged upon the President, as the son of a small businessman himself, to keep the executive agency voice of the small businessman alive and let the Small Business Administration continue to do a commendable, outstanding job.

Certainly, this subject would not be complete without an in-depth examination of the background of congressional attentiveness to the small businessman and the great force he represents in our daily economic life.

Over the past three decades, Congress has taken many initiatives in order to build a series of small business institutions in this country. This movement began with the creation of the Smaller War Plants Administration, and the Small Defense Plants Administration during World War II, and the Korean war. In 1950 the Senate and House Committees on Small Business were established. Then, in 1953, the Small Business Act was enacted by the Congress and signed by President Eisenhower. This established the Small Business Administration as a permanent independent Federal agency, with its Administrator reporting directly to the President. For the first time there existed a national policy in favor of smaller business in this country, as follows:

> It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small-business concerns in order to preserve free competitive enterprise . . . and strengthen the overall economy of the Nation.

This was followed by the passage of the Small Business Investment Act of 1958, which also gained the approval of the Eisenhower administration, of which President Nixon was a part. The 1958 act chartered small business investment companies through which Government and private capital were imaginatively united in the task of building a true "venture capital" industry in this country.

Associated with this small business program have been some of the most distinguished names in American political life: Leaders in the Senate have included the distinguished chairman of the Banking and Currency Committee, the Senator from Alabama (Mr. SPARKMAN); the former majority leader, President Johnson; the former assistant majority leader, Vice President Humphrey; the chairman on the Finance Committee, the Senator from Louisiana (Mr. LONG); the chairman of the Joint Economic Committee, the Senator from Wisconsin (Mr. PROXMIRE), the present chairman of the Small Business Subcommittee of the Banking and Currency Committee, the Senator from New Hampshire (Mr. McINTYRE); the distinguished Senators from New York, Illinois, and Texas (Mr. JAVITS, Mr. PERCY, and Mr. TOWER), and many distinguished former Members of this body, such as Senators Saltonstall, Smathers, Bartlett, and Morse. Senators John F. Kennedy and BARRY GOLDWATER distinguished themselves as members of the Senate Small Business Committee.

Thus, the advocacy and support for small business has transcended parties, regions, and political philosophy. The impulses for this work are deep rooted. They arise and are nourished by the concern for the little man, the independent, and the entrepreneur who dares to risk his money and his career in the founding and building of his own business.

As we come increasingly into the age of giant national and international corporations, expanding Government action on all levels, the recurrence of international crises, and the rapid advance of technology, the problems of small and independent business have proliferated. That is a fancy word, but I believe it expresses the feelings of small businessmen who must contend with seemingly ever-mounting demands of bookkeeping, reports, taxation, and regulation, in addition to more rigorous competition in domestic and foreign markets.

As I have said on a number of occasions, the lawmakers whom I have mentioned were among the first to perceive changes in our economy which required a special focus for attention to the problems and potentials of small business. They then pioneered in writing a response to these changes into the law of the land.

These labors have benefited the entire economy, in which 5½ million small businessmen provide 40 percent of the national product and one-half of all the jobs. But most of all, this work has benefited the less affluent, and more remote areas of the Nation, the places where capital and management expertise are most scarce, the areas visited by natural and economic disasters, and those of individuals in this country who put their beliefs in the free enterprise system to the daily test of establishing and maintaining their own small businesses.

During my years in the Senate, I have been proud to be associated with these efforts. I should point out that during much of this time, small business advocates have been fighting an uphill battle against several of the most formidable enemies in the world—special economic interests, bureaucracy, and indifference. For example, it was only in 1966 that a piece of small business leg-

islation received the formal sponsorship of the executive branch for the first time. Programs of the Small Business Administration have been beset with periods of financial stringency stemming from natural disasters, tight money, and budget cutting of various kinds.

However, the record of accomplishment on the statute books and in the annual reports of the Small Business Administration, in spite of these obstacles, deserves the highest praise which the Nation can bestow on dedicated public servants who made it possible.

Central to this story is the Small Business Administration: a little, and in the past often little-noticed agency, which in 15 years has turned in one of the most remarkable performances of any governmental agency.

Since 1953 it has made over 85,000 business loans totaling nearly $4 billion; it has been on hand to make about 75,000 disaster loans totaling nearly $750 million; small communities have received almost 2,000 local development company loans approaching $500 million; and the small business investment companies have in addition made about 30,000 loans aggregating about $1.4 billion.

Each of these loans represents more than a statistic—it is a vital factor in the life and fulfillment of men and families. The establishment and growth of these firms has made the promise of the free enterprise system and the American dream into reality, not only for the 200,000 businesses directly involved, but for the Nation as a whole.

Now would be the time to build upon this record and to extend it in areas of need and opportunity so that the momentum of success can be maintained.

It is unfortunate, instead, that the picture has become clouded in recent days. Reference can be made to reports in the newspapers that the Secretary of Commerce feels that the Small Business Administration "by definition" ought to be part of the Commerce Department.[1] Additional credence is lent to these reports by the action of President Nixon on March 5 in signing an Executive order which transfers the coordination of programs on minority business enterprises from the Small Business Administration, where it had previously been, to the Department of Commerce. For the information of all concerned, I ask that articles on this subject published in the Washington Post, the Washington Evening Star, the Wall Street Journal, and the New York Times, together with the Executive order of March 5, 1969, be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. BIBLE. Although it does not appear in the press reports, it appears from the Executive order that the function of coordinating Advisory Councils on minority enterprise are to be transferred from the Small Business Administration to the Department of Commerce. The order also states that the Department of Commerce shall "provide the managerial and organizational framework through which joint or collaborative undertakings with Federal departments or agencies or private organizations can be planned and implemented" and that "the head of each Federal department and agency shall keep the Secretary informed of all proposed budgets, plans, and programs of his department or agency affecting minority business enterprise."

Further, Mr. Stans informed a reporter of the Wall Street Journal that his department could "conceivably" end up absorbing many functions now placed elsewhere.

These statements raise substantial questions about the role of the Small Business Administration. What is clear, however, is that instead of continuing on the highroad of SBA's success, the Nixon-Agnew administration is placing SBA and Small Business programs at a cross roads. No one can be sure at this point whether we are going ahead, going off at right angles, or doubling back the way we came.

Mr. President, the position of the Select Committee on this matter is clear. Our committee resolution strongly supports the existence of an independent Small Business Administration. The language of the Small Business Act of 1953 should be before us. Section 4(a) states:

> In order to carry out the policies of this Act there is hereby created an agency under the name 'Small Business Administration' . . . which Administration shall be under the general direction and supervision of the President and shall not be affiliated with or be within any other agency or department of the Federal Government.

This language was deliberately conceived by the Congress to safeguard an independent voice in Washington for the small businessman. This independence was required because experience had demonstrated that small business matters would not be given appropriate attention within the Department of Commerce, the Department of the Treasury, or the other departments, agencies, or offices of the Federal Government which had long been in positions of influence over the destiny of small business. The historical record is clear on that point. It was the subject of extended debate in the Senate, which was summarized by the distinguished senior Senator from Alabama (Mr. SPARKMAN) as recently as February of 1966.[2] This legislative history, which is certainly no reflection upon the current Secretary of Commerce, establishes that the lack-luster record of the Department of Commerce in the field of small business prior to 1953, was a major reason for the grant of independent status to the SBA.

Accordingly, any reversion to the Department of Commerce of small business functions will almost surely represent a stride backward into a past where the distinctions between small business and giant business become increasingly blurred. It would be a retreat to an era when the Congress and the Nation were asked to believe that the problems of small, local, independent, and family enterprises were no different from those of multibillion-dollar, multi-national, conglomerate corporations. It would be a throwback to a time when Government spokesmen for small business were required to have their policies, statements, and budgets cleared by several layers of officials in the Department of Commerce who might have very little interest in the small businessman.

There has been considerable splendid comment by the new administration about the participation of the private sector in necessary programs. The record of the SBA on private participation is clear and positive. There have been intensive efforts to involve the private banking industry and the trade and other private associations in the loan participation and guaranty programs, especially in the creation of minority entrepreneurship in order to maximize the private role in these areas. There has been considerable achievement in these endeavors. This does not mean that more could not be done. And in doing more, the assistance of the Department of Commerce or any other department or agency could be helpful and would certainly be welcome. But, assistance is not the same as control.

Mr. President, I believe that I can assure all who are concerned with the small businessman that Congress will not stand by and allow this kind of retrogression. To the extent that the administration undermines, in law or in fact, the authority and programs of the Small Business Administration, not only will they incur the opposition of our committee, but also, I believe the great majority of Congress will make its voice be heard loudly and clearly.

EXHIBIT 1

U.S. SENATE, SELECT COMMITTEE ON SMALL BUSINESS,
Washington, D.C., March 18, 1969.

RESOLUTION

Whereas in 1953 the Congress established the Small Business Administration as an independent agency "under the general direction and supervision of the President," and provided specifically that the Small Business Administration "shall not be affiliated with or be within any other agency or department of the Federal Government"; and

Whereas a new Administration has assumed control of the Executive Branch of the Federal Government, and a new Administrator of the Small Business Administration has been appointed; and

Whereas printed and other reports persist that the future of the Small Business Administration as an independent agency may be in doubt; and

Whereas any departure from absolute independence for the Small Business Administration as a government agency would be contrary to the stated intent of Congress, and would patently abrogate the legislation creating the Small Business Administration as an independent agency of the Federal Government, and would lessen considerably the effective voice at the Federal level of the Nation's five and one-half million small businessmen: Now, therefore, be it

Resolved, That the Select Committee on Small Business of the United States Senate strongly favors the continuation of the Small Business Administration as an independent agency and strongly recommends that its

[1] See article entitled "Foreign Investment Rules To Be Waived, etc.," Wall Street Journal, March 6, 1969, page 3:2.

[2] CONGRESSIONAL RECORD, vol. 112, pt. 2, pp. 2124–2145.

function not be transferred to, or assumed by, any other department or agency of the Federal Government.

ALAN BIBLE, Nevada, chairman; JOHN SPARKMAN, Alabama; RUSSELL B. LONG, Louisiana; JENNINGS RANDOLPH, West Virginia; HARRISON A. WILLIAMS, Jr., New Jersey; GAYLORD NELSON, Wisconsin; JOSEPH M. MONTOYA, New Mexico; FRED R. HARRIS, Oklahoma; THOMAS J. MCINTYRE, New Hampshire; MIKE GRAVEL, Alaska; JACOB K. JAVITS, New York; MARK O. HATFIELD, Oregon; ROBERT DOLE, Kansas, MARLOW W. COOK, Kentucky.

U.S. SENATE, SELECT COMMITTEE ON SMALL BUSINESS,
Washington, D.C., March 18, 1969.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: May I call your attention to the enclosed resolution adopted this week by the U.S. Senate Select Committee on Small Business strongly favoring continuation of the Small Business Administration as an independent agency and opposing any proposal to merge it with or subordinate it to any other department or agency of the Federal Government.

The Committee's affirmative action stems from persistent and recurring reports, published and otherwise, that such an Executive reorganization proposal is under consideration. Secretary of Commerce Maurice Stans has been quoted as stating at the National Press Club on March 5 that the Small Business Administration "by definition . . . belongs in the Department of Commerce".

It is my judgment that this country's almost 5½ million small businessmen view the Small Business Act of 1953 and the Small Business Investment Act of 1958 as two of the outstanding legislative achievements of the Eisenhower-Nixon Administration. The former specifically provided that SBA "shall not be affiliated with or be within any other agency or department of the Federal Government."

Certainly, Congress and the Administration must have felt at that time that such language clearly represented a strong mandate that the small businessman was entitled to a strong clear, independent voice in his Government—a voice free from the pressure and influences of big business special interest groups not dedicated to serving the small business community.

It was important for SBA to speak independently for the small businessman during the Eisenhower-Nixon years of the 1950's. It was equally important for SBA to remain independent during both succeeding Democratic Administrations during which at least one merger effort was discouraged. Today, it is even more urgent that SBA remain an independent agency during a difficult economic cycle marked by high interest rates, shortage of capital, fiscal uncertainties and the march of corporate giantism, mergers of small businesses into big business and the advent of conglomerates. These have provided real threats to the small businessman as a viable force in protecting himself.

The Nation's nearly 5½ million small businessmen must retain their spokesman—SBA—at the national level if they are to continue to provide employment for 40 million people contributing approximately 40 percent of the country's gross national product of $808 billion annually.

As the son of a small businessman yourself, you must be appreciative of the concern of the country's small business community about any proposed merger of the Small Business Administration with the Executive Department charged primarily with assisting and supervising big business—the Department of Commerce.

I sincerely hope you share this Committee's concern, and, as Chairman of the Senate Small Business Committee, I respectfully urge your support for the continued independence of the Small Business Administration.

Cordially,

ALAN BIBLE,
Chairman.

EXHIBIT 2

[From the Washington Post, Mar. 6, 1969]

MINORITY-BUSINESS OFFICE SET UP—NIXON SIGNS ORDER TO AID ENTERPRISES

(By Carroll Kilpatrick)

President Nixon yesterday signed an executive order establishing an Office of Minority Business Enterprise to promote and expand business ownership by minority groups.

The new office, which will be established in the Commerce Department, will help fulfill Mr. Nixon's promise to promote "black capitalism" and also enterprises by Mexican-Americans and other minority groups.

Secretary of Commerce Maurice H. Stans, who will supervise the operation of the new office, said that "we are trying to abandon the term 'black captialism' in favor of the minority business enterprise because there are other minorities entitled to the benefits of this program."

[From the Washington (D.C.) Evening Star, Mar. 5, 1969]

NIXON TO CREATE A "MINORITY" BUSINESS POST

(By Philip Shandler and Richard Critchfield)

President Nixon reportedly will centralize in the Commerce Department the administration's effort to help "minority business enterprise."

The President soon will create a new Commerce post of special assistant to the secretary of minority enterprise, with a staff of about 10 borrowed specialists, and will establish a citizen advisory council, sources said.

The steps would be the first major administrative action to implement Nixon's pledge to help Negroes and other minority-group citizens get a bigger "piece of the action" in business.

The action is expected to stir negative reaction from some Negroes and government officials outside Commerce, however.

NO STATEMENT

The President is not expected to accompany his announcement with a statement of what kinds of help and how much of it he intends to give, leaving much of this for Commerce Secretary Maurice H. Stans to recommend. And some officials in other agencies do not see Stans as properly oriented to the need.

The President was to meet today with Stans, other Cabinet members, several Negro leaders and Hilary J. Sandoval, the Mexican-American head of the Small Business Administration.

The White House described today's session as "two-way discussion on minority business enterprise."

The Negro leaders planning to attend are Roy Innis, director of the Congress of Racial Equality, and Roy Wilkins, executive secretary of the National Association for the Advancement of Colored People.

The Cabinet members were to include George W. Romney, John A. Volpe, Clifford M. Hardin, Robert H. Finch and George P. Schulz, the secretaries, respectively, for Housing and Urban Development; Transportation; Agriculture, Health, Education and Welfare, and Labor.

MOYNIHAN, FARMER

Also to be present were Nixon's urban affairs adviser, Daniel P. Moynihan, and Assistant HEW Secretary James Farmer, founder of CORE.

Nixon pledged during the presidential campaign to help develop "black capitalism." Last week, however, Stans said the administration's new slogan is "minority enterprise."

The shift from "black" to "minority" reflects a sensitivity to the feelings of Puerto Ricans, Indians and Mexican-Americans, as did the naming of Sandoval to head SBA.

But liberals within the administration are not convinced that the switch from "capitalism" to "enterprise" reflects a commitment to the kind of economic-development help they think is needed.

Nixon has not yet taken a position, for example, on legislation embodying a $1 billion CORE plan for the creation of community-development corporations, in which residents of target areas would be able to buy stock and share in the enterprise.

And the first minority-enterprise effort by the administration, announced last week by Stans, is to implement a program of tax assistance to a Watts corporation—a project launched by the Johnson administration.

These liberals believe Stans is too bound to the traditional "capitalism" approach—that is, help to individual entrepreneurs or partnerships, rather than to community-based enterprise.

They would prefer, therefore, that direction of the program be vested in what they regard as a more socially-conscious agency, such as HEW or the Office of Economic Opportunity.

A prospectus prepared for the President by Commerce, however, calls for that department to have the power to coordinate 116 separate programs conducted by "21 Cabinet departments and executive agencies."

"SPEAK EFFECTIVELY"

The "focal point" would be Stans and the new assistant, "to speak effectively and convincingly to government agencies, the business community, minority business, labor, foundations and other economic and social groups."

"Efforts should be made to get many of the staff on long-term loan from industry, foundations and financial institutions," the paper says.

The National Advisory Council on Minority Business Enterprise would serve as "a communications link with all relevant nonfederal groups, a coordinating link in the evolution of strategy, a vehicle for generating new ideas, and an external sounding board for new program proposals."

A key question not expected to be answered immediately is what will happen under the anticipated reorganizataion to agencies such as SBA.

Stans reportedly wants to absorb SBA into Commerce; several congressmen want to keep it independent, although some, troubled by the Negro oriented activities of former SBA head Howard Samuels, may prefer to put it under what they regard as Stans' suitably conservative wing.

[From the Wall Street Journal, Mar. 6, 1969]

NIXON SETS UP OFFICE TO FURTHER MINORITIES ENTRY INTO BUSINESS—COMMERCE CHIEF HEADS NEW UNIT THAT WILL SEEK TO COORDINATE EFFORTS OF 116 U.S. PROGRAMS

WASHINGTON.—President Nixon established an office of Minority Enterprise, headed by Commerce Secretary Stans, to help disadvantaged groups become part of the mainstream of American business.

The new office, equipped with a staff of 10 professionals, will perform a coordinating function—attempting to sharpen the focus of some 116 programs, operated by 21 different Federal agencies, that currently support the development of new business enterprises either by loans, grants, guarantees or contracts.

In addition, the new office will attempt to draw upon the resources of private industry,

voluntary organizations and foundations to help minority-group members become businessmen. The Presidential order also created an Advisory Council for Minority Business Enterprise, to comprise experts from the banking, business, foundation and other fields, that will give advice. And the order established an information center to collect examples of successful minority-business ventures.

"I have often made the point that to foster the economic status and the pride of members of our minority groups we must seek to involve them more fully in our private enterprise system." Mr. Nixon declared in a statement. "Black, Mexican-American, Puerto Ricans, Indians and others must be increasingly encouraged to enter the field of business, both in the areas where they now live and in the larger commercial community, and not only as workers, but also as managers and owners," he said.

Mr. Nixon's Executive Order was significant for several other reasons:

It laid to rest the term "black capitalism" that the President had used so extensively during his election campaign. The Nixon Administration wants to appeal to a broader spectrum of minority groups, not just the black population. So "black capitalism" has become "minority enterprise" and Mr. Nixon addressed his statement to "blacks, Mexican-Americans, Puerto Ricans, Indians, and others."

It costs the inflation-conscious Administration no budgetary expense, except for staff salaries; nor does it call upon Congress for new legislative programs. Mr. Stans, at a news conference, said that if new funds or legislative authority is deemed necessary, that will be decided later on. He added that the use of new tax incentives to stimulate new business and jobs in the slums, as advocated by Mr. Nixon during his campaign, was a matter still "under study." He said it was "premature" to discuss whether such incentives would be proposed to Congress.

It doesn't propose any transfer of Federal programs or agencies. Mr. Stans said that the new office wouldn't operate any programs of its own, but would seek to persuade those agencies that do operate programs affecting minority business to make extra efforts in that direction. The Commerce Secretary won't have formal, direct power over other Federal agencies, but will have the force of Mr. Nixon's policy order behind him.

[From the Wall Street Journal, Mar. 6, 1969]

FOREIGN INVESTMENT RULES TO BE WAIVED FOR "HUNDREDS" OF SMALL FIRMS, STANS SAYS

WASHINGTON.—The Nixon Administration is moving toward exempting "many hundreds" of relatively small companies from controls over foreign direct investment, Commerce Secretary Stans said.

At a National Press Club luncheon, Mr. Stans added that some form of relief also is in the works for large corporations, reiterating an earlier comment that he hopes for action in about 30 to 60 days.

While Mr. Stans didn't go into detail, the relief for small companies presumably would be in the form of raising the current $300,000 ceiling on dollars that may be dispatched in 1969 to foreign subsidiaries without regard to the mandatory regulations on investment abroad.

This cutoff point was originally set at $100,000 when the controls were imposed by President Johnson on Jan. 1, 1968, and was raised to $200,000 last August. Under consideration now, it's understood, is an increase in this "minimum investment quota" to a level that might well exceed $500,000.

To help larger corporations, the department is believed to be weighing an increase in the "incremental earnings" quota. Instead of the standard formulas limiting the investment outflow according to past activity in a base period, a company this year can instead have investment quotas equal to 20% of the 1968 earnings of its foreign affiliates in each of the three specified geographic areas. The simplest form of liberalization, analysts say, would be for the department to raise the percentage to, for instance, 25% or 30%.

President Nixon appears willing, Mr. Stans said, to take the "calculated risk" that the projected easing of controls—which currently apply to about 3,200 companies—will to a "slight degree" worsen this year's expected overall balance-of-payments deficit. Such a deficit, which occurs when foreigners acquire more dollars than they return in all dealings, could be "very substantial" this year anyway, he warned.

Thus, Mr. Stans emphasized, the controls that Mr. Nixon criticized sharply in his campaign can't be removed altogether without risking "a crisis for the dollar" internationally. But Mr. Stans said he agrees with businessmen who are pressing him "to get rid of those damn controls" on the ground that they would be "self-defeating" if retained indefinitely. He said the controls are "destructive" of opportunities for U.S. companies to build plants in foreign markets that would result in gains in exports and earnings.

The major weak spot in the payments situation, Mr. Stans said, is the shriveling in 1968 of the U.S. surplus on exports over imports to the lowest level since the late 1930s. In this context, Mr. Stans expressed sympathy for U.S. textile companies faced with an "unbelievable" increase in imports of synthetic fibers and textile products. If this continues, he said, it could do "great harm" to the industry.

While emphasizing that "at heart, we are free traders," Mr. Stans expressed hope that the Administration will be able to persuade foreign synthetic fiber companies to accept "voluntary" limits on their sales to the U.S., akin to the steel-import limits which, he said, were "pretty well resolved" on a voluntary basis late in the Johnson Administration.

Whether textile quotas will be discussed on his trip to Europe in April hasn't yet been decided, Mr. Stans said. He suggested that a separate negotiating team might tackle this later so as not to "interfere with free and open discussion" on broader trade matters. Also undecided is whether Agriculture Secretary Hardin may accompany him or go later, Mr. Stans said as he expressed hope that textiles wouldn't get tangled with a Common Market move toward a special tax that could severely hurt U.S. soybean exports. The U.S. hopes for textile pacts with Japan, Hong Kong, Korea, Taiwan and other non-European nations as well, Mr. Stans added.

PROTECTIONIST MOVES

Discounting suggestions that his trip could trigger greater protectionist moves by Europeans, Mr. Stans said nontariff barriers are already spreading in Europe to an extent that "all of the supposed benefits of the Kennedy Round" of tariff-cutting could be lost before the rate reductions are fully implemented. He complained that the proliferation of "taxes on value added" in Europe pose a "very serious" danger to the U.S., which is "defenseless" because international rules permit such levies to be applied against imports and rebated on exports.

The question of whether the U.S. should institute such a tax—which basically applies to the difference between what a company pays for materials and the price it gets for its finished products—is one that will shortly be studied, Mr. Stans said. But he cautioned that it will be "several years" before a position could be taken. Asked about Japan's limits on operations by U.S. auto makers, Mr. Stans said it would be "better to ask Japan to impose barriers" on its own exports of autos to the U.S. But he quickly withdrew the remark as "facetious."

Disavowing any intent to be an "empire builder," Mr. Stans said that Federal reorganization efforts conceivably could end up with a transfer from the White House to his department of the functions of special ambassador for trade negotiations and special assistants for consumer protection and telecommunications. Certain oceanographic functions might also be logically added to his department, he said, adding that "by definition" the Small Business Administration ought to be part of the Commerce Department.

Stressing that he hasn't taken any position on such possible transfers, Mr. Stans said he is aware that there has been "some decline in the prestige" of the Commerce Department since the time Herbert Hoover was secretary. The department shouldn't try to be the "voice of business" in Washington nor should it have the role of communicating the Administration's wishes to the business community, Mr. Stans said. Its goal, he said, should be sponsoring "growth and strength" in the economy, a role that would be implied if its name were the "Department of Economic Development."

[From the New York Times, Mar. 6, 1969]

STANS TO PROMOTE A MINORITY BUSINESS ENTERPRISE—COMMERCE CHIEF TO SET UP NEW DEPARTMENT TO DIRECT PROGRAMS FOR THE POOR

(By Walter Rugaber)

WASHINGTON, March 5.— Secretary of Commerce Maurice H. Stans was named today as the Nixon Administration's main promoter of capitalism for the nation's Negroes and other minority group members.

President Nixon assigned the job to Mr. Stans and the Commerce Department when he signed an Executive order at a White House ceremony attended by 37 Negro, Mexican-American, Puerto Rican, and Indian leaders.

The Secretary, who said he would establish an office of minority business enterprise within the department, indicated later at a news conference that the new operation would work largely on coordinating Government and private efforts.

Mr. Stans declared that his office would not conduct programs of its own, would not take funds from other agencies, and would not direct other Federal offices on how to spend their money.

Mr. Stans said the new office would have a "limited group of perhaps 10 experts in various fields," such as banking, business, philanthropy and agriculture.

CONCERN IN LIBERAL CIRCLES

There was some concern in liberal anti-poverty circles that Mr. Stans, who has a reputation as a conservative, might interfere with minority business development efforts to other agencies.

The Secretary's move to portray his new unit as an administrative and coordinating group appeared to mollify several of these sources only partly.

"It still means that if O.E.O. [the Office of Economic Opportunity] wants to make grants to black business in Watts or Bedford-Stuyvesant it's got to check with Stans," one observer said. "It's just another layer of clearance."

"They will still run their own programs," Mr. Stans insisted at his news conference. "The money in O.E.O. will stay there and the money in the S.B.A. [Small Business Administration] will stay in the S.B.A."

There are 116 Federal programs that might help minority group members go into business for themselves, Mr. Stans said, administered by 20 different departments and agencies.

"Some have done a poor job and one or two may have done a pretty good job," Mr. Stans said. "The point is, we want to focus

their attention and stimulate their activity in the field of minority enterprise to a degree that has not been possible before."

None of the appointees to the new office were named. Mr. Stans disclosed that the director would not be a minority group member but that some Negroes and Mexican-Americans would work on the staff.

Roy Wilkins, executive director of the National Association for the Advancement of Colored People, and the Rev. Ralph David Abernathy, president of the Southern Christian Leadership Conference, were invited to the White House but did not appear.

Mr. Wilkins and other civil rights leaders have criticized the "black capitalism" concept that President Nixon put forth during the campaign on grounds that building "Negro" business would tend to perpetuate ghettos.

The White House identified the persons attending today's meeting as follows:

T. M. Alexander, Courts & Co.

Richard Allen, Economic Resources Corporation.

Mrs. Margaret L. Belcher, National Association of Negro Business and Professional Women's Clubs.

John Belindo, executive director, National Congress on Indian Opportunities.

Senator Edward W. Brooke, Republican of Massachusetts.

Berkeley Burrell, president, National Business League.

Sammie Chess Jr., president, Friendly-Leader Manufacturing Company.

John Clay, Business Development Corporation.

Clifford Coles, director of urban affairs, American Management Association.

Wardell Croft, president, National Insurance Association and Wright Mutual Insurance Company.

John Davis, Commerce, Labor, Industry Corporation of Kings.

The Reverend Walter-Fauntroy, Micco, Inc.

Charles B. Fisher.

Joe Gomez, United Steel Workers of America.

William Hamilton, president, National Association of Real Estate Brokers.

Mrs. Dorothy Height, president, National Council of Negro Women.

Judge Alfred J. Hernandez.

Norman Hodges, president, Green Power Foundation.

Roy Innis, national director, Congress of Racial Equality.

Dr. Edward Irons, executive director, National Bankers Association.

John H. Johnson, president, Johnson Publications.

Napoleon Johnson, National Urban League.

Joe Kirven, president, Abco Building Maintenance Company.

Representative Manuel Lujan, Republican of New Mexico.

Luis Nunez, executive director, Aspira, Inc.

Mrs. Myrtle Ollison, National Association of Colored Women's Club.

Robson B. Reynolds, the Philadelphian Apartments.

Eliu Rumero, Taos, N.M.

George E. Sandoval, Tucson, Ariz.

Dr. John Torres, Bronx Terminal Market.

Clarence Townes Sr., Richmond, Va.

Mayor Walter E. Washington of Washington.

Johns Wheeler, president Mechanic and Farmers Bank.

Charles William, National Business League.

John Wooten, executive director, Black Economic Industrial Union.

Dr. Harding Young, dean, School of Business Administration.

[From the office of the White House Press Secretary, Mar. 5, 1969]

THE WHITE HOUSE EXECUTIVE ORDER PRESCRIBING ARRANGEMENTS FOR DEVELOPING AND COORDINATING A NATIONAL PROGRAM FOR MINORITY BUSINESS ENTERPRISE

By virtue of the authority vested in me as President of the United States, it is ordered as follows:

Section 1. *Functions of the Secretary of Commerce.* (a) The Secretary of Commerce (hereinafter referred to as "the Secretary") shall—

(1) Coordinate as consistent with law the plans, programs, and operations of the Federal Government which affect or may contribute to the establishment, preservation and strengthening of minority business enterprise.

(2) Promote the mobilization of activities and resources of State and local governments, businesses and trade associations, universities, foundations, professional organizations and volunteer and other groups towards the growth of minority business enterprises and facilitate the coordination of the efforts of these groups with those of Federal departments and agencies.

(3) Establish a center for the development, collection, summarization and dissemination of information that will be helpful to persons and organizations throughout the nation in undertaking or promoting the establishment and successful operation of minority business enterprises.

(b) The Secretary, as he deems necsssary or appropriate to enable him to better fulfill the responsibilities vested in him by subsection (a), may—

(1) Develop, with the participation of other Federal departments and agencies as appropriate, comprehensive plans of Federal action and propose such changes in Federal programs as may be required.

(2) Require the submission of information from such departments and agencies necessary for him to carry out the purposes of this order.

(3) Convene for purposes of coordination meetings of the heads of such departments and agencies, or their designees, whose programs and activities may affect or contribute to the purposes of this order.

(4) Convene business leaders, educators, and other representatives of the private sector engaged in assisting the development of minority business enterprise or who could contribute to its development to propose, evaluate, and coordinate governmental and private activities in furtherance of the objectives of this order.

(5) Confer with and advise officials of State and local governments.

(6) Provide the managerial and organizational framework through which joint or collaborative undertakings with Federal departments or agencies or private organizations can be planned and implemented.

(7) Recommend appropriate legislative or executive actions.

Sec. 2. *Establishment of the Advisory Council for Minority Enterprise.* (a) There is hereby established the Advisory Council for Minority Enterprise (hereinafter referred to as "the Council").

(b) The Council shall be composed of members appointed by the President from among persons, including members of minority groups and representatives from minority business enterprises, knowledgeable and dedicated to the purposes of this order. The members shall serve for a term of two years and may be reappointed.

(c) The President shall designate one of the members of the Council as the Chairman of the Council.

(d) The Council shall meet at the call of the Secretary.

(e) The Council shall be advisory to the Secretary in which capacity it shall—

(1) Serve as a source of knowledge and information on developments in different fields and segments of our economic and social life which affect minority business enterprise.

(2) Keep abreast of plans, programs and activities in the public and private sectors which relate to minority business enterprise, and advise the Secretary on any measures to better achieve the objectives of this order.

(3) Consider, and advise the Secretary and such officials as he may designate on, problems and matters referred to the Council.

(f) For the purposes of Executive Order No. 11007 of February 26, 1962, the Council shall be deemed to have been formed by the Secretary.

(g) Members of the Council shall be entitled to receive travel and expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5701–5708) for persons in the Government service employed intermittently.

(h) The Secretary shall arrange for administrative support of the Council to the extent necessary including use of any gifts or bequests accepted by the Department of Commerce pursuant to law.

Sec. 3. *Responsibilities of other Federal departments and agencies.* (a) The head of each Federal department and agency, or a representative designated by him, when so requested by the Secretary, shall, to the extent permitted by law and funds available, furnish information and assistance, and participate in all ways appropriate to carry out the objectives of this order.

(b) The head of each Federal department or agency shall, when so requested by the Secretary, designate a senior official to have primary and continuing responsibility for the participation and cooperation of that department or agency in matters concerning minority business enterprise and activities as required by this order.

(c) The head of each Federal department or agency, or his designated representative, shall keep the Secretary informed of all proposed budgets, plans, and programs of his department or agency affecting minority business enterprise.

Sec. 4. *Construction.* Nothing in this order shall be construed as subjecting any function vested by law in, or assigned pursuant to law to, any Federal department or agency or head thereof to the authority of any other agency or officer, or as abrogating or restricting any such function in any manner.

RICHARD NIXON.

THE WHITE HOUSE, *March 5, 1969.*

INDEPENDENCE OF SBA

Mr. KENNEDY. Mr. President, recent articles in the press have raised some doubts about the continued independence of the Small Business Administration.

The concern which these reports have caused, in the Senate, is reflected by Senator BIBLE dispatching to the White House today a resolution in behalf of the Senate Select Committee on Small Business which strongly restates the position that the agency should remain independent.

I support the committee's position. I hope the status of the Small Business Administration does not become a partisan matter or a controversy.

A Democratic Congress and a Republican administration united in 1953 to make the SBA a permanent and independent Federal agency, as a voice for the 5½ million small business owners throughout the country. Its importance to New England has been demonstrated by the strongly bipartisan support re-

ceived from the former Senator from Massachusetts and longtime ranking minority member of the Senate Select Committee on Small Business Mr. Saltonstall, the present chairman of the Legislative Small Business Subcommittee (Mr. McINTYRE) and another consistent and vigorous advocate of small business, the Senator from Vermont (Mr. PROUTY). The Smaller Business Association of New England, probably the leading regional association of small firms in the Nation, has strongly and consistently defended SBA independence.

Mr. President, the large national and multinational corporations, backed by blue-ribbon law firms, public relations firms, and often representation in National and State capitals, have little difficulty in obtaining a hearing within the Government. To balance the scale somewhat has required that all of the friends of small business work and stand together. It has been this spirit of cooperation which has made possible the accomplishments in the past 15 years in the small business field.

What differences in judgment existed about the independent status of SBA were fully debated in 1953. At that time, President Kennedy, then the junior Senator from Massachusetts and later a member of the Senate Select Committee on Small Business, said:

> If such an agency is to be of real help to small business in providing technical assistance, long-term capital, and procurement opportunities, all of which are of primary importance in expanding the economies of New England and the United States, the following defects must be corrected:
>
> First, such an agency must be truly independent and not subject to the veto power of the Commerce and Treasury Departments. Experience has shown that such independence is necessary to give small business an effective voice in the Government.

It was, thus, after mature deliberation and positive action by the Congress that SBA independence was established. The factors that were weighed in that decision have been summarized on several occasions, and the Senator from Alabama (Mr. SPARKMAN) did so on February 4, 1966, CONGRESSIONAL RECORD, volume 112, part 2, page 2124. Senator SPARKMAN's presentation has convinced me that nothing has changed to alter the validity of the congressional judgment of 1953 that the Small Business Administration must be truly independent to be an effective voice and helping hand for our small business community.

I feel it would thus be unnecessary and regrettable to reopen the question at this time.

EXPERIENCE FAVORS RETENTION OF INDEPENDENT SMALL BUSINESS ADMINISTRATION

Mr. NELSON. Mr. President, there has been increasing concern in recent days about the independence of the Small Business Administration. From what I have read in the newspapers recently, I share this concern with my colleagues in the Senate and the business community in my State.

For instance, an article on page 3 of the Wall Street Journal of March 6 quoted the Secretary of Commerce, Mr. Stans, as saying:

> Federal reorganization efforts conceivably could end up with a transfer . . . to his Department of the functions of the special ambassador for trade negotiations, and special assistants for consumer protection and telecommunications . . . adding that by definition "the Small Business Administration ought to be part of the Department".

An article on the following page informed us further that the Office of Business Minority Entrepreneurship had been set up to "coordinate" minority business programs and that it was to have a staff of about 10 experts. Then on March 9, the Washington Post carried a statement:

> The new office in the Commerce Department will begin operations with a small staff, probably not more than twenty or thirty people.

This reported growth of 100 to 200 percent in 4 days must surely be one of the fastest growth rates ever seen in this country and raises serious doubts about what the Department of Commerce and the administration intend to do in this field. If these activities continue to expand with the same speed, it can safely be predicted that the Department of Commerce could absorb SBA completely, leaving few traces other than a dispossessed and demoralized community of 5½ million small firms in this country.

Before this happens, I think it would be well for the Senate to closely analyze the logical basis which has been stated for the proposition that important functions such as protection of the consumer and the small businessman be made the responsibility of the Department of Commerce.

It is gratifying to me that the Senate Committee on Government Operations will shortly begin hearings on my bill for the creation of a Department of Consumer Affairs. It has been my experience as developed over several years in both Madison, Wis., and Washington, D.C., in holding hearings on many subjects such as drug prices, automobile tires, and other practices of car manufacturers, that there is a significant divergence of interest between the consumer and the businessman and that no man or department can adequately serve both of these masters. In the field of small business, I have been privileged to serve as the Chairman of the Monopoly Subcommittee of the Senate Select Committee on Small Business. On March 15, 1967, we heard the following testimony about business trends from Dr. Willard F. Mueller, then Chief of the Bureau of Economics of the Federal Trade Commission:

> Another disquieting development is the growing aggregate *concentration* and *conglomeration* of American industry. The current merger movement has created vast industrial complexes which operate across numerous industries. . . . By 1963, the 100 largest manufacturing corporations accounted for as large a share of business activity as did the top 200 in 1947. . . . Growing conglomeration raises some rather fundamental questions . . . concerning the future character of the competitive process in our market economy. Because a conglomerate enterprise operates across many different markets, it is not subject to the competitive discipline of any one market. This may pose serious competitive problems for the business enterprise, especially the small company, whose fortunes depend entirely on its success in a particular market.[3]

Mr. Mueller also pointed out:

> The high degree of concentration of financial resources in American manufacturing . . . (where) the 10 largest companies held 18 percent of all manufacturing assets (and) the approximately 400,000 smallest companies with assets below $5 million accounted for only 15 percent of the total."[4]

It was because of these and other such trends in the economy that the Congress determined in 1953 that the Small Business Administration should be an independent agency as a spokesman for the Nation's smaller business firms. Beyond the facts and figures, however, Congress also considered the intangibles such as the sympathy, sensitivity, and depth of commitment which an independent agency dedicated to the small businessman would have in carrying out the declared congressional policy that—

> The Government should aid, counsel, assist, and protect insofar as it is possible, the interests of small business concerns in order to preserve free competitive enterprise . . . and to maintain and strengthen the overall economy of the Nation.[5]

It is my judgment that another intangible which has a direct influence on keeping our economy dynamic and competitive is the incentive to invent and innovate and to create a business which will bring these new products and services to the public. It has been pointed out to the Senate on several occasions that small business makes a disproportionately high contribution in this area. For instance:

> An intensive study by the U.S. Department of Commerce published in 1967 indicated that, despite the approximately $100 billion spent on research and development in this country in the past two decades, much of it by big business with advanced facilities and organized teams of professions, more than half of the technical and business innovations in our country are still coming from individual inventors and very small companies.[6]

It seems to me that both the tangible information and the intangible factors which are part of my experience confirm the points which have been ably made by Senator BIBLE and Senator SPARKMAN. If anything, they add additional weight to the judgments of 1953 based upon the developments which we have seen in our economy since then.

Accordingly, I would like to express my strong support for the Small Business

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[3] "Status and Future of Small Business" hearings before the Select Committee on Small Business, 90th Congress, First Session. Part 2, Page 485.

[4] "Status and Future of Small Business" *loc cit*, Page 468.

[5] "Small Business Act of 1953," Sec. 2(a).

[6] "The 15th Anniversary of the Small Business Administration—A Milestone for Free Enterprise." Remarks on the Senate Floor by Senator Wayne Morse, CONGRESSIONAL RECORD, vol. 114, pt. 18, p. 24156. The report referred to was "Technical Innovation: Its Environment and Management," by the Panel on Invention and Innovation, Robert A. Charpie, Chairman, U.S. Department of Commerce, January 1967.

Committee resolution recommending continued independence of the SBA. I intend to do all that I can to have this position sustained by the Congress and the executive branch and to advance the cause of the small businessman throughout the country.

ASSURING A FUTURE FOR THE SMALL BUSINESS ADMINISTRATION AND THE SMALL BUSINESSMAN OF THIS COUNTRY

Mr. HARRIS. Mr. President, recent statements and actions give rise to the disturbing possibility that the Nixon administration intends to downgrade or perhaps even dismantle the traditional program and independence of SBA.

I feel that those of us in the Senate who are familiar with small business matters should make our views known for the information and whatever guidance the executive branch may wish to derive from them.

Mr. President, small business is not some kind of ornament on the corporate society, like a piece of fancy operational equipment on one of the big-three model automobiles. The small business community accounts for 40 percent of our gross national product and one-half of the 80 million jobs that support our population. Small business is thus central to U.S. economy.

There is a further myth that most small businesses are a kind of historical anachronism, like the buggywhip. The truth is that the corner grocery store and the neighborhood restaurant have been transformed somewhat and have now emerged as the "7–11 store," the carry-out, the franchised hamburger, roast beef, chicken or hotdog drive-in. These businesses which provide a varying but considerable measure of small business ownership and control are among the fastest growing enterprises in the country.

The classic neighborhood small businesses have also been receiving increased attention because of their value to the inner city in improving the availability of goods and services, reducing prices, providing jobs and offering realistic opportunities for ownership by minority businessmen.

Beyond these fields, we have seen breakthroughs in the technology of space and the ocean, transportation and communications, electronics and data processing. These have come in the wake of the $100 million in research and development funds spent in the United States since World War II, much of it coming directly from the taxpayer. These areas offer spectacular opportunities for small business, especially when it is recalled that even though over 90 percent of the research and development has been done by big business, 50 percent of the inventions and innovations continue to come from small business and individual inventors. Examples cited last year, by the Senator from Oregon, Mr. Morse, includes jet engines, the automatic transmission, the helicopter, the catalytic cracking of petroleum, penicillin, polio vaccine, air conditioning, the polaroid camera, FM radio, and the Xerox process.[7] Not only are these discoveries of great value to society as a whole, but they are significant to small business. This is because the large amount of brainpower and relatively low amounts of capital needed to make a start in many of these fields make them ideally suited for the small and new business enterprise.

I know that my colleagues on the Senate Small Business Committee, particularly the chairman (Mr. BIBLE) and subcommittee chairmen, Senator RANDOLPH and Senator NELSON, are as interested as I am in seeing that as many of these technical and management benefits as possible become and remain available to small business.

So if our economy is properly understood there is a great potential profit for small business as well as for the economy if the Federal Government is careful to see that the avenues to enterprise remain open.

However, even more important than the material benefits that can result, are the social, psychological, and political benefits of expanding the small business area to all elements of society, especially those who have been disadvantaged in the past.

A recent nationwide study by the Bank of America indicates that one of every 10 families in this country is involved in a small business. The survey revealed that more than one-half of the small business owners rated job satisfaction as the prime factor in their vocation, with money being mentioned first by 27 percent. The small business community has always been the vehicle for self-reliant, venturesome, and independent Americans. The few examples which I have cited above of their accomplishments, as well as the general affluence of this country, are eloquent evidence that it is worth while to labor to keep the advantages of the free enterprise system open to all of our citizens.

We have recently become aware of the extent of the "ownership gap" that occurs because minorities which constitute 12 percent of our population own only 3 percent of our business.[8]

In the course of trying to close the ownership gap, we have uncovered other shortcomings in institutions which are in a position to furnish financial assistance to minority business. Of the Nation's 14,000 banks, perhaps as few as 50 to 150 have any kind of program for lending to business in the intercity ghetto.[9]

The efforts to resolve the complex of problems surrounding the ownership gap is one of the highest priority items of our society.

President Nixon is to be commended for his early attention to the matter, but he should not overlook the great reservoir of experience and expertise of the specialization which the SBA has developed in the area of fostering all new and growing business including minority enterprise.

One of the pressing problems in the minority entrepreneurship field is that of management assistance. It came something of a surprise to me, to learn of the scope of SBA's efforts in this area, as summarized by the following table:[10]

Small businessmen assisted by SBA management assistance programs

[From beginning of program until 1966]

Attendance at workshops	7,500
Individual counseling	178,000
Counseling under SCORE programs	12,000
Attendance at courses and conferences	235,000
Contacts through intra-industry management programs	350,000
Publications sold or distributed in response to requests	33,000,000

Since these figures are now 3 years old, the totals have undoubtedly risen since then.

In addition to these SBA strong points, some of the others have been touched upon in remarks of my colleagues, including the record of the agency in the loan programs, procurement assistance and technical assistance.

A review of these accomplishments, together with the historical record, leave little doubt in my mind that whatever the Department of Commerce may have done for small business during the last 50 years, the achievements of the SBA during the last 15 have been brilliantly effective, by comparison and otherwise.

I agree with my colleagues that a large part of the reason for this is SBA's independent status. The agency has been dedicated solely to the well-being of the small business community. It has been in daily contact with its problems and in periodic consultation with those in the executive branch and in the Congress who are concerned with small business matters.

The combination of the interaction and the focus for small business leadership has made progress possible in the past and is needed to make further progress possible in the future.

To downgrade SBA would be to downgrade the position of small business and the free enterprise system in the country. And, to diminish the horizons of small business restricts the outlet for the vision, hopes, and energies of our people. It limits their choice of a career and the other choices which follow from this decision to the extent we allow the trend toward giant corporations to remain unchecked and pass up opportunities to encourage the expansion of small business. We are allowing the balance to swing in the direction of the jobs in a big bureaucracy for all. These factors are especially important to the minorities in our country, who need the self-respect and the independence of ownership more than anyone else.

Mr. President, I hope we can convince all who are concerned with this matter that the public interest as well as the small business interest lies with an in-

[7] "The 15th Anniversity of the SBA—A Milestone for Free Enterprise," remarks on the Senate floor by Senator Morse, CONGRESSIONAL RECORD, vol. 114, pt. 18, p. 24156.

[8] "SBA Plan to Aid Ghetto Merchants—New Program to Rely on Private Financing," by Paul G. Edwards, Washington Post, August 14, 1968.

[9] "SBA Plan, etc." Loc Cit; "Aiding Black Capitalism, SBA Aims to Boost Negro Ownership of Ghetto Business by Backing More Bank Loans," Newsweek Magazine, August 26, 1968.

[10] See "Assuring a Future for Small Business and the SBA," remarks on Senate floor by Senator Wayne Morse, February 25, 1966, CONGRESSIONAL RECORD, vol. 112, pt. 3, p. 4143.

dependent SBA with the full backing of the President, the Urban Affairs Council and all of the departments of the Government including the Department of Commerce. If we are unsuccessful in this attempt, we will have to consider what our future course will be in this matter.

"TO AID, COUNSEL, ASSIST, AND PROTECT THE INTERESTS OF SMALL BUSINESS CONCERNS"

Mr. PELL. Mr. President, it seems that one of the periodic seasons on the American political calendar is the "small business chill."

Because the Nation's smaller firms do not possess the economic power and influence of the giant corporations, there is a constant temptation to allow their needs to be neglected by the Federal Government. At such times, SBA loans dry up, Government procurement opportunities drift to the larger firms on an increasingly less competitive basis, clouds of doubt gather over the Small Business Administration, and a layer of frost envelops the institutions of the Federal establishments which are in a position to be helpful to beleaguered small businessmen.

I have detected the onset of the small business chill season again. When we were threatened with a similar situation 3 years ago, some of us were quite active in attempts to bring relief to the Nation's small business community. I, for one, took the Senate floor on January 27, February 18, March 2, and March 9, 1966, to speak on the future and programs of the Small Business Administration. The Small Business Administration retained its independence and its programs were strengthened by amendments to the Small Business Act in 1966 and preliminary amendments to the Small Business Investment Act in 1967 which were sponsored by the executive branch, as well as the Congress, and brought great economic and social benefits to our small business community of 5½ million firms in this country.

Unfortunately, Capitol Hill is once again feeling some icy and ill winds blowing down Pennsylvania Avenue which can have the effect of putting small business into a deep freeze.

I refer to remarks made on more than one occasion by the new Secretary of Commerce, Mr. Stans, that the Small Business Administration logically belongs somewhere inside of his department. These statements were quoted in the Wall Street Journal of March 6 and also, I understand, formed part of Mr. Stans' appearance before the National Press Club on March 5. I am among those in the Senate that respectfully disagree with the position of the Secretary of Commerce. It would be helpful, I believe, for me to restate some of my reasons in the hope that the Secretary of Commerce may change his views, or at least that if the administration desires to proceed with this matter, it will do so with the full knowledge of the consequences.

Mr. President, Rhode Island is a small State with a business community that is predominantly small business. We have, in fact, about 26,000 firms in the State, and 94.8 percent are considered small business by the Small Business Administration.

From the time that the Small Business Administration was established as a permanent independent agency in 1953, Rhode Island small business has received over 1,000 loans totaling more than $33 million. In an area of the country which was in the process of experiencing an exodus by one of its major industries, textiles, this loan assistance was invaluable and formed a significant factor in the economy of our State. This is equally true of the procurement and management assistance which the SBA has extended to Rhode Island firms at times of need and opportunity over the last decade and a half.

Although I did not serve in Washington in the years prior to 1953, I will accept the judgment of the leaders of the Senate as summarized by the Senator from Alabama (Mr. SPARKMAN) that raises substantial doubt about whether Rhode Island business would have received such sympathetic assistance if the Small Business Administration were a small part of a large department with many other responsibilities.

In the years since 1953 the competitive life of the marketplace has become even tougher for the small businessman. He faces heightened competition not only from established giant corporations in this country and abroad, but new conglomerate corporations which have become a disquieting factor in this country in recent years. I was most interested in the analysis made of conglomerate competition against small business by the distinguished Senator from Wisconsin (Mr. NELSON), who is chairman of the Monopoly Subcommittee of the Small Business Committee. I agree with Senator NELSON that large conglomerates, which can draw profits from several kinds of markets, can subsidize the operations of one of their affiliates against a small businessman who must operate in a much more limited way.

I would like to make it clear, however, that I am not making a blanket condemnation of all mergers. There are, indeed, some large multimarket corporations that are soundly financed, and well managed that do not indulge in forced takeovers of small businesses, nor resort to unfair competitive practices against small businesses. Nevertheless, the incidence of such unfair practices and takeovers is far too great.

There are two points that I wish to add to the Senate's consideration of this matter. The extent to which this merger trend has gone is indicated by the fact that between 1948 and 1965 the 200 largest manufacturing corporations made at least 2,692 acquisitions of companies with combined assets of $21.5 billion. This volume of resources was greater than the total of all assets held by the 150 companies ranking 51 through 200 in 1948. To put it another way, the 200 largest companies acquired assets through merger equal to 25 percent of all manufacturing assets in 1948.

It is apparent to me and should be apparent to any Administration that the merger trend that we are in, and the concentration that it is bringing, constitutes one of the greatest threats to the treasured values of individualism and business ownership in American life. These trends also have profound effects on our social structure as youth, preparing for its careers, realizes that its choices may be more and more confined to a large bureaucracy, and whether this big, highly structured organization is in the field of manufacturing, finance, education or government, it has roughly similar effects on a person's freedom of action and personality. Accordingly, it seems to me that a priority matter in the quality of American life is to strengthen small business opportunity in every way.

Another priority item in making the small business climate more congenial is improving the small businessman's access to the lifeblood of capital. Two factors are now converging to put a capital squeeze on a small business community. The first is tight money in the commercial money markets. As the chairman of the Joint Economic Committee (Senator PROXMIRE) has aptly described, interest rates across the whole spectrum of Government and business loans and investments have risen to the highest levels in 100 years. The prospects are that these interest rate levels will not subside in the near future and might possibly even rise higher.

The Washington Post recently reported Chairman William McChesney Martin, Jr., as saying that the Federal Reserve System will "keep interest rates high and credit tight for as long as necessary to wring the inflationary psychology out of the American economy." This has already begun to affect the day-to-day operations of many small companies, although some commentators are citing the moderating effect of the tax deductibility of interest charges. I would suggest that such a deduction is both minimized and delayed for small firms and should not be a justification for preserving record high interest rates which commonsense and experience confirm damage consumers and small business far more than they do large corporations which have multiple sources of credit.

The second reason for the money squeeze on small firms is that the Small Business Administration, which was created as a lender of last resort for the small businessman in such tight money situations, has been operating on what may be described as an extremely limited basis.

Mr. President, the primary purpose of the SBA is to make direct, participation or guarantee loans to small firms in times of stringency. It is well known that SBA's loan programs have not been expansive in the recent past and the details of this posture are becoming increasingly known.

Rather than making an issue of this at this time, I only make this point to demonstrate that a strong and independent Small Business Administration is needed to secure the funds necessary to sustain the establishment and growth of small business and new business firms in this country. In the governmental battles that are waged for budget funds, it is vital to our 5½ million small businessmen that the SBA have a strong

voice and absolute freedom of action rather than deferring its claims, its statements, and its policies to a Department which is obliged to consider its other responsibliilities.

If the small business deep freeze is not immediately dispelled, it will be the task of Congress, pursuant to its mandate in the Small Business Act of 1953 to "aid, counsel, assist, and protect, insofar as it is possible, the interests of small business concerns" to consider what steps are called for.

I would like to assure everyone in my State that I will do everything I can to be of help to the small business community in this matter.

THE SMALL BUSINESS ADMINISTRATION AND ITS PROGRAMS ARE VITAL TO THE STATE OF WEST VIRGINIA

Mr. RANDOLPH. Mr. President, it is a privilege to join in active support of the resolution for Small Business Administration independence which the Small Business Committee has transmitted to President Nixon, and which the distinguished Senator from Nevada (Mr. BIBLE) has presented to the Senate today.

The basis for the Committee's action initially was a series of articles in the American press reflecting the attitude of Secretary of Commerce Stans that the Small Business Administration logically belongs within the Department of Commerce. Then, on March 5, the President issued an Executive order transferring coordination of minority business programs, including advisory councils for minority business, to the Department of Commerce.

Further information was contained in the internationally known London Economist, which the Senator from Alaska (Mr. GRAVEL) made available to the Senate. Another relevant document is the statement which President Nixon made at the signing of the Executive order. I ask unanimous consent that this statement on minority business enterprise be reprinted in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RANDOLPH. Mr. President, it should be noted that the following comment, which went unreported in the press, is a part of President Nixon's statement:

> Recently, the Small Business Administration launched a program for the stimulation of minority group enterprise. This program has been well received, and deserves continuing support. With better coordination, a broader range of government resources and assistance can be made available.

I commend President Nixon for including this recognition of the Small Business Administration's minority enterprise program in his remarks. By all reports, SBA's "Project Own" has been successful in tripling the volume of minority loans. It has enlisted broad support from private trade associations, banks, and other elements of the private sector in providing real momentum to minority business ownership in this country. President Nixon's reference to this is important and should be part of the record.

Nevertheless, Mr. President, there are serious questions which remain unanswered.

However, many minority business enterprise programs there may be in the Government, there is little question that the Small Business Administration has been the vigorous leader in this movement. The least which President Nixon's action has done is to transfer the initiative, the coordination, and the Advisory Council function from the Small Business Administration to another agency, the Department of Commerce. The statement indicates that this was implemented "as recommended by the Urban Affairs Council."

The President is certainly entitled to seek and to adopt recommendations from any quarter. It may be that the Urban Affairs Council referred to is the same as the "Council on Urban Affairs" announced on January 23, to be composed of the Vice President, several Cabinet members and White House staff members. This announcement also described the formation of several subcommittees of the Council, including one on Minority Business Enterprise, to be chaired by Secretary of Commerce Stans. If this is in fact the Council which made the recommendation, there does not appear to be any evidence that the Small Business Administration was represented at any stage of the deliberations.

Mr. President, it is clear that the Congress is obliged to exercise its judgment in these matters, and the Congress begins with knowledge of a substantial record of accomplishment by the Small Business Administration in this as well as many other areas.

At this time, several possibilities emerge with regard to the status of SBA. Either the transfers of function under Executive Order No. 11458 are intended to be limited; or they may be the first of several transfers; or, if Mr. Stans' position is adopted, they may signal the intention of the administration to do away with the Small Business Administration entirely and relocate its functions within the Department of Commerce. Considerable confusion has been engendered over what course the new administration desires to follow in this field.

Because of this, I believe it is quite understandable that we in the Senate would react strongly. The historical record as reviewed by the Senator from Nevada (Mr. BIBLE) and the Senator from Alabama (Mr. SPARKMAN) demonstrates beyond any reasonable doubt that the small businessman is benefited more with an independent Small Business Administration, than with a program under the Department of Commerce. It would seem to me unfortunate if the administration's policy is to be a lack of support for the Small Business Administration.

In our State of West Virginia, I know that the small businessman has been well served by having an agency that he may call his own. The loan programs, particularly the community development loans, are vital for our towns and cities. The financial assistance, procurement contracting and subcontracting programs, and the possibilities of transferring some of the new technology to small businesses are vital to the future of my State.

As a member of the Procurement Subcommittee and chairman of the Subcommittee on Science and Technology of the Senate Small Business Committee, I can give specific examples of the advantages of having small business in an independent rather than a subordinate position. During the 1966 proceedings on this matter, the Senator from Rhode Island (Mr. PELL) quoted an editorial from the Washington Evening Star on March 1966, as follows:

> Sponsors of the SBA's independence fear that tucking it in some cranny of Commerce, where big business enjoys major influence, will in effect kill the agency. There is some historical justification for this view. During World War II a couple of small precursors of the SBA did an ineffective job. The Division of Contract Distribution, created in 1941, and a subsequent small business unit within Commerce, were both largely paper organizations.

The figures for the SBA procurement assistance program demonstrate that this has been an effective tool in encouraging awards to smaller business firms. In fiscal year 1967, the Small Business set-aside program was responsible for $1.9 billion worth of defense contracts and $310 million worth of civilian contracts being awarded to small firms. This represented approximately 4½ percent of all procurement dollars during that year.[11] The value of this program was further demonstrated during recent years when the role of small business specialists was restricted by the Defense Department in 1966 and 1967. The ratio of set-aside to total defense procurement declined substantially, and the situation was not corrected until the joint set-aside program was revived and small business specialists were reassigned to their previous duties.

Another procurement program which has aided smaller firms in obtaining new Government contracts is the "certificate of competency" which allows a small businessman, whose low bid is rejected by the Government because of supposed shortcomings in capital or credit, to appeal to SBA for such a certificate. Since 1953 SBA has processed over 5,000 applications for COC's, and has issued more than 2,000 with a value to the small firms of approximately $429 million and savings to taxpayers of about $33½ million.[12]

Additionally, the benefits of transferring new science and technology to small businesses hold significant promise and the assistance of SBA in the initial stages of how this may be accomplished has been invaluable.

Mr. President, I am among those who doubt that all of this would take place without the special assistance, special

[11] See 18th Annual Report of the Select Committee on Small Business, Senate Report No. 1155, 90th Congress, second session, at page 20.

[12] 1967 Annual Report of the Small Business Administration, at page 17.

focus, and special concern of an agency dedicated to the small businessman of this country. It is my hope that President Nixon will resolve the existing uncertainty by stating his strong and active support for an independent SBA. However, if he does not, the Members of Congress who feel keenly of responsibilities toward the small businessman, will continue to advance small business interests, with or without this support.

EXHIBIT 1

[From Weekly Compilation of Presidential Documents, Mar. 10, 1969]

MINORITY BUSINESS ENTERPRISE

(Statement by the President upon signing an Executive order providing for a national program, March 5, 1969)

I have often made the point that to foster the economic status and the pride of members of our minority groups we must seek to involve them more fully in our private enterprise system. Blacks, Mexican-Americans, Puerto Ricans, Indians, and others must increasingly be encouraged to enter the field of business, both in the areas where they now live and in the larger commercial community—and not only as workers, but also as managers and owners.

Providing better job training and making more jobs available is only part of the answer.

We must also provide an expanded opportunity to participate in the free enterprise system at all levels—not only to share the economic benefits of the free enterprise system more broadly, but also to encourage pride, dignity, and a sense of independence. In order to do this, we need to remove commercial obstacles which have too often stood in the way of minority-group members—obstacles such as the unavailability of credit, insurance, and technical assistance. Involvement in business has always been a major route toward participation in the mainstream of American life. Our aim is to open that route to potentially successful persons who have not had access to it before.

Encouraging increased minority-group business activity is one of the priority aims of this administration.

The Federal Government has long been involved in various programs to support the development of new business enterprises, and to help struggling new ones become more stable. By one count, there are now 116 such programs, operated by no less than 21 different departments and agencies. These are largely uncoordinated.

Recently, the Small Business Administration launched a program for the stimulation of minority group enterprise. This program has been well received, and deserves continuing support. With better coordination, a broader range of Government resources and assistance can be made available.

Many private, voluntary organizations, and many major corporations, have done outstanding work in assisting the development of new business enterprises among minority groups. Often, however, their efforts have not had the Government support that they deserve.

As recommended by the *Urban Affairs Council*, I intend to establish within the Department of Commerce an Office of Minority Business Enterprise. Under the leadership of Secretary of Commerce Stans, this new office will be the focal point of the administration's efforts to assist the establishment of new minority enterprises and expansion of existing ones. It will seek to concentrate Government resources, and also to involve the business community and others in order to enlist the full range of the Nation's resources.

This new office will be headed by an Assistant to the Secretary of Commerce, and it will have the direct, personal attention of the Secretary. On its own, it will seek to develop new business opportunities. It will coordinate the efforts of other government agencies in encouraging minority enterprise. It will mobilize financial and other resources, both public and private. It will provide the centralized leadership which in the past has not been sufficiently evident. It will seek to provide a better focus of government programs at the local level, in order to give them the impact intended. It will constantly review both existing and possible new programs for the encouragement of minority business enterprise, and will make recommendations for further executive and legislative action as appropriate.

I have today issued an Executive order directing the Secretary of Commerce to coordinate Federal programs related to the strengthening of minority business enterprise, and authorizing him to take the necessary steps to do so effectively. The order also provides for the creation of an Advisory Council for Minority Business Enterprise, and for the establishment by the Secretary of Commerce of an information center for the compiling and dissemination of information on successful minority business enterprise programs.

This is not a substitute for the many other efforts that continue to be needed if we are to make headway against the ravages of poverty. It is a supplement, dealing with a special but vital part of the broader effort to bring the members of our minority groups into full participation in the American society and economy. Its success will be measured by tangible results, not by the volume of studies.

What we are doing is recognizing that in addition to the basic problems of poverty itself, there is an additional need to stimulate those enterprises that can give members of minority groups confidence that avenues of opportunity are neither closed nor limited; enterprises that will demonstrate that blacks, Mexican-Americans, and others can participate in a growing economy on the basis of equal opportunity at the top of the ladder as well as on its lower rungs.

KEEP SBA INDEPENDENT

Mr. McINTYRE. Mr. President, on February 26, 1969, I had the privilege, as chairman of the Senate Small Business Subcommittee of the Banking and Currency Committee, to question Mr. Hilary J. Sandoval, Jr., the then nominee to be Administrator of Small Business Administration, at some length. Traditionally, the subcommittee has always been quite interested in the commitment and resolve of any future SBA Administrator to "fight the good fight" for the Agency and for the American small businessman. Most of us are aware of the periodic attempts to dilute or water down SBA by placing it within the Department of Commerce or some other agency of the Federal Government.

So it was quite natural for me to discuss SBA's independence in some detail with Mr. Sandoval. On three separate occasions I raised this matter with the nominee, and each time I was unable to tell by his answers the extent of either his commitment or his resolve to protect the independence of SBA. I made my position quite clear and concluded Mr. Sandoval, being very new to Washington, was perhaps suffering from a mild case of stage fright.

You can imagine my surprise when, on March 6, just 8 days later, I read where Secretary of Commerce Stans had stated that "SBA, by definition, ought to be part of the Commerce Department." [13]

It then began to appear as though a move was underway again within the executive branch to strip SBA of its status as an independent Federal agency and place it within the Department of Commerce. Printed and other reports continue to bear this out.

Mr. President, this body well knows how I feel about an SBA-Department of Commerce merger. Along with Senator SPARKMAN, Senator SMATHERS, and Senator BIBLE, I assisted in our successful effort in 1965 to prevent such a merger. It was not wise to weaken SBA then. It is even less wise now.

SBA is a small agency, as Federal agencies go. But I consider this smallness as one of its best assets. This is the key to SBA's effectiveness. If some larger, cumbersome agency were to swallow up SBA, as is now being discussed, SBA's effectiveness and capabilities would be muted, if not strangled and destroyed. It could no longer remain a viable agency, responsive to the needs of the American small businessman.

Mr. President, SBA today serves as the spokesman for over 5 million small businesses which employ over 40 million people. Small business contributes 33⅓ percent to our annual gross national product of over $808 billion.

Small business, then, is small only in terms of store size and number of employees. But it is not small in the impact it has on our economy and on our free enterprise system.

Small business requires and deserves the same services and the same recognition on an equal basis with other important interest groups operating within our economy. SBA, at the executive level of Government, is the only strong and effective advocate for small business.

In 1953, Congress created SBA as an independent agency of the Federal Government. SBA was designed to serve the small businessman as a one-stop shop center, an agency where he could receive assistance of a personal, responsive nature, free from big business influence. Over the years, SBA has proved to be a very effective spokesman for small business. SBA's record is quite good.

During the first decade and a half since the creation of SBA, that agency made over 85,000 regular business loans to small concerns. The total dollar volume of these loans was over $4 billion.

During this same period, over $19 billion in Federal procurement awards were set aside for small businesses.

Since 1953, SBA has distributed over 41 million management publications and conducted over 10,000 management assistance courses.

This fine record exemplifies one word: "service."

Mr. President, I submit that any departure from complete independence for SBA will damage irreparably this service and may cause distress and difficulty in the overall economy.

[13] See article entitled "Foreign Investment Rules To Be Waived, The Wall Street Journal, March 6, 1969, page 3.

Certainly, SBA needs to remain independent now more than ever before—during this period of corporate giantism, conglomerate mergers, high interest rates, and fiscal stress—all resulting in a shift of credit availability from small business to big business.

I told Mr. Sandoval on February 23, and I quote:

> If somebody starts pushing you around . . . , you have a lot of friends up here on the hill . . . , you get on the telephone or come running up here.

That states my position quite clearly. I think Mr. Sandoval got the message, which is that this is no time to downgrade SBA by making it subordinate to any other agency or department. This is no partisan matter. I sincerely believe that the vast majority of the Members of both Houses of Congress support the full independence of the Small Business Administration.

SBA'S INDEPENDENCE AGAIN THREATENED

Mr. SPARKMAN. Mr. President, I rise in behalf of the Small Business Administration and the American small businessman. That agency's independence once again is being threatened. Printed and other recent reports indicate a movement is apparently underway within the executive branch which would strip SBA of its statutory independence as the Nation's spokesman for the small businessman at the Federal level. SBA, for at least the third time since 1965, is facing absorption within another agency of the Federal Government, most likely the Department of Commerce. For instance, on March 6, 1969, the Secretary of Commerce said SBA "by definition" ought to be part of the Commerce Department.[14]

SBA was created as an independent agency in 1953 during the Eisenhower-Nixon administration. The Small Business Investment Act of 1958 was passed during the second Eisenhower–Nixon administration. Both of these legislative landmarks recognized the real, urgent need of the American small businessman to enjoy direct, responsive, and realistic representation in Washington. Under the Small Business Act of 1953, the Administrator of SBA reports directly to the President of the United States. Mr. President, I submit there is no better representation than that.

I further submit that, if SBA's independence is watered down, the result will be diminished activity in the small business sector which will be felt throughout the land.

Mr. President, the small business community is 5½ million small firms. These businesses contribute nearly 40 percent of our gross national product of $800 billion annually. They provide employment for 40 million people and support for the families of these small business-owners. Should we deny this bulwark of our free enterprise system independent representation at the Federal level?

If we do, then we apparently believe that the problems and needs of the small, independent businessman are just the same as the problems and needs of General Motors or any other American corporate giant.

Mr. President, commonsense tells us that this line of reasoning just is not so. President Nixon's father was a small businessman. He owned and operated a small service station and grocery store in Whittier, Calif. I seriously doubt if he regarded himself "in the same boat" with any of our better known corporate giants. And neither does any other small shop-owner or storekeeper.

During the decade and a half since SBA was created as an independent agency, SBA has served the small entrepreneur well. Some 85,000 small firms have borrowed over $4 billion; small communities have received nearly one-half billion dollars in local development company loans, which, in turn, have created, or saved, 94,850 jobs; and small business investment companies have made approximately 30,000 loans totaling about $1.4 billion.

These figures clearly show the extent to which SBA has served the small business community, the free enterprise system, and the Nation.

Mr. President, while I am quite proud of the fine job done by SBA over the years, it can do an even better job for the country's small businessman in the years immediately ahead. SBA has perhaps the best economic development tools of any agency of the Federal Government. These are proven "working tools," not "pie-in-the-sky" theories. These tools have been honed to a keen edge of effectiveness.

To put it in the vernacular of many of today's young people, SBA has been "doing its own thing," and I might add, it continues to do it very well.

Now is not the time for us to tamper with a proven program. High interest rates, shortage of funds and other fiscal uncertainties are the benchmarks of today's business world. It is therefore urgent and very necessary that SBA remain an independent spokesman for the small businessman during these difficult times.

Recently, Senator ALAN BIBLE, the very able and alert chairman of the Senate Small Business Committee, circulated a committee resolution expressing strong support for the continued independence of SBA. As ranking Democrat on the Small Business Committee, I was pleased to place my signature just below Senator BIBLE'S. This marks the second time in 3 years I have signed such a resolution and at least the third time in 3 years that I have taken the Senate floor to discuss this matter.

Mr. President, at this point I ask unanimous consent that my remarks of February 4, 1966, be reprinted in the RECORD at the conclusion of this statement. My remarks were appropriate then, and they are even more so now.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPARKMAN. I do not feel that it is necessary for me to belabor this point. The record is quite clear. There exists a great deal of opposition in both Houses of Congress to any plan or proposal which jeopardizes the independent status of SBA. I hope my colleagues on both sides of the aisle will study this issue carefully and will not be easily led into a course of action that is clearly detrimental to the future success of the American small businessman.

EXHIBIT 1

[From the CONGRESSIONAL RECORD, Senate, Feb. 4, 1966]

THE RUMORED PROPOSAL THAT THE SMALL BUSINESS ADMINISTRATION BE PLACED WITHIN THE DEPARTMENT OF COMMERCE

Mr. SPARKMAN. Mr. President, there was an article in this morning's Washington Post by Jerry Kluttz saying that the administration has under active consideration a recommendation that the Small Business Administration be stripped of its independent status and placed within the Department of Commerce. Rumors that such a move might be in the making have persisted for several weeks.

Mr. President, I have been concerned about these rumors, and now that they are being reported publicly in the news media, my concern has deepened to the extent that I feel it necessary, as chairman of the Senate Small Business Committee, as a member of the Small Business Subcommittee of the Banking and Currency Committee, and as one who has, down through the years, taken an active interest in matters affecting the 4½ million small businesses of America, that I speak out on this subject.

Mr. President, I would be amazed if serious consideration is given to allowing the Department of Commerce to absorb the Small Business Administration. When this agency was first created there was considerable debate in the Congress on this very question. The matter arose in the form of a conference report submitted to the Senate. The legislation provided for the creation of the Small Business Administration, to be governed by a board comprised of the Secretary of the Treasury, as Chairman, and the Secretary of Commerce and the Administrator of the Small Business Administration as members. During the debate on this conference report, those in the Senate who were sensitive to the needs of the Nation's small businesses and who were sympathetic to meeting those needs, spoke out on this subject.

Among those who stood up for a Small Business Administration independent of the policies and influence of other departments of the executive branch of the Government was the then senior Senator from Texas, now President of the United States, Lyndon B. Johnson. President Johnson had long been a champion of the small business firms of this country and, during that debate, the President said:

"This bill would place the Small Business activities of the Government under two major Departments—Treasury and Commerce, and yet, practically all of us subscribe to the principle that a small business agency cannot be effective unless it is independent."

Another distinguished Member of this body, who later served as a member of the Senate Small Business Committee, was the late President John F. Kennedy, then junior Senator from the State of Massachusetts. President Kennedy said:

"The Small Business Administration which is proposed by the pending legislation is deficient in several respects. If such an agency is to be of real help to small business in providing technical assistance, long-term capital, and procurement opportunities, all of which are of primary importance in expanding the economies of New England and the United States, the following defects must be corrected:

"First, such agency must be truly independent and not subject to the veto power of the Commerce and Treasury Departments. Experience has shown that such independ-

[14] See article entitled "Foreign Investment Rules to be Waived," the Wall Street Journal, Mar. 6, 1969, page 3.

ence is necessary to give small business an effective voice in the Government."

Another recognized champion of small business, who served as a member of the Senate Small Business Committee from June 1, 1950, until December 29, 1964, and who was serving as chairman of its Retailing, Distribution, and Marketing Practices Subcommittee at the time of his election to the high office of Vice President of the United States, and who now serves in that office, was Vice President Hubert H. Humphrey. Senator Humphrey said:

"I say we are not going to have the friendship of small business if we allow the Secretary of Commerce and the Secretary of the Treasury to have too much to say about the definite standards to be set with respect to small business, because I do not believe either one of them is particularly noteworthy as a champion of small business enterprise. That is not their record. They have competence in other fields, but not in this one.

"I am delighted the committee has come forward with a bill that gives the Administrator of the Small Business Administration powers unto himself, that makes him the chairman of the loan policy board, and that restricts of activities of the Secretary of Treasury and the Secretary of Commerce to being advisers. Let the record be clear. An adviser does not mean a proprietor. The Administrator can take advice, or he can reject it. The advisory board is exactly what its name implies. It is to advise.

"I suggest that Congress keep a very careful, watchful eye upon how the advisers act. I think we shall have an opportunity to see whether the activities of the Small Business Administration will be in the spirit of truly helping small, competitive business enterprise."

The senior Senator from Massachusetts, Senator Saltonstall, who serves now as the ranking minority member of the Senate Small Business Committee, also spoke out on this subject. Senator Saltonstall said:

"The Small Business Administration provided for by S. 1523 would be a completed independent agency. This, in the opinion of the many Massachusetts businessmen who have written to me on the subject, is a very important feature. A small business agency should have as its primary responsibility the assistance of small business. The experience of the last 10 years has made that inescapably clear. I am glad, therefore, that the Senate Committee on Banking and Currency has corrected the feature of the Hill bill which was recently before us and which would have made the head of the Small Business Administration subject to the direction and control of the Secretary of the Treasury and the Secretary of Commerce. The present bill wisely confines their advisory functions to the field of loan policy."

Mr. President, I had the privilege of participating in that debate and I said this at that time:

"The second difference between the Senate bill and the House-approved bill relates to the advisory board. It will be recalled that when the conference report on the defense production bill was before the Senate, many Senators objected to the provision relating to the advisory board, on the ground that it became not simply an advisory board, but actually a governing board. Instead of the governing authority being in the Administrator, the authority was vested in a board, of which the Administrator was not even the chairman; the Secretary of the Treasury was the chairman.

"In the pending bill, as has been so well explained today by the chairman of the Committee on Banking and Currency, the board is advisory, the Administrator is chairman, and it is not intended in any way that the board shall administer the business of the agency or shall govern the agency itself. I believe those two changes are significant and material, and make the Senate bill a decided improvement over the House bill."

Mr. President, I feel just as strongly today as I felt then that the Small Business Administration can operate effectively in the interest of the Nation's small business firms only as an independent agency of Government.

Those who have been charged with the responsibility of serving as Administrator of the Small Business Administration have likewise recognized the need of independent status for the agency. Of course, John Horne, who served as Administrator from 1961 until 1963, was serving as my administrative assistant at the time the SBA was created as an independent agency. He actively assisted me in the debate which led to the creation of the agency and the establishment of its independent status. The fact is that John Horne's position on the question of independence for the SBA was so well-known that I have been unable to recall, that, during his tenure as Administrator he was ever questioned on the subject. Had he been, however, I know what he would have said because I know that he believed in the independence of the agency as strongly as any person in Government. When John Horne was moved to the Home Loan Bank Board in 1963, President Kennedy nominated Mr. Eugene P. Foley to replace him as Administrator.

At the time of his nomination, Mr. Foley was serving as deputy to the Secretary of Commerce, and since the question of the independence of the agency versus placing it under Commerce had been of such concern to the Congress originally, it was only natural that the Congress would inquire into his views on this matter. It was my privilege to make that inquiry during the course of the confirmation hearings before the Banking and Currency Committee on July 30, 1963. I said to Mr. Foley at that time:

"There was discussion originally and there were proposals that the Small Business Administration * * * be a part of the Department of Commerce. One of the fights we had in setting up the Small Business Administration was whether or not it should be an independent agency * * * This was a plan that was worked out by this committee and a plan which I think has functioned quite well."

I then asked Mr. Foley, "You subscribe to this idea don't you, of an independent agency?" His reply was, "I do wholeheartedly, Senator. I assure you that as far as it is within my power there will be no change. I don't expect a change."

Mr. President, in view of the history of this controversy, the highlights of which I have tried to recite above, I just cannot believe that the report which appeared in the Washington Post this morning is accurate in saying that a proposal to place the Small Business Administration within the Department of Commerce is being seriously considered by the administration. I certainly hope that it is not accurate, because I do not believe that this controversy should again be a subject of lengthy debate before the Congress.

THE SMALL BUSINESS ADMINISTRATION SHOULD REMAIN INDEPENDENT

Mr. GRAVEL. Mr. President, as a member of the Select Committee on Small Business, I would like to add my comments on the resolution submitted today by the distinguished chairman of the Senate Small Business Committee, Senator BIBLE.

This resolution, in my opinion, was justified by the reports which have circulated not only in our national press, to which the Senator has referred, but in some international journals as well. For example, the London Economist of March 1, 1969, reports on certain statements by the Secretary of Commerce and others in the Nixon administration which, in the opinion of the reporter, "would impinge directly on SBA's Project Own." For the information of those concerned, I ask unanimous consent that the brief article be printed following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRAVEL. Mr. President, there are some opinions in this article which I would not share. The record is clear, for instance, that the Select Committee on Small Business of the Senate, under a distinguished series of chairmen—Senators SPARKMAN, Smathers, and BIBLE—has been in the forefront of every small business matter, and that this body has done so out of an abundance of concern for advancing the interests of all of the Nation's small businessmen. It would be accurate, I believe, to say that the combined efforts of the Senate and House were successful in preventing SBA programs from "disappearing into the maw of another Government agency" in recent years.

Mr. President, the State of Alaska has for many years, been represented on the Small Business Committee. I am proud to follow in the footsteps of Senator E. L. "Bob" Bartlett in this regard. During my career it has been brought home to me forcibly that the desire among Americans to own their own businesses is very deep and very widespread. The surveys available in 1964 indicated that fully half of all American wage earners either attempt to go into business for themselves or intend to do so some time during their lives.[15]

Senator BIBLE has described how the SBA has turned this dream into a reality for 200,000 small businessmen. The Economist article points out how the SBA has been extending this effort to minority groups with the so-called Project Own. The article states that SBA loans and guarantees to aspiring minority businessmen for the last quarter of 1968 rose to more than $31 million, more than triple the amount granted in the same months of 1967. According to official Government estimates, the loan approvals under this program are to rise from $32 million in 1968 to $306 million in fiscal year 1970, an increase of 856 percent.[16]

Said the Economist:

> Significantly some three-fifths of all these (1958) loans were made by private lending institutions with guarantees up to 90 percent from the SBA (allowing) the SBA to increase its activity among Negroes and other racial minorities without running up against the budgetary ceilings on its lending and spending powers.

Thus, it seems to me that SBA has been a notable success, not only in its recent attempts to foster minority business ownership, but in its historic venture of assisting all small businessmen in our cities and countryside to survive and ex-

[15] "Can Small Business Survive," by Senator WILLIAM PROXMIRE, Regnery Co., 1964, p. 3.

[16] The Budget of the U.S. Government, fiscal year 1970, U.S. Government Printing Office, January 1969.

pand, and consequently to provide a growth factor in the economy.

My information is that small business accounts for 40 percent of the gross national product and about 50 percent of all the jobs in the United States. It is thus a major factor throughout the country, and especially in my State. The record of the Small Business Administration in Alaska has been exemplary. Within hours of the Good Friday, 1964, disaster, SBA had a team of personnel en route to Alaska, and within 6 months 490 business disaster loans and 455 home disaster loans had been granted. As Senator Bartlett said last year:

> Thanks in no small measure to this help, Alaska now has a healthy and expanding economy.[17]

As the Senator from Wisconsin (Mr. NELSON) has pointed out, small business has also been a surprisingly potent force in innovation and competition in the United States during recent years, even in the teeth of the growth that we have seen in giant corporate business. This competition and innovation play a direct role in furnishing alternative and substitute products and services, and thus tending to keep price levels down and exercising a restraint on inflation—a function which the traditional free market can perform with great benefits to all.

Mr. President, I hardly need to point out that inflation remains one of our most urgent concerns. During the last 6 months the prime interest rate has risen from 6¼ to 7½ percent and the Federal Reserve discount rate from 5¼ to 5½ percent. Other market rates have escalated proportionately, bringing interest rates to their highest levels in 100 years.

These credit pressures, of course, tend to fall most heavily upon small businessmen.[18]

It therefore seems to me that what we need is to have more support, more assistance, and more funds for the Small Business Administration. The independence of this agency has demonstrated its worth over the last 16 years and its programs, including Project Own, have proven their worth. A transfer of functions, and a consequent undermining or destruction of the Small Business Administration, in my opinion would constitute a definite step backward. I am therefore glad to join in expressing my support of the resolution presented by the Senator from Nevada (Mr. BIBLE) and restating my support for SBA programs of assistance to American small businessmen.

EXHIBIT 1

WHOSE BLACK CAPITALISM?

WASHINGTON, D.C.—After a patronage struggle between Senators Dirksen and Tower, President Nixon has at last decided in favour of the latter's candidate to head the Small Business Administration. He is Mr. Hilary J. Sandoval, a businessman of Mexican descent, a political figure in his home country of west Texas but little known in Washington. "We do not yet know," confessed an SBA spokesman, "how to pronounce his name."

Mr. Sandoval is walking into the centre of a debate inside the Nixon Administration over how to implement the President's campaign to promote "black capitalism." In his half-year at the SBA, the outgoing Democratic administrator, Mr. Howard Samuels, bade fair to transform it into an agency for such capitalism, with an effort which he called Project Own. SBA loans or guarantees of $31 million given to aspiring black businessmen between September and December last year were more than triple the amount granted in the same months of 1967. Significantly some three-fifths of all these loans were made by private lending institutions with guarantees of up to 90 per cent from the SBA; this allowed the SBA to increase its activity among Negroes and other racial minorities without running up against the budgetary ceilings on its lending and spending powers.

By October Mr. Samuels was in trouble. Following hearings that month the conservative Select Committee on Small Business of the House of Representatives warned him that "discrimination (in favour of minority groups) in the business loan programme cannot be permitted." Had Mr. Samuels retained his job, says one member of the committee, "we would have caught up with him by March." The SBA, according to congressional critics, was created under President Eisenhower not as a welfare agency but to foster a tenet of white America: that the little local businessman should prosper. In December the incoming Secretary of Commerce, Mr. Maurice Stans, laid claim all but openly to Project Own's activities when he said that "one of the first decisions" for him would be whether to absorb some of the SBA's activities into the Department of Commerce. Early in February the President told the department's employees that they would be given new responsibilities to provide "all people" with a chance "to become owners and managers in this great private enterpirse system of ours."

Debate in the Administration has not stopped there. When the President wrote to Congress last week about the future of the Office of Economic Opportunity one sentence in the message read:

"It is also my intent that the vital Community Action Programmes (CAPs) will be pressed forward, and that in the area of economic development OEO will have an important role to play, in co-operation with other agencies, in fostering community-based business development."

The idea now, according to one member of the Administration, is "to convert CAPs to capitalism."

This would impinge directly on the SBA's Project Own. So also would the idea of a national Community Development Bank being put forward vigorously by Mr. James Farmer, the Negro leader from New York, who is shortly to join as an Assistant Secretary yet another, more muscular arm of the administration, the Department of Health, Education and Welfare. Such a bank would lend or guarantee loans to local development banks and businesses, just as SBA has been doing. Meanwhile the House Small Business Committee is preparing to fight (as it did most successfully under President Johnson) to prevent any SBA programme disappearing into the maw of another government agency; in this case the programme in question is disliked by the committee which, for this very reason, wants to keep it under its thumb.

A decision on how to deal with black capitalism is promised by the White House in "weeks rather than months." The President's Counsellor, Mr. Arthur Burns, who is presiding over the whole uncomfortable debate, believes in devolving the project as much as possible on to private business through tax and other incentives. But he has to make peace among the departmental warriors who are determined to corral Mr. Nixon's social solutions into their own empires.

SOME SUGGESTIONS REGARDING THE SMALL BUSINESS ADMINISTRATION

Mr. LONG. Mr. President, it has come to my attention that the administration of President Nixon is in the process of making up its mind about the status of the Small Business Administration.

As an indication of the concern that any action affecting SBA's independence would bring in the Senate is the resolution presented today by the chairman of the Small Business Committee (Mr. BIBLE).

This, however, is only a preliminary indication of what would surely be a wider and deeper concern that would follow an attempt to put the SBA in a subordinate position inside the Department of Commerce or any other Department.

When the Select Committee on Small Business was established in the Senate in 1950, I was appointed as one of its original members, along with the Senator from Alabama (Mr. SPARKMAN) and the Senator from Minnesota, Vice President Humphrey. I have thus participated in the deliberations of the last 18 years, including those surrounding the enactment of the Small Business Act of 1953 and the Small Business Investment Act of 1958. I have witnessed the steady growth of small business institutions in this country, which Senator BIBLE has described. As a member and then chairman of the Committee on Finance, I have had further opportunities to consider many tax bills affecting small business and free enterprise and to make some contribution to the advancement of both through the Small Business Tax Amendments Act of 1958, the Revenue Reduction Act of 1964, and other small business tax legislation. During the 89th Congress, as assistant majority leader, I was involved when the Johnson administration carefully considered and then rejected the possibility of changing the status of the SBA.

It may be, therefore, that my observations would add something to the present discussion of this matter.

As I recall, the formality of Federal assistance to small business began in 1941 when a "Small Business Unit" was established in the Bureau of Foreign and Domestic Commerce of the U.S. Commerce Department and directed to study problems encountered by smaller firms because of their size and to plan a program of assistance. During the ensuing years of World War II, several of the ideas developed by the Commerce Department Unit were absorbed into the Smaller War Plants Corporation, which was created as a part of the War Production Board on June 11, 1942, to broaden small business participation in military procurement. The scope of these efforts was, of course, restricted to manufacturing and to defense work, until the SWPC was abolished by Executive order as of January 1946.[18] In the early years of the Ko-

[17] "Small Business and SBA pass important milestones," remarks on the Senate floor by Senator Bartlett, CONGRESSIONAL RECORD, vol. 114, pt. 19, p. 25431.

[18] See for instance, "Changes in Administered and in Market Rates," research letter of Salomon Brothers & Hutzler, March 3, 1969.

[18] Executive Order No. 9665, December 27, 1945.

rean war, the small business functions were first made a part of the National Production Authority[19] and then, by unanimous congressional action, conferred upon the Defense Plants Administration in 1951.[20]

Then in 1953 the Small Business Administration was established as the first independent agency of the Government specifically charged with the responsibility of fostering the interests of all of the small business community. So, it was not until the Small Business Act of 1953 and the Small Business Investment and Tax Acts of 1958 that small business institutions in this country reached the takeoff point.

I do not believe that anyone would seriously contend that small businesses do not have unique problems because of their size. President Eisenhower, who had a good record on small business, recognized this fact on several occasions with active efforts to identify these problems and attempts to resolve them. For instance, in setting up a Cabinet Committee on Small Business in May of 1956 the President stated, as part of his mandate:

(T)he conditions of our modern economy are such that many small concerns confront substantial hindrances to their growth. It is my wish that the Federal Government keep fully abreast of developments that affect small business . . . To that end I am establishing (the said committee).

In the first progress report of August 7, 1956, the Cabinet Committee made 14 recommendations for the betterment of small business conditions, many of which have since been enacted, including No. 8 which called for the continuation of the Small Business Administration as a permanent and independent agency of the Government.

Another example is that Small Business Administrator Wendell Barnes, writing in the winter of 1959, about the Small Business Investment Act of 1958, stated:

This legislation is designed to fill a gap in small business financing. Equity capital and long-term loans for growth and development purposes have never been readily available to small business. Commercial banks furnish short and intermediate-term loans, but not venture capital and long-term credit. Existing institutions which could provide venture capital are not able to assist smaller firms, since the cost for public sale of securities is disproportionately high to small business issuers.

The Small Business Administration, under its regular lending program, can assist small business concerns with intermediate-term loans, but cannot provide the long-term funds needed for growth and development. As a result, there has been no institutional source to which small business could turn to meet its capital needs. It is this so-called institutional gap which the Small Business Investment Act of 1958 is designed to fill."[21]

It seems to me that every administration over the years has recognized that small business has these special problems, and that it is especially vulnerable to economic reverses during periods of recession and tight money, and that small companies take longer to recover from these reverses than large national corporations.

One of the notable features of this history is the seeming absence of any outstanding accomplishments, or even decisive initiatives in behalf of small business by the Department of Commerce. After 1941, when the President or the Congress wished to move ahead in this field, they turned to special agencies, the White House Committee and, ultimately, as the SBA gained in stature, to that agency. The measure of stature which this little agency has attained was well summarized on the occasion of its 15th anniversary last year by several Members of this body.[22]

It is my feeling that SBA's greatest achievement has been to bring the Federal Government closer to many of the people of this country. I know that this has been the case in my own State of Louisiana. An outstanding example followed hurricane Betsy, when the SBA mobilized its resources and concentrated them throughout the State to deal with the widespread needs for loans to rebuild the damaged businesses and homes. I have been at numerous conferences on procurement contracting and subcontracting opportunities, or lease guarantees, on management assistance, and other programs developed by the Small Business Administration. These, as well as the funds from the loan programs, have brought countless small businesses of my State into the economic mainstream of this country. The assistance of SBA has been the difference, in many business situations, between success and failure, between ownership and going to work for another man.

These individual and aggregate accomplishments of SBA are not just a matter of the quantity of activity; they are matters of its quality—the willingness of the local and national representatives of SBA to extend their resources, their time, and their best thoughts for the benefit of the little businessman. These commitments do not arise out of organizational charts or logical syllogisms. They are intangibles, like self-respect or job satisfaction or independence. These intangible values are deep in the bones of the people of Louisiana and of this country.

The livelihood of one family out of 10 depends upon the welfare of a small business. As the Senator from Alaska (Mr. GRAVEL) has pointed out, about half of our working people would like to be in business for themselves if they could find a way to do so.

Over the years we have found a way for more than 200,000 of these people to make that American dream into a reality. They have come to the SBA as an agency which they feel can help them realize these goals. The business community of this country has come to think of the SBA as their agency. They feel that its independence strengthens their independence, and they are right.

To diminish the SBA in stature by making it a small part of any large department would, in my judgment, not only be a symbolic but an actual downgrading of small business values within the Government and throughout the country. An independent Small Business Administrator can talk with the President of the United States about small business needs. He can, and often does, testify before the Congress. He can devote his full time and energy and that of his staff and organization on what is best for the small businessman.

If SBA is made a part of the Department of Commerce, the Small Business Administrator can do only what the Secretary of Commerce tells him he can do, after waiting around to hear from the Secretary about whether he can do it or not.

I do not say this as any reflection upon the present Secretary of Commerce, Mr. Stans, or upon any previous Secretary. It is just naturally a part of the character of bureaucracy.

Mr. President, I have been disturbed by the statements of some people within the administration who do not seem to be familiar with our experience in these matters.

I have become concerned over actions transferring the coordination of certain programs, and the advisory councils on these minority business enterprise problems, from the SBA to the Department of Commerce. I cannot help but note that the council, and the subcommittee set up to deal with urban problems and minority business enterprise problems, does not include the Office of the Small Business Administrator. I believe that it would be in the public interest, as well as in the interest of the 5½ million small businessmen in this country, for those who are in control of the executive branch to do some further thinking about these problems.

In addition, I might suggest that there be some visible encouragement to the Small Business Administration to carry forward its excellent record of achievement, to provide it with adequate funds for its programs, and to give it its rightful place in the councils of Government. By taking steps in this direction, the new administration can assure that SBA can continue in the work that it has pioneered, and has done so well.

Mr. President, I hope that these recommendations may be of some value, and that this matter can be worked out rather than fought out. As in the past, the junior Senator from Louisiana is ready to follow either course where the interests of the small business community of my State and Nation are involved.

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[19] 64 Stat. 798(1952).

[20] 65 Stat. 131(1951).

[21] "What Government Efforts Are Being Made to Assist Small Business", by Wendell Barnes, Law and Contemporary Problems, winter, 1959, page 18.

[22] "The 15th Anniversary of the Small Business Administration—A Milestone for Free Enterprise," remarks on the Senate floor by Senator Wayne Morse, Daily CONGRESSIONAL RECORD, July 30, 1968, page S9756; "The Small Business Administration's 15 Years of Help to American Business," remarks by Senator BIBLE, Daily CONGRESSIONAL RECORD, August 2, 1968, page S10101; "Small Business and SBA Pass Important Milestones," remarks by Senator E. L. Bartlett, Daily CONGRESSIONAL RECORD, August 22, 1968, page E7549.

SUPPORT FOR PRESIDENT'S DECISION ON ABM

Mr. MILLER. Mr. President, since the announcement by the President of his decision to recommend moving ahead

with a limited deployment of a modified "thin" ABM system, the usual cacophony of extremist headline seekers, assisted by the hyperbole of a few like-minded columnists and editorialists, has made its contribution to public confusion and emotionalism.

One would hope that all citizens would be sufficiently concerned over the security of our Nation to, at least, give this subject the careful, objective, and scholarly attention it merits. When this responsibility is not met, and when a writer or speaker, instead, undertakes to cast doubt on the integrity of the President and his advisers, to appeal to emotion rather than to intelligence, and to twist facts to suit his own purpose, he may receive some publicity; but these tactics merely betray the weakness of his position.

When the President of the United States, with the benefit of the highest and most complete intelligence information available to any American citizen plus the counsel of the National Security Council and the staffs of the members, confides in the people that—

> The safety of our country requires that we should proceed now with the development and construction of the new ABM system in a carefully phased program.

The burden of proof on those who are contrary-minded is very great. Even granting that this might have been a close decision, that a mistake might be made, if a mistake is to be made, one has a duty to the people to assure them that any mistakes are being made on the side of their security, and never against it.

It is unfortunate, I believe, that some Members of Congress did not do the President the courtesy of refraining from making up their minds on this question until after they had the benefit of his decision and the powerful reasons he advanced in its support.

Although urged by some to speak out before the President's decision, I publicly declared I would reserve my judgment until after the President had made his decision and I had an opportunity to study his arguments. The decision was not unexpected by me, and the arguments advanced fully measure up to information I already possessed—information, I might add, which, unfortunately, in some measure cannot be made available to the public.

The President, for example, fully met the old gratuitous argument that deployment of any ABM system would spur on another round in the arms race. So did the distinguished Senator from Washington (Mr. JACKSON) on a recent nationally televised program, when he wisely pointed out that to follow this argument would eventually leave our country "naked" against aggressive military power.

Our chief U.S. disarmament negotiator, Gerard C. Smith, said he does not believe deployment would block efforts to start arms-control talks. Soviet reaction to President Nixon's decision was treated factually, according to all reports, with no alarm being sounded and, in fact, Soviet press emphasis was on the defensive nature of the ABM. If the Soviets thought it was offensive, the reaction would have been different.

Nevertheless, while the Soviet press reaction may be a straw in the wind for the good, if the Soviet Union continues to increase its military power, are we to throw away our security by standing still? Even one of the most vocal scientists opposed to the ABM deployment, the Nobel Prize physicist, Dr. Hans Bethe, conceded that the system as planned by President Nixon may be needed some time in the future to defend the Minuteman force and it could do the job effectively. As quoted in the Washington Post of March 16, Dr. Bethe, while feeling it would be a mistake to deploy the ABM now, said:

> Protection of the Minuteman is sensible, it is stabilizing. It is a good answer if the Soviets develop MIRV (multiple warheads), but they have only just started.

Mr. President, if it is conceded that someday the system may be needed, is it not better to develop and deploy this defensive system before the MIRV's are fully developed and operational—instead of waiting until the Soviets have placed them in operation? It would appear that Dr. Bethe was asking to close the barn door after the horse has fled.

Is it not better to bargain from a position of relative strength—both defensive and offensive—than to do so from a position of weakness? Any real expert on negotiations with Communists will warn that such is the case.

One is reminded of the argument used against development of the H-bomb. The most influential opponent was Dr. J. Robert Oppenheimer, who claimed that the H-bomb was not feasible. Later, Oppenheimer admitted he was wrong. The respected columnist, Joseph Alsop, asked him why he was wrong, and the reply was:

> I guess I concluded it wouldn't work, because I wanted it so much not to work.

Fortunately, what Dr. Oppenheimer wanted did not take place, and the wise decision of President Truman to go ahead, costly though it was, prevented the Soviets from obtaining this weapon before the United States. One shudders to think of where our people might be today if Dr. Oppenheimer's advice had been followed.

It is argued that the Soviets are abandoning their own ABM system, because they have found it unfeasible. Our best intelligence information is to the contrary; that, if there has been a slowdown, it is probable that this is because a more advanced system is being developed by the Soviets.

It is argued that the Sentinel system would be too costly, and, besides, it might not work anyway. Capable scientists believe it will work, and the same discredited arguments were made about the A-bomb and the H-bomb.

It is argued that going ahead with the Sentinel system would negate our ratification of the Nuclear Nonproliferation Treaty. But the two cannot really be tied together. Did the signing of the Test Ban Treaty in 1963 stop the Soviets from its subsequent missile buildup? Did not the Soviets support the Nuclear Nonproliferation Treaty, while at the same time embarking on their own ABM system? And the mild reaction from the Soviets regarding President Nixon's decision indicates that they do not think the two are tied together. Finally, we were assured by our highest Government officials during hearings on the Nonproliferation Treaty that it would not inhibit deployment of an ABM system.

I believe the ABM decision is basic to the strength of the U.S. position in any future dealings with the Soviet Union in the area of arms control. If the Russians demonstrate their good faith—and Czechoslovakia is not the way—then, and then only, can we begin to think in terms of arms control and limitation.

I believe we must move toward talks with the Soviets in an effort to achieve some degree of stability in the arms race. I am confident most Americans agree. This is why I was reassured by President Nixon's statement that the ABM program will be periodically reviewed to take into account the status of talks on arms limitation which all of us hope will be characterized by more "good faith" than has heretofore been shown by the representatives of the Soviet Union.

But we must never forget that it takes two sides to talk and two sides to agree.

We must not be so irresponsible as to ignore the militancy of the Soviets in building up their nuclear striking power. We cannot afford to let down our defensive guard in the mere hope that, by doing so, the Soviets will negotiate a meaningful agreement on arms control.

Several recent editorials and columns have placed in perspective this issue. One of the most astute was the editorial which appeared in the Washington Sunday Star of February 23. After examining the pros and cons, the editorialist cut to the heart of the issue by stating:

> As a responsible President, however, Richard Nixon cannot indulge in politicking on this question. If he is persuaded, as we think he will be, that our national security requires him to give the go-ahead signal on the Sentinel program, he should grasp that painful nettle—just as Harry Truman did two decades ago. If the legislators want to block the program by refusing to appropriate the necessary funds, let them take the responsibility—and let them also be held accountable for the consequences of what could be a disastrous decision on their part.

I ask unanimous consent that several editorials and columns, written prior to and following President Nixon's decision, be printed in the RECORD, as follows:

"Sentinel—Let's Give It the Green Light," Washington Star, February 23.

"Chief ABM Task: To Score Bargaining Point," a column by Crosby Noyes, Washington Star, March 8.

"Excellent ABM Advice," Washington Star, March 10.

"Excellent ABM Compromise," St. Louis Globe-Democrat, March 15–16.

"Nixon Puts Safety of United States First," a column by Gould Lincoln in the Washington Star of March 15.

"Opposition to the ABM System Recalls Dispute Over H-Bomb," a column by Joseph Alsop in the Washington Post of March 17.

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

[From the Washington (D.C.) Sunday Star, Feb. 23, 1969]

SENTINEL: LET'S GIVE IT THE GREEN LIGHT

A bit more than 20 years ago a "great debate" was under way in this country's scientific community.

The question was whether it was possible to build an H-bomb and, if it was possible, whether it was desirable to do so. The opposition arguments ran along several lines: It was not technically feasible to produce an H-bomb. In any event it would be morally wrong for the United States to create this hideous threat to mankind. With our large stockpile of A-bombs, what purpose would be served by arming ourselves with vastly more powerful weapons? Assuming the capability, if we should push ahead with the H-bomb development, would not Russia feel compelled to do likewise? And so on.

This debate continued behind closed doors for weeks and weeks. But then Dr. Edward Teller, sometimes called the "father" of the H-bomb, came up with a "brilliant invention" which settled one aspect of the argument. It *was* technically possible to build the more powerful weapon. Armed with this, proponents took their case to President Truman. Back from the White House came the word: Build it.

The United States can count itself fortunate that it then had a President who was willing and able to make hard decisions. For shortly after we had tested our first thermonuclear device, the Russians successfully tested theirs. Life for us in the 1950s might have been quite a different matter if the Soviet Union, and only the Soviet Union, had had the H-bomb in its armory.

A somewhat similar debate is under way in this country today. But this time the debate has to do with defense. Is it technically possible to develop and deploy an effective anti-ballistic missile system? If the answer is yes, should we get off the dime and start work on a "thin" ABM system, popularly known as Sentinel?

Opposition is mounting in Congress, especially on the part of self-appointed military experts on the Foreign Relations Committee. There is also opposition by some scientists and among some other people who, for various reasons, do not want Sentinel deployed in or near the cities in which they live.

The word from the White House is that the Sentinel system as envisioned in the Johnson administration is under review. It will not be surprising if some modifications are proposed. But there is strong indication that the final decision, expected around the middle of March, will be to push ahead with an ABM system.

It is important to keep in mind what could and what could not be expected from the deployment of a thin system. No one in the present state of the "art" thinks that a thin, or any other system, could provide meaningful protection for the United States in event of a massive first strike by the Soviet Union. Many millions of Americans would be killed and our major cities laid waste. Our shield against this threat has to be the maintenance of an assured capability to strike back on such a scale, after absorbing the initial blow, that the cost to the Russians of a surprise attack would be prohibitive. If this is not an especially reassuring prospect should a Soviet attack come, it is the best that can be offered as of today.

The pro-Sentinel people are confident, however, that a thin system could give very substantial protection in four and perhaps five other situations. They believe, for one thing, that it would provide an important safeguard against the kind of nuclear attack which Communist China is expected to be able to launch by 1975–77.

There has been considerable skepticism concerning any threat from Red China. What this comes down to is a suspicion that the real purpose in proceeding with Sentinel would be for the United States to have at least a start on deployment as a card to play in missile negotiations with the Kremlin, if and when that stage of nuclear arms limitation is reached. But such a purpose, if it exists, would not necessarily be without merit. Our intelligence people know that the Russians have started work on what is apparently a rather primitive ABM system of their own. And Defense Secretary Laird told the Foreign Relations Committee last week that the Soviet Union has begun testing a new and "sophisticated" ABM system. Common sense suggests, or so it seems to us, that the United States would be in a weaker position at the arms negotiating table if the Russians were going forward with a sophisticated ABM program while we were standing still.

The Communist Chinese threat, however, apparently is not something to be lightly brushed aside. Laird, originally one of the skeptics, now says that he has changed his mind, that on the basis of information which has come to him as Secretary of Defense he thinks Peking can have from 15 to 25 nuclear-tipped intercontinental missiles capable of hitting the United States by the mid-1970's. In his last report as Secretary of Defense, Clark Clifford said: "We believe it is both prudent and feasible on our part to deploy the Sentinel ABM system designed to protect against this (the Chinese) threat." Without the Sentinel ABM system, he went on to say, "we might suffer as many as 23 million fatalities from an attack by a Chinese intercontinental ballistic missile force. With the Sentinel, we might be able to hold fatalities to 1 million or less." These informed opinions, coming from two secretaries of defense, impose a heavy burden of proof on those who scoff at the Chinese threat or who are simply against the deployment of Sentinel, period.

The Sentinel proponents also contend that the thin system would be effective protection in case of an accidental launch of a few missiles against the United States from any source, that for several years after its deployment it could cope with missiles fired against us from submarines, and that it could destroy a missile or missiles fired from an orbiting platform, if this weapon should be developed. The fifth possible benefit would be to provide some protection for our underground ICBMs in event of a Soviet attack, thereby enhancing our strike-back capability.

The Sentinel system, as planned, would consist of long-range Spartan missiles and short-range Sprints placed in some 15 to 20 antimissile complexes. The cost estimate is from $5 to $6 billion, and it might go as high as $10 billion. Congress has already invested about $4 billion in this project, and the request in the 1970 fiscal year defense budget is for $1.8 billion.

Some opponents say it would be better to spend new Sentinel money on rehabilitating slums instead of investing it in what they call an unreliable ABM system. Others profess to fear that for the United States to do what the Russians are doing in missile defense would serve only to escalate the arms race. Further opposition comes from local groups who, without any real basis in past experience, fear a missile complex explosion; still others who say that a site near the city in which they live would invite an enemy attack, and this despite the fact that our major cities in any event probably would be targets. Finally, there are some who simply don't want to give up the real estate (some 200 acres) that each missile complex would require.

Congressional opponents, especially in the Senate, are claiming that they have or will have the votes to block any further appropriation for Sentinel. Perhaps they have. It is always easy for a politician to stand on the side of the angels, to be for spending to aid the poor and against spending for defense, and to capitalize on the apprehensions of many people as they contemplate any enlargement, offensive or defensive, of our nuclear capability.

As a responsible President, however, Richard Nixon cannot indulge in politicking on this question. If he is persuaded, as we think he will be, that our national security requires him to give the go-ahead signal on the Sentinel program, he should grasp that painful nettle—just as Harry Truman did two decades ago. If the legislators want to block the program by refusing to appropriate the necessary funds, let them take the responsibility—and let them also be held accountable for the consequences of what could be a disastrous decision on their part.

[From the Washington (D.C.) Evening Star, Mar. 8, 1969]

CHIEF ABM TASK: TO SCORE BARGAINING POINT

(By Crosby S. Noyes)

One fervently hopes that President Nixon's forthcoming statement on plans for a defensive missile system will put an end to the controversy that has been raging over the problem for so many months. For this debate has produced some of the weirdest logic from eminent political and military sources heard in a long time.

No one can quarrel very much with the idea of spending a few billion dollars on a defensive missile system that might offer some degree of protection against a nuclear attack from Communist China over the next few years. But unfortunately there is a great deal more than this involved in the minds of many people when it comes to the deployment of the Sentinel ABM system in the United States.

In fact, the Chinese nuclear threat argument for Sentinel was something of an afterthought. The real impetus for building an ABM system was—and still is—the discovery that the Soviet Union had begun deploying missile defenses near Moscow.

So far as many supporters of the Sentinel system are concerned, its real importance lies in its relevance to the nuclear balance between the United States and Russia. And it is in this area of the debate that the logic of the argument becomes most confused.

Almost everyone starts from the premise that the existing nuclear stalemate between Russia and the United States should not be upset—or at least that it should not be upset in favor of the Soviet Union. There is fairly general agreement that the major deterrent to a nuclear war is the disagreeable fact that each country can destroy the other, regardless of which side strikes first.

The development of defensive missile systems obviously does have relevance to maintaining this balance.

If the Russians should succeed, for example, in building a defensive system they believed capable of protecting them effectively against a full-scale nuclear attack, there is no doubt that the danger of a nuclear war would be increased enormously. Even if they were mistaken about the effectiveness of their defenses, the risk of a confrontation would be very great.

The real question is, therefore, how to convince the Russians that they have not built and cannot build a defensive system, having such protective capability.

As Defense Secretary Robert McNamara argued at the outset, the way to do this—and the only way—is to maintain our offensive nuclear striking power at such a level that no defensive system would be credible. It was his belief—and also that of many military experts—that in nuclear war the offense always will have a decisive advantage over any defensive system that could be devised.

The worst possible way of convincing the Russians that their defenses will not protect them would be to set about building a mas-

sive system of our own. To have any credibility at all, competition with the Russians in such a "thick" defensive system would be virtually unlimited. The cost has been estimated at anywhere from $40 billion to $400 billion.

The real irony, however, is that the result of such a competition might also greatly increase the danger of nuclear war.

If both we and the Russians became convinced that we had effective nuclear defenses—that is to say, defenses that would reduce the devastation of a nuclear exchange to "acceptable" limits—much of the deterrent value of the present nuclear balance would be gone. In this situation, the danger of a confrontation again would be far greater than it is today.

In spite of these quite evident facts, there is still strong support for an all-out competition with the Russians in nuclear defenses, including most of the military brass and some powerful figures in Congress.

Fortunately, neither President Nixon nor Defense Secretary Melvin Laird seems to share their views. From the evidence so far, their major interest in the Sentinel project is largely in its value as a bargaining-point in negotiating an agreement with the Russians on limiting nuclear defenses, if not abandoning them entirely. It is likely that this hope will be reflected in what Nixon has to say on the matter next week.

[From the Washington (D.C.) Evening Star, Mar. 10, 1969]

EXCELLENT ABM ADVICE

As chairman of the Joint Congressional Atomic Energy Committee, California's Representative Chet Holifield is in a much better position than most of us to appraise the merits of the proposed "thin" anti-ballistic missile system. But he is not yet ready to say, at least not publicly, whether he is for or against the project.

After listening to five hours of closed-door testimony given his committee last week, however, he did not hesitate to admonish his congressional colleagues against staking out premature positions on the issue. The sensible thing, he said, is for all members of Congress to wait until they can study the relevant information—highly technical information—before committing themselves one way or the other. This is very sound advice, especially so since the voting on whether to provide the needed additional funds is expected to be close.

Some members of Congress have been subjected to considerable pressure from constituents who have raised a variety of objections to the thin, or, as it is better known, the Sentinel ABM system. The complaint most often heard comes from people who do not want the necessary ABM missile complexes located near the communities in which they live. Some say the system will cost too much money. Others contend it cannot be effective in the present stage of development. And one senator has objected because the taking of land needed for a missile complex near a city in his state would interfere with plans for industrial development. The proponents, of course, strongly urge that deployment of Sentinel should begin without further delay, and, on the basis of the information available to us, we share this view.

It should never be forgotten that the decision on going forward with Sentinel or calling a halt is one that bears directly on the security of the United States. And this could be as important as the controversy over building the H-bomb some 20 years ago. Fortunately, despite the arguments of the opposition, President Truman gave the go-ahead signal then, and the Russians, who were hard at work, came in second in the race for that awesome weapon.

The Sentinel program is now under intensive review. President Nixon is expected to announce a decision in the immediate future. Pending this report, plus further congressional hearings, minds should be kept open, not closed.

[From the St. Louis (Mo.) Globe-Democrat, Mar. 15–16, 1969]

EXCELLENT ABM COMPROMISE

President Richard M. Nixon again showed his uncanny knack for coming up with an acceptable compromise as he announced his decision to move ahead on a modified anti-ballistic missile defense system.

The new plan should gain Congressional approval in spite of opposition from the forces of Sen. Edward Kennedy and Sen. J. William Fulbright.

By revising the Lyndon Johnson system to move missile and radar sites away from cities and to concentrate ABM defenses around two Minutemen missile bases, the President removed much of the steam from his critics' arguments.

As in all compromises, something had to give. In this case it was the plan for a thin defense of cities. Moving the shorter-range Sprint missiles further from cities will leave the main job of defending city populations to the longer-range Spartan missiles. The power of Spartans should prove capable of throwing a defense screen that could give considerable protection over the entire nation.

Mr. Nixon indicated the main effort will be to protect our land-based missile deterrent, at least until further review.

The President explained it is imperative that work on a United States ABM begin now in order to deploy ABM launchers by 1973. To allow a further delay, would mean the nation would have no missile defense at that time, when Red China is expected to have an operational intercontinental ballistic missile system.

We know that the militant doves, particularly on the Senate Foreign Relations Committee, will scream and beat their breasts and will make all sorts of exaggerated emotional charges against the modified ABM plan.

But President Nixon can't indulge in these extravagances.

As Commander-in-Chief he must take into account all defense contingencies, not just those that Democratic liberals consider thinkable.

He cannot afford to guess that there will be no need for defensive missiles by 1973. If he guesses wrong, our nation could be mortally vulnerable to nuclear attack.

Nor can Mr. Nixon ignore the fact the Russians already have deployed their own ABM system around Moscow, are developing an orbiting nuclear weapon, and are continuing to deploy large missiles capable of destroying our hardened Minutemen missile force.

We are naked to such a first strike.

As the man most responsible for trying to gain a freeze on nuclear weapons, both offensive and defensive, President Nixon must take into account the best course of action to persuade the Soviets to agree on equitable nuclear arms limitations.

In our opinion he has chosen the best option. The Soviets are far more likely to negotiate when they know the United States is moving ahead on developing an ABM defense capability.

If President Nixon had acceded to the demands of foes opposing any ABM start, there would have been almost no chance Russians would ever accept arms reduction.

Mr. Nixon wisely has stipulated the plan will be reviewed annually from the point of view of technical developments, the threat of attack and the status of talks on arms limitations.

In sum, it was a wisely conceived compromise. It is one that will enhance the security of the nation and have an excellent chance of winning Congressional approval.

[From the Washington (D.C.) Evening Star, Mar. 15, 1969]

NIXON PUTS SAFETY OF UNITED STATES FIRST

(By Gould Lincoln)

President Nixon has boldly told the world and the peace-at-any-price people in this country he puts the safety of the United States first. At the same time he insisted this is a move for peace—for without our safety there will be no peace.

His decision to go ahead with the deployment of an ABM system, known as the Sentinel, with important changes, announced at yesterday's press conference, he described as a protection of our nuclear deterrent. As such it is designed to prevent, not encourage, war. It will help preserve the peace.

He admitted frankly that the ABM deployment faces a hard fight in Congress—particularly in the Senate. But he expects to win the fight after the issue has been thoroughly debated.

And so Nixon has come to grips firmly with his first major problem in foreign policy. In addition, he showed himself determined to deal equally firmly with the Vietnam war, now being escalated by the Communists of the North and the Viet Cong. Hanoi's front in the South. He told the press that his practice is not to repeat a warning. His warning delivered a week ago was he would take "appropriate" steps. What action he will take in response to the present Communist offensive he declined to reveal at this time, and if he retaliates he will do so without announcing his move in advance. He still believes the Paris talks will be effective and produce peace in the end.

He announced he proposed to deploy the Sentinel ABM not around our cities, as provided in the Lyndon Johnson proposal enacted by Congress last year, but in country areas; that it will be a "phased" system rather than a fixed one, subject to annual review, designed particularly as a defense against a possible Chinese Communist attack during the next ten years, but having its implications for the Russian Communists, too.

In a measure, Nixon has departed from precedent, for the history of the United States since World War I and the days of Woodrow Wilson has been a series of magnificent gestures for world peace. Wilson's League of Nations, though rejected, by a group of hard-nosed members of the Senate, was the first.

In every instance real peace has been blocked by Fascists, Communists, and whatever, down to the present day. This, however, has not prevented America's search for the most elusive bird in the world—the bird of peace.

President Harding, who followed Wilson in the White House, called the Washington Arms Conference, designed to put an end to wars through the limitation of naval armaments. The strong nations of the world were urged to limit or do away with those naval vessels used for offensive war.

No one who was present at the opening of the Washington Arms Conference will ever forget the moment when Secretary of State Charles Evans Hughes announced the intention of the United States to do away with and to halt building the greatest and most powerful Navy the world had ever seen, as its earnest of peaceful intentions. It was indeed, a magnificent gesture—but doomed in the end to failure. Calvin Coolidge and his Secretary of State, Frank B. Kellog, did their best too for peaceful international agreements.

Although the German Kaiser passed out of the picture and a National Socialist republic was set up in Germany, the war hounds came to the front again when Adolph Hitler grasped power, overthrowing the government and setting the Germans on another effort to conquer the world. The great depression hit the world, including the United States, and we had other things to think of beside world peace.

We were rudely jolted, along with the rest of the world, when Hitler finally made his move and with air power, panzer divisions and submarines overran Belgium and France and struck terribly at Great Britain.

Franklin D. Roosevelt at Yalta made his plays for peace after war, conceding much to Stalin at that conference and to the Russians when he held back and permitted them to take Berlin.

Harry S. Truman hosted the United Nations conference in San Francisco where the charter was written which was to establish world peace. He later sponsored the Marshall plan under which we poured out billions of dollars to permit the warring nations, both friend and foe to rebuild. And to prevent a third world war Truman refused to let our air forces bomb the Chinese Communists and their supplies beyond the Yalu River in the Korean war.

Gen. Eisenhower was a persistent searcher for peace—and he kept it. He held back, however, from rooting out Castro in Cuba allowing the Communists a foothold in the Western Hemisphere. John F. Kennedy followed suit. Lyndon Johnson sought peace in Vietnam always, although building up our forces there, even to the extent of withdrawing from the presidential race in 1968.

[From the Washington (D.C.) Post, Mar. 17, 1969]

OPPOSITION TO THE ABM SYSTEM RECALLS DISPUTE OVER H-BOMB

(By Joseph Alsop)

As everyone knows, President Nixon has decided on what may be called a timid development of anti-ballistic missiles. He had no alternative.

He would frankly have preferred to put off the whole problem for another year. Yet the scientists and other experts whom he trusts the most told him, quite plainly, that further delay might jeopardize the future defense of the United States. He was convinced, and being convinced, he did his duty as a President.

Thus we have an interesting first test (and it really has been the very first test) of the kind of President that Nixon is going to be. All those on both sides of the ABM controversy ought to be relieved that Nixon has passed the test, but this, of course, is a vain hope.

The controversy itself, meanwhile, has produced strong arguments, alas, for the strictest secrecy in all defense-scientific decisions of this character. To understand why, you need only look back in time, to the secrecy-muffled governmental debate about going forward with development of the H-bomb.

In that debate, the prime arguments against the H-bomb that were used by Dr. J. Robert Oppenheimer were precisely the arguments now being used by the ABM's scientist-opponents. Oppenheimer said: (A) That the H-bomb would not work; (B) that it would be inordinately expensive to develop; and (C) That development would only increase the instability of the world balance of power.

Robert Oppenheimer was then regarded as an infinitely greater authority than Dr. Edward Teller. As anyone can now see, he was nonetheless dead wrong on all three points. Later, he admitted as much.

This reporter was one of the tiny band who came whole-heartedly to Oppenheimer's defense when this republic dishonored itself by removing the greater scientist's security clearance. Later, during a visit to the Oppenheimers in Princeton, the opportunity arose to ask him why he had been so dead wrong, especially about the feasibility of the H-bomb.

"I guess I concluded it wouldn't work," said Oppenheimer wryly, "because I wanted it so much not to work."

Yet if that long-ago debate about the H-bomb had not been so secrecy-muffled, there is no doubt at all that Oppenheimer could have rallied to his cause a large majority of the scientific community, plus huge numbers of the same sorts of non-scientific people who are now aroused against the ABM. It is always easy to arouse wishful people to kick against the pricks of this dreadful new world, in which fate has condemned us all to live.

The suspicion cannot be banished that scientists' guilt and other quite extraneous considerations have again played a huge role in the present controversy, as happened with Oppenheimer and H-bomb. There is the case, for instance, of Dr. Jerome Wiesner, who is probably the leading organizer of scientific opposition to the ABM.

Senators and other scientific illiterates are heard on every side, solemnly quoting Dr. Wiesner on the utter impossibility of effective defense in the present high-technical age. Yet in the 1950s, Dr. Wiesner was a leader in the Lincoln project, which developed the theory and technology of the first U.S. air defense system.

At that time, the shoe was on just the other foot. Dr. Wiesner clamored for spending on air defense. The air staff, meanwhile, was bitterly opposed. In reality, this was because spending on a defensive system was expected to compete with spending on the Strategic Air Command; but the air staff instead said that defense was wholely impractical.

The chief of air staff, General Hoyt Vandenberg, even called this reporter to his office, to suggest that the proponents of the air defense system were "under Communist influence." And Dr. Oppenheimer's support for Dr. Wiesner, far more than his opposition to the H-bomb, was what earned him the bitter and unfairly damaging enmity of the Air Force leaders.

The evidence suggests, to put it bluntly, that Dr. Wiesner and most of the others like him are now saying one thing and really thinking, inwardly, about quite another thing, just as Oppenheimer did in the H-bomb argument. For there is a great deal of evidence in the past record to show that Dr. Wiesner is, above all, motivated by his unshakable conviction that agreement on arms limitation will be made much easier if the U.S. does not proceed with ABM deployment.

On this point, just about every experienced expert on Soviet affairs, in or out of government, quite flatly disagrees with Dr. Wiesner. Dr. Wiesner would have a right to be a mite huffy if Ambassadors Thompson or Bohlen tried to teach him physics. And it just could be that physicists are equally incompetent guides to the best way to negotiate with the Soviets.

OBSERVANCE OF FUTURE HOMEMAKERS OF AMERICA WEEK

Mr. HOLLAND. Mr. President, the national youth organization, Future Homemakers of America, founded June 11, 1945, is an incorporated, nonprofit organization supported by the U.S. Office of Education and the American Home Economic Association which will observe National FHA Week March 23–29, 1969.

During that week, more than 600,000 members in over 12,000 local FHA chapters throughout the United States and Puerto Rico will carry out projects and activities to give exposure to what the youth of the country is doing in a positive way to promote the principles of good citizenship.

This year, the theme for the National Future Homemakers of America Week is "Focus on Positive Action."

This national organization of home economics students in junior and senior high school classes provides opportunities for developing individual and group initiative in planning and carrying out activities related to the home and community. Throughout the country, members contribute to the community by working as volunteers. They assist in local Headstart programs or with the mentally retarded and handicapped through county health and welfare departments. They organize reading classes and tutorial programs for migrant and underprivileged children. They visit and assist the elderly or work with other groups on community service projects such as anti-litter, March of Dimes, and UNICEF. They serve as hospital candy-stripers, hold career seminars, survey for job opportunities for youth, conduct sessions on preparation for marriage, hold morals and manners discussions, and carry out many other projects which give practical application to their classroom learning.

There are some 18,000 members of Future Homemakers of America located in 443 high school chapters in the State of Florida that I have the honor to represent in part. Miss Jody Niedenthal, a high school student, of Fort Lauderdale is president of the Florida State FHA Association and Miss Frances Champion of Tallahassee is the Florida State FHA adult adviser.

I am particularly pleased that another Floridian, Miss Deborah Williams, a senior at Okeechobee High School, daughter of Mr. and Mrs. Haynes E. Williams of Okeechobee, who has held local chapter, district, and State offices in FHA, in addition to having been sophomore and junior class president along with many other high school honors, is also national vice president of projects of the Future Homemakers of America.

Mr. President, I commend this fine organization of youth of our country and wish for them not only great success during National FHA Week but in all their undertakings.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations at the desk, which were reported earlier today.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF JUSTICE

The bill clerk read the nomination of Allen L. Donielson, of Iowa, to be U.S. attorney for the southern district of Iowa for the term of 4 years, vice James P. Rielly, resigned.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The bill clerk read the nomination of Richard A. Dier, of Nebraska, to be U.S. attorney for the district of Nebraska for the term of 4 years, vice Theodore L. Richling, resigned.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The bill clerk read the nomination of Richard W. Velde, of Virginia, to be an Associate Administrator of Law Enforcement Assistance.

Mr. HRUSKA. Mr. President, for the past several years I have had the benefit of the advice and counsel of Richard W. Velde, Associate Administrator of the Law Enforcement Assistance Administration. He has been my close and trusted aide.

I do not know of anyone more qualified for this position than Pete Velde. He was intimately involved in the deliberations and final passage of the Omnibus Crime Control and Safe Streets Act of 1968. More than anyone else, he is aware of the intent of Congress in this legislation which he will now be charged with implementing. The bloc grant concept, which is at the foundation of this law, is one in which he believes firmly. In my judgment, the bloc grant approach is in keeping with our democratic traditions which places the responsibility for law enforcement at the State and local level.

As Associate Administrator, Pete Velde will have to deal with the problems of our entire criminal justice system, the police, courts, and corrections. In large measure, his work for us on all the major anticrime legislation has prepared him admirably for his duties. His background encompasses overall law enforcement, juvenile delinquency and corrections. For the rest, I can assure you that, as an intelligent and diligent worker, he will quickly acquire whatever specific law enforcement knowledge he may lack.

In my opinion, Pete Velde is an outstanding lawyer and an exemplary individual. I am genuinely sorry to have him leave my staff. But, I welcome his appointment and wish him well in fulfilling his important new duties.

Mr. ERVIN. Mr. President, I should like to join Senator HRUSKA in urging the approval of the nomination of Richard W. Velde to be an Associate Administrator of the Law Enforcement Assistance Administration.

For the past 2½ years, Mr. Velde has been minority counsel to the Senate Subcommittee on Criminal Laws and Procedure, of which I am a member. In my association with him in connection with the work of that subcommittee, I have found him to be an extremely able and diligent attorney, dedicated to the improvement of law enforcement. His experience in assisting with the many important crime proposals that have been processed by the subcommittee during his tenure on the staff has admirably prepared him, in my opinion, for the position for which he has been nominated. Particularly important in that regard is his experience with and knowledge of the Omnibus Crime Control and Safe Streets Act of 1968 which established the Law Enforcement Assistance Administration. Mr. Velde was a key staff member throughout the committee and Senate deliberations on that bill, and, as a consequence, I am confident that there are very few who are more familiar with the provisions and background of the act and the critical problems the Law Enforcement Assistance Administration was created to help solve.

There can be little question that crime is one of the most critical domestic problems confronting us in the coming years and that improving law enforcement at all levels is a vital necessity if we are to make any permanent inroads on the volume of crime. We are fortunate, I believe, to have a man of Mr. Velde's experience and dedication to share the task of administering the new agency charged with the responsibility for channeling vast sums of money to the States and localities to enable them to make long overdue improvements in their law enforcement techniques and to further research in crime prevention and control.

I urge the Senate to approve the nomination.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, does the Senate have an order to adjourn until noon of Monday next at the conclusion of business today?

The PRESIDING OFFICER. The Senator from Montana is correct. There is an order.

Mr. MANSFIELD. I thank the Chair.

VISIT TO THE SENATE BY M. JACQUES CHABAN-DELMAS, PRESIDENT (SPEAKER) OF THE FRENCH NATIONAL ASSEMBLY

Mr. MANSFIELD. Mr. President, the United States has a distinguished visitor in its midst at this time in the person of M. Jacques Chaban-Delmas, who is the President—Speaker—of the French National Assembly, and a member of the Democratic Union for the Republic parliamentary group. He is also the mayor of Bordeaux, and has been since 1947.

M. Chaban-Delmas was born in Paris on March 7, 1915. He has a law degree and diploma of political sciences from the University of Paris.

He was an active leader of the Resistance during the occupation of France in World War II. He became a member of the military delegation of the Provisory Government of the French Republic in 1943, and a national delegate for the coordination of military operations on the French territory in 1944. He was made a brigadier general in June of 1944.

M. Chaban-Delmas was elected to the French National Assembly as Deputy of Gironde in 1946, and has always been reelected since that time. He has been President of the National Assembly since 1958.

M. Chaban-Delmas was a member of French governments, Minister of Public Works, Transport and Tourism from 1954 to 1955, as Minister of State from 1956 to 1957, and as Minister of Defense from 1957 to 1958.

He is chairman of the Economic and Social Development Committee for Aquitaine, a region in the southwest of France. He is a Commandeur of both the French Legion of Honor and the Legion of Merit of the United States.

M. Chaban-Delmas has been a guest at a luncheon given by the Committee on Foreign Relations. At the present time, he is in the office of the Vice President discussing matters of mutual interest with the President of the Senate.

In behalf of the Senate, I wish to say that it is a distinct pleasure to have had the opportunity to meet this outstanding statesman and parliamentarian, this outstanding leader, this man who has contributed so much to the welfare of his country, as well as to a better understanding between France and the United States.

S. 1623 AND S. 1624—INTRODUCTION OF TWO BILLS AIMED AT ORGANIZED CRIME

Mr. HRUSKA. Mr. President, in my remarks on organized crime on March 11, I indicated my intention to introduce additional bills aimed at racketeering. Today, I have two bills which I send to the desk. The first of these measures, the Criminal Activities Profits Act, seeks to strengthen the defense of legitimate business against takeover by organized crime. I ask that it be appropriately referred.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred.

The bill (S. 1623) to amend title 18 of the United States Code to prohibit the investment of certain income in any business enterprise affecting interstate or foreign commerce, and for other purposes, introduced by Mr. HRUSKA, was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. HRUSKA. Mr. President, the second bill, the Wagering Tax Amendments of 1969, is a wagering tax bill which reinstitutes the tax and penalties imposed on gambling revenues. I ask unanimous consent that this bill be referred to the Committee on the Judiciary and that, after the committee acts on it, it be referred to the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1624) to amend the Internal Revenue Code of 1954 to modify the provisions relating to taxes on wagering to insure the constitutional rights of taxpayers, to facilitate the collection of such taxes, and for other purposes, introduced by Mr. HRUSKA, was received, read twice by its title, and referred to the Committee on the Judiciary; thereafter to be referred to the Committee on Finance.

Mr. HRUSKA. Mr. President, for some time, the matter of racketeer infiltration of legitimate business has been of very particular and very deep concern to me. We are all familiar with the nature of this problem. I need not reiterate everything that the distinguished Senator from Arkansas (Mr. MCCLELLAN), set forth last week on the subject, but I would like to focus on one very fundamental point he expressed which is quite relevant to the first bill I have proposed.

Often the organization, using force and fear, will attempt to secure a monopoly in the service or product of a business. When the monopoly campaign is successful, the organization begins to extract a premium price from customers. Purchasing by infiltrated businesses are always made from specified allied firms. With its extensive infiltration of legitimate business, organized crime thus poses a new threat to the American economic system. The proper functioning of a free economy requires that economic decisions be made by persons free to exercise their own judgment. Force or fear limits choice, ultimately reduces quality, and increases prices. When organized crime moves into a business, it usually brings to that venture all the techniques of violence and intimidation which it used in its illegal businesses. Competitors can be effectively eliminated and customers can be effectively confined to sponsored suppliers. The result is more unwholesome than other monopolies because the newly dominated concern's position does not rest on economic superiority.

It is tragic for the public to permit racketeers to own and operate ostensibly legitimate businesses. The notion that individuals who are purveyors in murder and mayhem are at the same time dealing in lawful products and services for law abiding citizenry is inherently offensive. All the more so then, does racketeer infiltration of the legitimate business community become offensive when the broader aspects of the phenomenon are considered.

The power of organized crime to establish a monopoly within numerous business fields is, without a doubt, a grave threat to our entire economic system. It is as grave a threat as the conventional forms of business monopolies that have occupied the attention of our antitrust laws since the turn of the century because of the methods by which the monopoly power is acquired, exercised, and perpetuated. This power, moreover, is concentrated in the hands of predators more rapacious than any legendary robber-barons at whom the antitrust laws were originally aimed.

Not only will organized crime bring to a business venture all the techniques of violence and intimidation which it used in its illegal business, but it is also a foregone conclusion that those individuals who have made a career of cheating and stealing will continue to do so in their new roles. The consumer public will suffer from inflated prices, shoddy goods, and outright frauds.

And what of the honest businessman who is forced to compete with a racketeer dominated venture? Even if he is not intimidated or physically abused he cannot compete on an even basis when we recall the racketeers' penchant for underreporting income and evading taxes. Just this element of routine tax evasion gives the hoodlum businessman an enormous economic advantage over his law-abiding competitors. In short, this entire matter of racketeer infiltration of legitimate business inevitably creates unfair competition. It is a situation made to order for the application of the Federal antitrust powers that have been in existence for many years.

With this in mind, Mr. President, I have today introduced a bill entitled "The Criminal Activities Profits Act." This bill is aimed specifically at racketeer infiltration of legitimate business and it is premised principally upon our existing antitrust laws. In the 90th Congress I sponsored two bills, S. 2048 and S. 2049, which were essentially similar to the bill I introduce today. Identical bills were sponsored in the other body by the able Congressman from Virginia, RICHARD POFF. The bill is a synthesis of both of those bills, incorporating all of their features into a unified whole. It attacks the economic power of organized crime and its exercise of unfair competition with honest businessmen on two fronts—criminal and civil.

The criminal provisions of the bill prohibit the investment, in any business which is conducted in or which affects interstate commerce, of income which either has not been reported for Federal income tax purposes or has been derived from carrying on certain specified criminal activities. These activities are the type generally associated with organized crime like gambling, loan sharking, narcotics trafficking, and so forth.

In addition to this criminal prohibition, the bill also creates civil remedies for the honest businessman who has been damaged by unfair competition from the racketeer businessman. Despite the willingness of the courts to apply the Sherman Anti-Trust Act to organized crime activities, as a practical matter the legitimate businessman does not have adequate civil remedies available under that act. This bill fills that gap. Patterned closely after the Sherman Act, it provides for private treble damage suits, prospective injunctive relief, unlimited discovery procedures and all the other devices which bring to bear the full panoply of our antitrust machinery in aid of the businessman competing with organized crime.

Last year, Mr. President, the American Bar Association examined the two earlier bills, S. 2048 and S. 2049, and endorsed the principles and objectives of both. In order to avoid what was felt to be an undesirable commingling of criminal enforcement goals with the goal of regulating competition, however, the ABA stated a preference for placing the enforcement and discovery procedures in a separate statute rather than within the existing framework of the Sherman Act, as was the case with the earlier bills. As a result of the ABA recommendation, the single new bill has been drafted as an amendment to title 18 of the United States Code with self-contained enforcement and discovery procedures.

I ask unanimous consent to have printed at the end of my remarks the report of the antitrust section of the American Bar Association on S. 2048 and S. 2049.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HRUSKA. Mr. President, in order to properly evaluate the need for this legislation, one must first put into perspective the size of the problem with which it deals. Based upon the estimates of experts, most notably the President's Crime Commission, the "take" or profit organized crime derives from its illegal activities seems to be considerably in excess of $10 billion a year. Not all of this finds its way into legitimate businesses, of course, but nevertheless the availability of such a staggering sum represents enormous danger to the American economy.

The Criminal Activities Profits Act, is a new approach to the war against organized crime. However, I am not wedded to any provisions of the bill. Standing alone, the criminal provisions may not be necessary. In fact, the criminal provisions are intended primarily as an adjunct to the civil provisions which I consider as the more important feature of the bill.

The principal utility of the Criminal Activities Profits Act may lie in the fact that it will inevitably promote the establishment of a Federal program against racketeer infiltration of legitimate business. There has never been a program, as such, aimed at the phenomenon itself. I believe such a program is needed, and I believe the provisions of this bill lay a good foundation for such an approach.

This bill provides new jurisdictional bases upon which a host of investigations may be undertaken that are not authorized under present law. For example, it is particularly difficult currently to find a basis for investigating the entire matter of cleansing racket money through numbered accounts in foreign banks. A new law such as this will be helpful, particularly because of its civil discovery procedures.

Despite the number of articles written on the subject, despite the hearings of the Special Senate Committee To Investigate Organized Crime in Interstate Commerce, despite other investigative efforts, we know very little about the infiltration of legitimate business. Both the Congress and the Department of Justice are hampered by this lack of knowledge. The Criminal Activities Profits Act can make a substantial contribution in this area.

I view the bill as a vehicle by which the Department of Justice can determine what businesses are involved, the amount of money controlled, the amount of profits earned, the amount of capital invested, the distribution of earnings, and all the other data necessary to enable the Government to assess the problem and draw plans to meet it.

Finally, I believe that the time has arrived for innovation in the organized crime fight. The bill is innovative in the sense that it vitalizes procedures which have been tried and proven in the antitrust field and applies them into the organized crime field where they have been seldom used before. Hopefully, experts

on organized crime will be able to conceive of additional applications of the law. The potential is great. For these reasons, the bill is worthy of careful consideration.

The second bill that I have introduced today is entitled the "Wagering Tax Amendments of 1969." The same measure has been introduced in the other body by the distinguished Representative from Virginia, RICHARD POFF. Illegal gambling is organized crime's most lucrative source of income. Profit from this activity alone runs to $7 billion a year. A little more than a year ago the Federal antigambling program ran into a serious problem. In *Marchetti* v. *United States*, 350 U.S. 39 (1968) and *Grosso* v. *United States*, 390 U.S. 62, the Supreme Court overruled two of its own decisions, *United States* v. *Kahringer*, 345 U.S. 22 (1952) and *Lewis* v. *United States*, 348 U.S. 419 (1952), which had previously sustained the constitutionality of the wagering tax laws. As the distinguished Senator from Arkansas pointed out last week:

> These two new decisions will result in the loss of 1,616 pending prosecutions, and unless Congress takes action to amend the laws, a question which must be considered in our coming hearings, it will result in the destruction of a law enforcement program that paid for itself, for since 1952 the wagering tax laws have yielded $117,406,000, but cost only $27,021,000 to administer.

The wagering tax amendments are aimed at precisely that problem. The bill revitalizes the wagering tax laws both as law enforcement measures and as revenue-producing measures for the U.S. Treasury. First enacted in 1950 as a result of the Kefauver hearings, the wagering taxes have always been considered primarily revenue measures. At the same time they have also been highly valuable as Federal law enforcement tools in the gambling field, particularly where the numbers racket is involved.

At present there are two separate wagering taxes on the books. The first is a registration or occupation tax of $50 imposed annually on persons who accept wagers. The second is an excise tax of 10 percent imposed on gross wagers accepted. Compliance was enforced through the general criminal sanctions of the Revenue Code: Section 7201 imposing up to 5 years in prison for willful evasion of taxes; section 7203 imposing 1 year for willful failure to file return; and through a special provision, section 7262, making it a misdemeanor to fail to file returns where a duty to file existed.

The late Robert Kennedy estimated that fully 60 percent of the racketeer convictions obtained during his tenure as Attorney General resulted from investigations conducted by the Internal Revenue Service. Most of these were wagering tax violations. The effect of the Supreme Court decisions has been the sharp curtailment of the jurisdiction of the Revenue Service in the organized crime drive. The loss of this highly skilled agent manpower from that drive has been considerable.

The elimination of effective wagering tax laws has robbed the Federal Government of its own few weapons against the numbers racket. It is generally agreed that at least half of organized crime's profit from illegal gambling, about $3.5 billion a year, comes from numbers operations, which I use, incidentally, as a generic term embracing all lottery schemes irrespective of their specific form.

Almost all of this money is being taken out of the hands of those who can least afford it—the urban poor who are the principal customers and victims of numbers operations. It is an anomaly that at just the time in history when the most concern is being voiced about the plight of the urban poor, suddenly we are without the means at the Federal level to cope with one of the activities that can only increase their poverty.

When the Supreme Court rendered the Marchetti and Grosso decisions, it did not strike down the taxes themselves, but it did debilitate their enforcement. The law did not restrict the use the Federal Government or any State government could make of the information required to be filed. Because the gambler could well be in violation of State or other Federal laws, the Court found the registration requirement to be in violation of the fifth amendment right against self-incrimination. The effect of the decisions has been to bar prosecutions for failing to register and pay taxes.

The Court indicated, however, that a carefully drawn restriction on the use to which the compelled information may be put would satisfy the fifth amendment. Such a use restriction is at the heart of the bill I have introduced, and it is my belief that it meets all the requirements laid down by the Court.

If Congress does not act favorably upon this bill, the result will be that persons whose activities are illegal have immunity from taxes while those whose activities are legal do not. That is an impossible result.

The bill provides for a 10-percent excise tax on gross wagers accepted. This is similar to the present tax. In addition, it increases the annual registration tax—wagering occupational tax—from $50 to $1,000 for principals of gambling operations and those who actually accept wagers, and it creates a new $100 tax liability for certain other employees of such operations who have been exempt. The President's Crime Commission estimated that as much as $50 billion a year is wagered illegally in the United States. Assuming the accuracy of that figure, the potential in revenue recovery to the Government is in the neighborhood of $5 billion a year. It would be naive to expect that the actual revenue will be anywhere near that sum, of course, but if only a tenth were recovered in taxes, this would amount to one-half billion a year.

The wagering tax will have several results. It is almost a certainty that many gamblers will simply go out of business because the price for them will be too steep. That is all to the good. Others will continue in business but without complying with the law at all. Many of them will be prosecuted for the failure to comply. That is also to the good. Others will continue in business but will only partially comply with the law—they will cheat on their return and evade part of their taxes. From them the Government will obtain revenue and that, too, is all to the good.

The Criminal Activities Profits Act and the Wagering Tax Amendments of 1969 are two additional weapons to be added to the arsenal needed to fight organized crime. It is my hope they can be carefully considered in hearings, and that legislation can be reported to the Senate floor for favorable action.

Mr. President, I ask unanimous consent that the texts of the bills be set forth at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HRUSKA. Mr. President, earlier this week there were hearings before the Subcommittee on Criminal Laws and Procedures, chaired by the senior Senator from Arkansas, at which the Attorney General was present, and he testified during the course of those hearings.

At that time this Senator indicated his intention to introduce those bills on today and requested of the chairman that, promptly upon reference of these bills to the committee, they would be transmitted to the Attorney General for his consideration, analysis, and comment.

It is my hope that, in due time, there will be consideration of the proposition embodied and incorporated in these bills, and that there will be incorporated these provisions, or so many parts and portions thereof as will be thought beneficial and helpful, as amendments to the bill introduced by the Senator from Arkansas on March 11, which is remarkably adapted and intended to deal with other aspects of this particular field of criminal activity.

Mr. President, I yield the floor.

EXHIBIT 1

REPORT OF ANTITRUST SECTION OF THE AMERICAN BAR ASSOCIATION

REPORT ON S. 2048 AND S. 2049

S. 2048 and S. 2049 are bills designed to combat and penalize organized crime, particularly in its attempt to infiltrate and take over legitimate businesses by means of money illegally obtained.

Provisions of bills

Both bills utilize the machinery of the antitrust laws to accomplish the desired end. S. 2048 is framed as an amendment to the Sherman Act and would replace § 8 of that Act. S. 2049 is drafted as an independent piece of legislation, but includes in its provisions the discovery and enforcement procedures of the antitrust laws.

S. 2048 amends the Sherman Act to make it a violation of the antitrust laws to invest intentionally unreported income in any business enterprise.

In essence, S. 2049 makes it a criminal offense to apply the income received from enumerated criminal activities to any business enterprise.

To aid in enforcement, S. 2049 authorizes the issuance of injunctions at the request of either the government or a private party. Persons injured due to the application of income derived criminally in legitimate businesses may bring treble damage actions, and a criminal judgment would be *prima facie* evidence in any treble damage action.

S. 2049 also authorizes nationwide service of process and grants immunity from prosecution to witnesses testifying in proceedings

instituted by the United States under this statute.

Need for legislation

The evidence is clear that organized crime, which takes billions of dollars—mostly in cash and mostly untaxed—annually from the American public, has broadened its operations by infiltrating and taking over legitimate businesses. The President's Commission on Law Enforcement concluded, "The cumulative effect of the infiltration of legitimate business in America cannot be measured. Law enforcement officials agree that entry into legitimate business [by organized crime] is continually increasing and that it has not decreased organized crime's control over gambling, usury and other profitable, low-risk criminal enterprises." The Challenge of Crime in a Free Society, p. 190 (1967).

Organized crime, therefore, is a major threat to the proper functioning of the American economic system, which is grounded in freedom of decision. When organized crime moves into a business, it customarily brings all the techniques of violence and intimidation which it used in its illegal businesses. The effect of competitive or monopoly power attained this way is even more unwholesome than other monopolies because its position does not rest on economic superiority.

The magnitude of the problem makes it clear that all legitimate methods of combating organized crime must be utilized. According to the President's Commission on Law Enforcement, "law enforcement's way of fighting organized crime has been primitive compared to organized crime's way of operating. Law enforcement must use methods at least as efficient as organized crime's." The Challenge of Crime in a Free Society, p. 200 (1967).

Application of antitrust principles to organized crime

The time tested machinery of the antitrust laws contains several useful and workable features which are appropriate for use against organized crime.

Thus, in addition to making combinations and conspiracies in restraint of trade, as well as monopolizations and attempts to monopolize, illegal and punishable by criminal penalties. 15 U.S.C. §§ 1, 2, the antitrust laws provide for civil enforcement. Private parties injured by conduct violative of antitrust laws may bring actions to recover treble their losses plus their attorney's fees. 15 U.S.C. § 15.

In a private damage suit, the fact of a prior government judgment involving the same conduct may be used as *prima facie* evidence that the antitrust laws have been violated. 15 U.S.C. § 16.

Witnesses testifying before a grand jury about antitrust violations are given immunity from prosecution for offenses discussed in his testimony. 15 U.S.C. § 32.

The antitrust laws also provide for discovery of facts by means of the grand jury process in a criminal investigation and by means of a civil investigative demand by the Justice Department in civil actions. 15 U.S.C. § 1312.

Some of the conduct of organized crime in legitimate businesses can be, and has been, reached by the existing antitrust laws. Thus, for example, in *United States* v. *Bitz*, 282 F. 2d 465 (2d Cir. 1960), the Court of Appeals sustained an indictment under § 1 of the Sherman Act. In this case, the antitrust laws were used to combat activities of racketeers who were engaged in an unlawful combination and conspiracy in restraint of trade in the wholesale distribution and sale of newspapers and magazines in the metropolitan New York area. The conspiracy operated by means of strikes and strike threats to coerce distributors to pay the conspirators sums of money. Those who refused had their shipments of newspapers and magazines interfered with. Convictions were subsequently obtained and the defendants sentenced to jail terms. See also, e.g. *United States* v. *Pennsylvania Refuse Removal Association*, 357 F. 2d 806 (3d Cir.), *cert. denied*, 384 U.S. 961 (1966) (Criminal convictions of conspiracy to restrain trade in refuse removal by means of the coercion of non-conspirators affirmed); *Los Angeles Meat and Provision Drivers Union* v. *United States*, 371 U.S. 94 (1962) (Antitrust laws used in a civil proceeding to attack and enjoin a conspiracy in the sale of yellow grease which was enforced in a coercive manner).

Other activities of organized crime in legitimate business may or may not be subject to the antitrust laws. Thus, some extortion tactics and business take-overs by organized crime might not be reached under the antitrust laws, particularly if they affected only the victimized business rather than resulted in a lessening of competition in an entire line of commerce.

Still other activities of organized crime in connection with legitimate businesses are clearly not subject to the existing antitrust laws. These include such techniques as the loan of money on condition that a racketeer be appointed to the recipient's board of directors, or an investment of concealed profits acquired from illegal activity.

As described above, S. 2048 and S. 2049 extend the use of the antitrust machinery as a weapon against organized crime.

The Antitrust Section agrees that organized crime must be stopped. It further agrees that the antitrust machinery possesses certain advantages worthy of utilizaiton in this fight. It therefore supports and endorses the principles and objectives of both S. 2048 and S. 2049, and similar legislation.

However, it prefers the approach of S. 2049. By placing the antitrust-type enforcement and discovery procedures in a separate statute, a commingling of criminal enforcement goals with the goals of regulating competition is avoided.

S. 2048, on the other hand, by inserting in the Sherman Act a provision which does not have as its primary objective the establishment or maintenance of free competition, may result in an undesirable blending of otherwise laudatory statutory objectives. Criminal conduct which violates existing antitrust laws can be proceeded against under those laws. Additional conduct sought to be reached should be attacked under separate legislation.

Moreover, the use of antitrust laws themselves as a vehicle for combating organized crime could create inappropriate and unnecessary obstacles in the way of persons injured by organized crime who might seek treble damage recovery. Such a private litigant would have to contend with a body of precedent—appropriate in a purely antitrust context—setting strict requirements on questions such as "standing to sue" and "proximate cause."

Conversely, the placing of this legislation in the body of the antitrust laws could have an undesirable and inappropriate impact on the administration of the antitrust laws in their normal context. Thus, faced with litigation between private citizens and members of the organized criminal hierarchy, there may well be a natural inclination to weight the balance heavily in favor of the private citizen. Such an imbalance, while defensible in this context, is inappropriate in the normal antitrust litigation context.

For the foregoing reasons, the Section of Antitrust Law recommends that the House of Delegates adopt the attached resolution endorsing the principles and objectives of S. 2048 and S. 2049, and all similar legislation having the purposes of adapting the machinery of the antitrust laws to the prosecution of organized crime, but recommending that any such legislation be enacted as an independent statute and not be included in the Sherman Act, or any other antitrust law.

EXHIBIT 2

S. 1623

A bill to amend title 18 of the United States Code to prohibit the investment of certain income in any business enterprise affecting interstate or foreign commerce, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Criminal Activities Profits Act".

DEFINITIONS

SEC. 2. As used in this Act—

(1) The term "criminal activity" means (A) any act involving murder, kidnaping, extortion, bankruptcy fraud, or the manufacture, importation, receiving, concealment, buying, or otherwise dealing in narcotic drugs or marihuana which is punishable under any statute of the United States; (B) any act which is punishable under any of the following provisions of title 18, United States Code: section 201 (relating to bribery), section 224 (relating to sports bribery), sections 891–894 (relating to extortionate credit transactions), sections 471, 472, and 473 (relating to counterfeiting), section 1084 (relating to the transmission of gambling information), section 1503 (relating to obstruction of justice), section 1952 (relating to racketeering), section 1954 (relating to welfare fund bribery), and chapter 117 (relating to white slave traffic); and (C) any conspiracy to commit any of the foregoing offenses.

(2) The term "interstate commerce" means commerce within the District of Columbia, the Commonwealth of Puerto Rico, or any possession of the United States, or between any place in a State and any place in another State, or between places in the same State through another State.

(3) The term "foreign commerce" means commerce between any State and any foreign country.

(4) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, and American Samoa.

(5) The term "person" means any individual, and any partnership, corporation, association, or other legal entity.

(6) The term "income" means any income which is required by the Internal Revenue Code of 1954 to be reported as such for purposes of income taxation.

(7) The term "intentionally unreported income" means any income of any person which is subject to income taxation under the provisions of the Internal Revenue Code of 1954, but which with intent to evade the requirements of such code is not reported by such person as income within the time prescribed by such code.

PROHIBITION

SEC. 2. (a) Whoever, being a person who has received any income derived directly or indirectly from any criminal activity in which such person has participated as a principal within the meaning of section 2, title 18, United States Code, applies any part of such income or the proceeds of any such income to the acquisition by or on behalf of such person of legal title to or any beneficial interest in any of the assets, liabilities, or capital of any business enterprise which is engaged in, or the activities of which affect, interstate or foreign commerce shall be guilty of a felony and shall be fined not more than $10,000, or imprisoned not more than ten years, or both.

(b) Whoever, being a director, officer, or agent of a corporation who has authorized, ordered, or performed any act which constitutes in whole or in part a violation of subsection (a) by such corporation, shall be guilty of misdemeanor and shall be fined not

more than $5,000, or imprisoned not more than one year, or both.

(c) Whoever (1) invests directly or indirectly any intentionally unreported income derived by such person from a proprietary interest in any business enterprise in any pecuniary interest in any other business enterprise which is engaged in, or the activities of which affect, interstate or foreign commerce, or (2) uses any such income to establish or operate any such other business enterprise, shall be fined not more than 10,000, or imprisoned for not more than ten years or both.

INJUNCTIONS

SEC. 3. (a) The district courts of the United States shall have jurisdiction to prevent and restrain violations of section 2.

(b) Under the direction of the Attorney General, it shall be the duty of United States attorneys, in their respective districts, to institute proceedings to prevent and restrain such violations. In any action by the United States under this section, the court shall proceed as soon as may be to the hearing and determination thereof. Pending final determination thereof, the court may at any time enter such temporary restraining order or prohibition as it shall deem proper.

(c) Any person (other than the United States) may institute action under this section, in any district court of the United States having jurisdiction over the parties, to prevent and restrain threatened loss or damage to such person from a violation of section 2. In any such action, relief shall be granted in conformity with the principles which govern the granting of injunctive relief from threatened loss or damage in other cases. Upon the execution of proper bond against damages for an injunction improvidently granted and a showing of immediate danger of irreparable loss or damage, a preliminary injunction may be issued in any such action before a determination thereof upon its merits.

ACTIONS FOR DAMAGES

SEC. 4. (a) Any person who is injured in his business or property by reason of any violation of section 2 may institute a civil action in a district court of the United States, without regard to the amount in controversy, and shall recover threefold the damages sustained by him, and the cost of the action, including a reasonable attorney's fee.

(b) Whenever the United States is injured in its business or property by reason of any violation of section 2, it may institute a civil action in a district court of the United States, without regard to the amount in controversy, and shall recover the actual amount of the damages sustained, and the cost of the action.

(c) Except as otherwise provided by section 5, any action under this section shall be barred unless it is commenced within four years after the cause of action accrued.

EFFECT OF JUDGMENTS

SEC. 5. (a) A final judgment or decree entered in any civil or criminal proceeding instituted by the United States under this Act to the effect that a defendant has violated section 2 of this Act shall be prima facie evidence against such defendant, in any action brought by any other party against such defendant under this Act, as to all matters with respect to which such judgment or decree would be an estoppel as between the parties thereto. This subsection shall not apply to any consent judgment or decree entered before any testimony has been taken, or to any judgment or decree entered in an action under section 4(b).

(b) Whenever any civil or criminal action (other than an action under section 4(b)) is instituted by the United States to prevent, restraint, or punish any violation of section 2, the running of the period of limitations prescribed by section 4(c) with respect to any private right of action arising under this Act which is based in whole or in part on any matter complained of in such action by the United States shall be suspended during the pendency of such action by the United States and for one year thereafter. Whenever the running of such period of limitations is so suspended with respect to any right of action arising under section 4(a), action thereon shall be barred unless it is commenced within such period of suspension or within four years after the accrual of the cause of action.

VENUE AND PROCESS

SEC. 6. (a) Except as otherwise specifically provided by this Act, any civil or criminal action or proceeding under this Act against any person may be instituted in the district court of the United States for any district in which such person resides, is found, or has an agent, and any such action or proceeding against a corporation also may be instituted in such court for any district in which such corporation transacts business.

(b) In any action under section 3(b) of this Act in any district court of the United States in which it is shown that the ends of justice require that other parties residing in any other district be brought before the court, the court may cause such parties to be summoned, and process for that purpose may be served in any judicial district of the United States by the marshal thereof.

(c) In any civil or criminal action or proceeding instituted by the United States under this Act in the district court of the United States for any judicial district, subpenas issued by such court to compel the attendance of witnesses may be served in any other judicial district, except that in any civil action or proceeding no such subpena shall be issued for service upon any individual who resides in another district at a place more than one hundred miles from the place at which such court is held without approval given by a judge of such court upon a showing of good cause.

(d) Except as otherwise specifically provided by this Act, all process in any action or proceeding under this Act against a corporation may be served in any judicial district in which such corporation is an inhabitant or is found.

EXPEDITION OF ACTIONS

SEC. 7. In any civil action instituted by the United States in any district court of the United States under this Act, the Attorney General may file with the clerk of such court a certificate stating that in his opinion the case is of general public importance. A copy of that certificate shall be furnished immediately by such clerk to the chief judge (or in his absence to the presiding circuit judge) of the circuit in which such action is pending. Upon receipt of such copy, such judge shall designate immediately three judges of that circuit (of whom at least one shall be a circuit judge) to hear and determine such action. The judges so designated shall assign such action for hearing at the earliest practicable date, participate in the hearing and determination thereof, and cause such action to be expedited in every way.

EVIDENCE

SEC. 8. (a) In the taking of depositions for use in any civil action instituted by the United States under this Act, and in the hearings before any examiner or special master appointed to take testimony therein, the proceedings shall be open to the public as freely as are trials in open court, and no order excluding the public from attendance at any such proceeding shall be made or enforced.

(b) No individual who gives testimony under oath, or produces documentary evidence under oath, in obedience to a subpena issued in any action or proceeding instituted by the United States under this Act may be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he testifies, or produces documentary or other evidence, in such action, except that no such individual shall be exempt from prosecution or punishment for perjury committed while so testifying.

APPEALS

SEC. 9. In every civil action instituted by the United States in any district court of the United States under this Act, an appeal from the final judgment of the district court will lie only to the Supreme Court.

S. 1624

A bill to amend the Internal Revenue Code of 1954 to modify the provisions relating to taxes on wagering to insure the constitutional rights of taxpayers, to facilitate the collection of such taxes, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the "Wagering Tax Amendments of 1969."

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a provision of the Internal Revenue Code of 1954.

(c) EFFECTIVE DATE.—The amendments made by this Act shall apply after the date of the enactment of this Act.

SEC. 2. MODIFICATIONS TO INSURE CONSTITUTIONAL RIGHTS AND FACILITATE COLLECTION.

(a) AMENDMENT OF CHAPTER 35.—Chapter 35 (relating to taxes on wagering) is amended to read as follows:

"SUBCHAPTER A—TAX ON WAGERS

"Sec. 4401. Imposition of tax.
"Sec. 4402. Cross references.

"SEC. 4401. IMPOSITION OF TAX.

"(a) WAGERS.—There shall be imposed on wagers, as defined in section 4421, an excise tax equal to 10 percent of the amount thereof.

"(b) AMOUNT OF WAGER.—In determining the amount of any wager for the purposes of this subchapter, all charges incident to the placing of such wager shall be included; except that if the taxpayer establishes, in accordance with regulations prescribed by the Secretary or his delegate, that an amount equal to the tax imposed by this subchapter has been collected as a separate charge from the person placing such wager, the amount so collected shall be excluded.

"(c) PERSONS LIABLE FOR TAX.—The following persons shall be liable for the excise tax imposed by this subchapter:

"(1) PRINCIPALS AND PUNCHBOARD OPERATORS.—Each person who is a principal or a punchboard operator, as defined in section 4421, shall be liable for and shall pay the tax under this subchapter on all wagers placed with him or in a pool or lottery conducted by him.

"(2) AGENTS.—Each person who is an agent, as defined in section 4421, and who fails to register under section 4412 shall be liable for and shall pay the tax imposed by this subchapter on all such wagers received by him.

"SEC. 4402. CROSS REFERENCES.

"For penalties and other administrative provisions applicable to this subchapter, see sections 4421 to 4424, inclusive; and subtitle F.

"SUBCHAPTER B—OCCUPATIONAL TAX

"Sec. 4411. Imposition of tax.
"Sec. 4412. Registration.
"Sec. 4413. Certain provisions made applicable.
"Sec. 4414. Cross references.

"SEC. 4411. IMPOSITION OF TAX.

"(a) PERSONS LIABLE FOR TAX.—There is hereby imposed—

"(1) PRINCIPALS AND AGENTS.—A special tax of $1,000 per year to be paid by each person who is a principal or an agent.

"(2) PICKUP MEN, EMPLOYEES, AND PUNCHBOARD OPERATORS.—A special tax of $100 per year to be paid by each person who is a pickup man, an employee, or a punchboard operator.

"(b) RATE OF TAX.—Whenever a person is liable for the special tax under more than one of the rates applicable under subsection (a), such person shall be liable for only one such tax payable at the highest applicable rate.

"SEC. 4412. REGISTRATION.

"(a) REGISTRATION REQUIREMENTS.—Each principal, agent, pickup man, employee, and punchboard operator shall register with the official in charge of the internal revenue district in which such person is principally engaged in the activity which makes him liable for tax under this chapter. The form of the registration and the information to be provided by such person shall be prescribed by the Secretary or his delegate in such regulations as may be necessary to carry out the purposes of this chapter.

"(b) FIRM OR COMPANY.—Where subsection (a) requires the name and place of residence of a firm or company to be registered, the names and places of residence of the several persons constituting the firm or company shall be registered.

"(c) SUPPLEMENTAL INFORMATION.—In accordance with regulations prescribed by the Secretary, he or his delegate may require from time to time such supplemental information from any person required to register under this section as may be needed for the enforcement of this chapter.

"SEC. 4413. CERTAIN PROVISIONS MADE APPLICABLE.

"Sections 4901, 4902, 4904, 4905, and 4906 shall extend to and apply to the special tax imposed by this subchapter and to the persons upon whom it is imposed, and for that purpose any activity which makes a person liable for special tax under this subchapter shall be considered to be a business or occupation referred to in such sections. No other provision of sections 4901 to 4907, inclusive, shall so extend or apply.

"SEC. 4414. CROSS REFERENCES.

"For penalties and other administrative provisions applicable to this subchapter, see sections 4421 to 4424, inclusive; and subtitle F.

"SUBCHAPTER C—MISCELLANEOUS PROVISIONS

"Sec. 4421. Definitions.
"Sec. 4422. Applicability of Federal State laws.
"Sec. 4423. Disclosure of wagering tax information.
"Sec. 4424. Territorial extent.

"SEC. 4421. DEFINITIONS.

"(a) WAGER.—For purposes of this chapter—

"(1) IN GENERAL.—The term 'wager' means—

"(A) any wager with respect to a sports event or a contest placed with a person engaged in the business of accepting such wagers,

"(B) any wager placed in a wagering pool with respect to a sports event or a contest, if such pool is conducted for profit, and

"(C) any wager placed in a lottery conducted for profit.

"(2) EXCEPTIONS.—The term 'wager' does not include—

"(A) any wager placed with, or any wager placed in a wagering pool conducted by, a parimutuel wagering enterprise licensed under State law,

"(B) any wager placed in a coin-operated device with respect to which an occupational tax is imposed by section 4461, or any amount paid in lieu of inserting a coin, token, or similar object, to operate a device described in section 4462(a)(2), if an occupational tax is imposed with respect to such device by section 4461, or

"(C) any wager placed in a sweepstakes, wagering pool, or lottery—

"(i) which is conducted by an agency of a State acting under authority of State law, and

"(ii) the ultimate winners in which are determined by the results of a horserace, but only if such wager is placed with the State agency conducting such sweepstakes, wagering pool, or lottery, or with its authorized employees or agents.

"(b) LOTTERY.—For purposes of this chapter—

"(1) IN GENERAL.—The term 'lottery' means the numbers game, policy, and similar types of wagering.

"(2) EXCEPTIONS.—The term 'lottery' does not include—

"(A) any game of a type in which usually—

"(i) the wagers are placed

"(ii) the winners are determined, and

"(iii) the distribution of prizes or other property is made, in the presence of all persons placing wagers in such game; and

"(B) any drawing conducted by an organization exempt from tax under sections 501 and 521, if no part of the net proceeds derived from such drawing inures to the benefit of any private shareholder or individual.

"(c) PRINCIPAL.—For purposes of this chapter, the term 'principal' means any person (other than a punchboard operator) who is engaged in the business of accepting wagers or who conducts any wagering pool or lottery.

"(d) AGENT.—For purposes of this chapter, the term 'agent' means any person who is engaged in receiving wagers for or on behalf of a principal.

"(e) PICKUP MAN.—For purposes of this chapter, the term 'pickup man' means any person who knowingly is engaged in transmitting in any manner wagers, or information, records, or payments relating to wagers, between any principal, agent, pickup man, employee, or combination thereof.

"(f) EMPLOYEE.—For purposes of this chapter, the term 'employee' means any person (other than an agent or pickup man) who knowingly is employed to assist in any capacity in an activity which makes another person liable for special tax as a principal, agent, or pickup man.

"(g) PUNCHBOARD OPERATOR.—The term 'punchboard operator' means any person who accepts wagers only in the form of chances on a punchboard, 'five card draw game,' or similar gaming device for profit, either on his own behalf or on behalf of another person.

"SEC. 4422. APPLICABILITY OF FEDERAL AND STATE LAWS.

"The payment of any tax imposed by this chapter with respect to any activity shall not exempt any person from any penalty provided by a law of the United States or of any State for engaging in the same activity, nor shall the payment of any such tax prohibit any State from placing a tax on the same activity for State or other purposes.

"SEC. 4423. DISCLOSURE OF WAGERING TAX INFORMATION.

"(a) GENERAL RULE.—Except as otherwise provided in this section, neither the Secretary nor any other officer or employee of the Treasury Department may divulge or make known in any manner whatever to any person—

"(1) any original, copy, or abstract of any return, payment, or registration made pursuant to this chapter,

"(2) any record required for making any such return, payment, or registration, which the Secretary or his delegate is permitted by the taxpayer to examine or which is produced pursuant to section 7602, or

"(3) any information derived, directly or indirectly, from any such return, payment, registration, or record.

"(b) PERMISSIBLE DISCLOSURE.—A disclosure otherwise prohibited by subsection (a) may be made in connection with the administration or civil or criminal enforcement of any tax imposed by this title. However, any document or information so disclosed may not be—

"(1) divulged or made known in any manner whatever by any officer or employee of the United States to any person except in connection with the administration or civil or criminal enforcement of this title, nor

"(2) used, directly or indirectly, in any criminal prosecution for any offense occurring prior to the effective date of this Act.

"(c) USE OF DOCUMENTS POSSESSED BY TAXPAYER.—Except in connection with the administration or civil or criminal enforcement of any tax imposed by this title—

"(1) any stamp denoting payment of the special tax under this chapter,

"(2) any original, copy, or abstract possessed by a taxpayer of any return, payment, or registration made by such taxpayer pursuant to this chapter, and

"(3) any information derived, directly or indirectly, from any such document,

shall not be admitted as evidence or used for any purpose against such taxpayer in any action, suit, or other judicial or administrative proceeding.

"(d) INSPECTION BY COMMITTEES OF CONGRESS.—Section 6103(d) shall apply with respect to any return, payment, or registration made pursuant to this chapter.

"SEC. 4424. TERRITORIAL EXTENT.

"The taxes imposed by this chapter shall apply only to wagers accepted in the United States, or wagers placed by a person who is in the United States—

"(a) with a person who is a citizen or resident of the United States, or

"(b) in a wagering pool or lottery conducted by a person who is a citizen or resident of the United States."

(b) REPEAL OF PUBLIC DISCLOSURE REQUIREMENT.—Section 6107 (relating to list of special taxpayers for public inspection) is hereby repealed.

(c) REPEAL OF POSTING REQUIREMENT.—Section 6806 (relating to posting occupational tax stamps) is amended to read as follows:

"SEC. 6806. POSTING OCCUPATIONAL TAX STAMP.

"Every person engaged in any business, avocation, or employment, who is thereby made liable to a special tax (other than the tax imposed under subchapter B of chapter 35 or under subchapter B of chapter 36), shall place and keep conspicuously in his establishment or place of business all stamps denoting payment of such special tax."

(d) CLERICAL AMENDMENTS.—

(1) The table of sections for subchapter B of chapter 61 (relating to miscellaneous provisions) is amended by striking out:

"Sec. 6107. List of special taxpayers for public inspection."

(2) Section 6110 (relating to cross references) is amended by adding at the end thereof the following new paragraph:

"(6) For prohibition on disclosure of wagering tax information, see section 4423."

SEC. 3. CRIMINAL PENALTIES.

(a) UNAUTHORIZED DISCLOSURE BY GOVERNMENT OFFICIALS.—Section 7213 (relating to unauthorized disclosure of information) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by adding after subsection (d) the following new subsection:

"(e) WAGERING TAX RETURNS.—Any officer or employee of the United States who violates section 4423 shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than $1,000, or imprisoned not more

than 1 year, or both, together with the cost of prosecution; and the offender shall be dismissed from office or discharged from employment."

(b) ELIMINATION OF MANDATORY MINIMUM FINE.—Section 7262 (relating to violation of occupational tax laws relating to wagering—failure to pay special tax) is amended by striking out "be fined not less than $1,000 and not more than $5,000" and inserting in lieu thereof "be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than $5,000, or imprisoned not more than 3 months, or both, together with costs of prosecution."

(c) FAILURE TO POST TAX STAMPS.—Section 7273 (relating to penalties for offenses relating to special taxes) is amended to read as follows:

"SEC. 7273. PENALTIES FOR OFFENSES RELATING TO SPECIAL TAXES.

"Any person who shall fail to place and keep stamps denoting the payment of the special tax as provided in section 6806 shall be liable to a penalty (not less than $10) equal to the special tax for which his business rendered him liable, unless such failure is shown to be due to reasonable cause. If such failure to comply with section 6806 is through willful neglect or refusal, then the penalty shall be double the amount above prescribed."

(d) CLERICAL AMENDMENTS.—

(1) Section 5692 (relating to penalties relating to posting of special tax) is amended by striking out "section 7273(a)" and inserting in lieu thereof "section 7273."

(2) Section 7609(a) (relating to inspection of books, papers, records, and other data) is amended by striking out paragraph (5) and redesignating paragraph (6) as paragraph (5).

SEC. 4. IMMUNITY FOR WITNESSES IN TAX MATTERS.

(a) GRANTS OF IMMUNITY.—Chapter 75 (relating to crimes, other offenses, and forfeitures) is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER E—IMMUNITY

"SEC. 7351. IMMUNITY FOR WITNESSES.

"(a) GENERAL RULE.—Whenever in the judgment of a United States Attorney the testimony of any witness, or the production of books, papers, or other evidence by any witness, in any case or proceeding before any case or proceeding before any grand jury or court of the United States relating to the administration or civil or criminal enforcement of any tax imposed by chapter 35 of this title, is necessary to the public interest, the United States Attorney, upon the approval of the Attorney General or an Assistant Attorney General designated by the Attorney General, shall make application to the court that the witness shall be instructed to testify or produce evidence subject to the provisions of this section and upon order of the court such witness shall not be excused from testifying or from producing books, papers, or other evidence on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a criminal penalty or forfeiture. But no such witness shall be prosecuted or subjected to any criminal penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, nor shall testimony so compelled nor evidence so produced be used as evidence in any criminal proceeding (except prosecutions described in subsection (b)) against him in any court.

"(b) EXCEPTIONS.—No witness shall be exempt under the provision of this section from prosecution for perjury or contempt committed while giving testimony or producing evidence under compulsion as provided in this section."

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 75 (relating to crimes, other offenses, and forfeitures) is amended by adding at the end thereof the following:

"Subchapter E. Immunity."

PROBLEMS CONFRONTING OUR NATIONAL DEFENSE—ADDRESS BY SENATOR JACKSON

Mr. ANDERSON. Mr. President, on Monday, March 17, the Senator from Washington (Mr. JACKSON) addressed the 50th anniversary convention of the Associated General Contractors of America here in Washington, D.C.

His message outlines the serious problems confronting our national defense. As a ranking member of the Senate Armed Services Committee and as chairman of the Military Construction Authorization Subcommittee, there are few men more qualified to speak on the subject than Senator JACKSON.

I commend the address to Senators and ask unanimous consent that it be printed in the RECORD.

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

FIVE MYTHS THAT BESET US

(By Senator HENRY M. JACKSON)

It is a pleasure and an honor to have this opportunity to talk with you.

The longer I work at the problems of national security, the more I come to share Josh Billings' view: "It isn't ignorance that causes so much trouble; it's what people know that isn't so."

For it is harder to deal with *error* than with *ignorance*. Error, after all, is a child of our own minds and we love it as our very own.

We live in a restless and risky world, where a fresh crisis arrives as regularly as the morning paper. Faced with complex issues and understandably hoping for simple answers, it is not surprising that convenient but false myths work their way into some people's thinking.

If the American people are to come to grips with the real dangers and the real problems, some prevalent myths need to be dispelled.

I

Myth Number One is that the Soviets are on a fixed course toward more peaceful and moderate policies, and are ready to leave their neighbors alone.

A Czech citizen might be permitted some doubts. Or a Yugoslav.

I believe that the truth is exactly contrary to this reassuring notion. I do not know how to assess the Soviet adversary except as a dangerous, opportunistic, unpredictable opponent—with a military capability whose reach is expanding.

In military terms, the Soviet thrust into Czechoslovakia proved what they can do. It was a vivid demonstration of Soviet capability for rapid, selective mobilization, for efficient movement of large combat and support forces over extensive distances, and for the establishment and testing of effective lines of communication in support of military operations far from the Russian homeland. The Soviet capability that was exercised so impressively in Czechoslovakia is available for employment on other tasks.

Moreover, the Soviets are moving fast toward parity with us in terms of nuclear missiles. By the end of this year Moscow will have deployed as many—or more—land-based ICBM's than we will have, and with a substantially greater megatonnage. The Soviets are deploying the Fractional Orbital Bombardment System (FOBS)—which is a first-strike oriented weapons system. The Soviets are producing Polaris-type nuclear submarines on a series, assembly-line basis, each with 16 ballistic missiles. Meanwhile, we are witnessing a far-ranging expansion of other Soviet naval activity, and the Soviet Navy is quite evidently in the Mediterranean to stay.

Even when it has been in a state of admitted strategic inferiority to U.S. power, the Soviet Union has periodically pressed forward policies designed to advance its political interests and to undermine the security of the West. This restless ambition has been illustrated in the recurrent campaigns of harassment and restrictions in Berlin and the Cuban missile adventure, and in the strong backing given to the militant Arab forces in the very serious Middle East crisis of June 1967.

In each of these probings the strategic inferiority of Soviet power has set definite limits to the extent of the risks that the Politburo was willing to run. But once the Kremlin is confident of possessing an equality or a preponderance of overall nuclear capability, I believe it will be tempted to accept a far wider range of risks to pursue its purposes, especially in areas like central Europe, where it has a local superiority of conventional forces.

However sanguine anyone may have been about Soviet policy, the brutal invasion of Czechoslovakia should have been a sobering experience. In its aftermath, the Politburo invented the ominous *Brezhnev doctrine* of limited sovereignty for communist-run countries.

The leopard does not change his spots. The occupation of Czechoslovakia and the Brezhnev doctrine are vintage Russian imperialism.

Some people have seen the point. President Tito, who for twenty years has fought Soviet attempts to control his party and country, warned that if the Soviets invaded Yugoslavia they would be mired in a long and bitter guerrilla war. Tito denounced the Brezhnev doctrine as either a "diktat" or an "unprincipled compromise" which attempts, he said, "to justify even the open violation of the sovereignty of a socialist country and the adoption of military force as a means of preventing independent socialist development."

The Italian Communists saw the point, too. They condemned the intervention in Czechoslovakia only hours after the Soviet troops had crossed the Czech frontier. Lugi Longo, leader of the Italian Communist Party, forcefully condemned the doctrine of a "guide state" or "guide party", demanding instead full respect for the "autonomy and sovereignty of every Communist party and socialist state."

Others have gotten the message too. Communist leaders in Rumania, Austria, Spain, Japan, and Great Britain have rejected the doctrine of limited sovereignty.

The significant point, I believe, is not so much that the Soviets have tried to invent a rationalization for what they did in Czechoslovakia, but that they have consciously and deliberately laid the basis for political pressures, blackmail and possible military adventures elsewhere.

We cannot be confident that a Soviet Union that invades Czechoslovakia will not use military force to achieve its purposes on other fronts, when it thinks this can be done without running unacceptable risks.

II

Myth Number Two is that the Soviet rulers are becoming progressively more liberal and civil-rights conscious, and are about ready to rejoin Western society.

The plain fact is that in the past year or two there have been increasing signs in the Soviet Union of a move to the right—a move toward the hard-liners.

Obviously, the shaping forces of the modern world have not altogether bypassed the Soviet Union. Soviet leaders seem to have some understanding of the need to prevent nuclear accidents or failures of communication that could lead to catastrophe for So-

viet society in a general nuclear war. The vigorous development and application of science and technology have not only multiplied the Soviet capacity to wage war but also the capacity to produce consumer goods and services. The demand by Soviet citizens for improvements in living standards have thus been encouraged. These same advances in science and technology have brought about a somewhat wider diffusion of power internally.

But how are the Soviet rulers responding to the living economic and intellectual forces? The response of the present rulers is to strengthen the old political controls and to try to suppress the vital forces involved.

I find nothing "liberal" in Moscow's current war on the intellectuals, and the attacks on Jewish authors and poets. The present Politburo is more ugly toward intellectuals than Khrushchev ever was. Writers and scholars are now subjected to vicious and violent campaigns of denunciation. The fact is there are more intellectuals incarcerated in Soviet prisons today than at any time in the history of the Soviet Union.

Beyond this, Stalin's image is being refurbished as the great military leader of World War II. This not only has the effect of strengthening the Stalin-line among the Russian generals. At the same time, it encourages the neo-Stalinist intellectuals and it stimulates harsher attacks on the liberal students and writers.

As to the outlook in Moscow which prompted the invasion of Czechoslovakia, we need only say that such actions are not undertaken by rulers confident of the stability of their regime. The Politburo's sharp admonition to other socialist parties and states to stay in line—or else—suggests a deep Soviet concern over the kind of urge toward freedom that appeared in Czechoslovakia and that could spread to the USSR itself. It suggests a concern in the Kremlin that the whole so-called "socialist commonwealth"—as well as their own control over the Soviet Union—might come unglued.

Given this situation we cannot discount the likelihood of further shifts toward the hard-liners. Nor can we dismiss the danger that an harassed leadership, fearful of its hold on the reins of power, may take undue risks, and make gross errors of judgment, in its conduct of foreign affairs.

I might add that the uncertainties are further compounded by the difficulty, if not the impossibility, for anyone on the outside to know whether the Soviet leadership, at any given moment, is in a cautious or risk-taking mood. Nothing is more guarded than the discussions that take place within the Kremlin. In the Soviet invasion of Czechoslovakia, until the moment of attack, the political signals of Soviet intentions were at best ambiguous. The lightning-like drive into Prague took almost everybody by surprise.

III

Myth Number Three is the idea that it is the United States that is responsible for heating up the arms build-up.

The evidence decisively refutes this notion.

The Soviets acted first to develop long-range intercontinental surface to surface missiles;

The Soviets acted first to test-fire an ABM against an incoming nuclear-armed missile (in 1962) and they are the only nation to have done this.

The Soviets acted first to develop and test a 60 megaton bomb—and they are the only nation to possess anything like that size bomb;

The Soviets acted first to develop and deploy a fractional orbital bombardment system (FOBS), a first-strike oriented weapon—and they are the only nation to have developed or deployed such a system;

The Soviets acted first to deploy an ABM set-up and they have been testing, improving, and updating the system ever since. Today, they have over 60 anti-ballistic missiles deployed on launch pads. We, on the other hand, have not yet deployed an ABM set-up of any shape or form.

The current campaigners against the ABM say that when the United States acts to deploy an ABM *we* are "escalating the arms race." I have never heard one of those people say that because the *Soviets* were first to deploy an ABM, *they* were the ones that escalated the arms race.

Fortunately, the American people, if they get the facts, are able to recognize this obvious double-standard—crudely biased against their own country.

In this connection, it is interesting to note that Soviet Premier Kosygin has explicitly rejected the proposition that deployment of a defensive missile system heats up the arms race or is "destabilizing."

At a London press conference on February 9, 1967, Premier Kosygin was asked:

"Do you not share the opinion that the development of the Soviet anti-missile system is a new step in the arms race?"

Premier Kosygin replied: "Which weapons should be regarded as a tension-factor—offensive or defensive weapons? I think that a defense system which prevents attack is not a cause of the arms race but represents a factor preventing the death of people."

No weapons system, of course, is or will be perfect. Our *offensive* weapons aren't perfect, and our *defensive* arrangements won't be either. But that doesn't mean we refuse to deploy them when we believe they can perform a useful and important task well enough to make a substantial contribution to the over-all deterrent.

I commend President Nixon for his determination to proceed with the phased deployment of a thin ABM system, and I believe all Americans should now support their President in his statesmanlike decision. It would make no sense to leave this country altogether "naked" to enemy missile attack. And it is important to steady and fortify our President's hand in this very unsteady world. I am a Democrat. But I am proud that over the years I have supported my President—whether he was a Democrat or a Republican—in the critical decisions to safeguard the national defense and to protect the future of individual liberty.

IV

Myth Number Four is the notion in some quarters that the only way to manage our problems with the Soviet Union is "instant negotiation." We are told by some well-known columnists, among others, that "there is no alternative to an immediate summit meeting with the Kremlin."

This is, of course, silly, and it shows an utter lack of sophistication about the negotiating process. A "summit meeting" is a highly mobile adversary operation conducted in the spotlight. Such a meeting needs to be approached with the most prudent exploratory preparations and skillful groundwork.

To many Americans international negotiations are so completely means for *ending* conflict that they are blind to the fact that they may be and, in the hands of experts are, equally adapted to *continuing* conflict. In the present century Moscow has perfected the use of negotiation as a method of protracted conflict—as a means of buying time to build up its own military forces, or of bringing a sense of relaxation and good will before instigating some energetic offensive on a new front. This is straight from the gospel according to Lenin and Stalin.

I am personally convinced that there is only one safe way to negotiate with Moscow. That is, to have strong positions to bargain from.

As Sir William Hayter, former British Ambassador to Moscow put it:

"The Russians are not to be persuaded by eloquence or convinced by reasoned arguments. They rely on what Stalin used to call the proper basis of international policy, the calculation of forces. So no case, however skilfully deployed, however clearly demonstrated as irrefutable, will move them from doing what they have previously decided to do; the only way of changing their purpose is to demonstrate that they have no advantageous alternative, that what they want to do is not possible."

As I see it, in relations with the Soviet Union the free world must pursue two consonant courses of action: on the one hand, we should try to work with them where interests converge, and, on the other hand, we should maintain the strength and the resolve to discourage adventurism by them and to encourage them to join us in serious negotiations of the explosive and difficult issues.

A favorite quotation of mine is one from Reinhold Niebuhr:

"If the democratic nations fail, their failure must be partly attributed to the faulty strategy of idealists who have too many illusions when they face realists who have too little conscience."

V

Myth Number Five is the latest version of the devil theory of history—some people have conjured up what they call a "military-industrial complex."

All too often in history men have invented scapegoats. For Marx it was the capitalist. For Hitler it was the Jew. As the frustrations of our many problems pile up, some people are blaming their troubles on the so-called "military-industrial complex."

Who started the cold war? Who compels us to spend so much of our income on national defense? Who blocks progress toward disarmament? To some Americans the answer is: a conspiracy of some sort between the military and industry.

And, I might note, this fiction is not just the property of a bunch of sensational alarmists. It has also crept into the thought of persons in responsible positions in our national life: TV commentators, journalists, political leaders, ministers, educators, and others—there are some in each of these groups whose talk tends to parallel the fictions of the most sensational alarmists.

All this recalls Senator Nye and his attacks on the "munitions makers." In the 1930's Americans so nearly persuaded themselves that a munitions lobby had caused the first World War that they almost ignored Hitler and the Nazi threat.

Today some people talk as though the reason for our big defense program is some treacherous plan by American generals and industrialists.

Patently, this view ignores the three great factors which have compelled the United States, for the first time in our history, to create and maintain a large permanent military establishment—the expansionist drives of Soviet and Red Chinese communism, the historic shift of world power westward to the United States and eastward to the Soviet Union; and the continuing scientific and technological revolution.

Obviously, the price of national security these days is high. Obviously, too, we rely mainly on private industry to do most of the research and build most of the new weapons systems needed for national defense. I don't think any of us would want it otherwise.

I favor making some budget savings by cutbacks and deferrals in the less critical defense programs. Some weapons we might like to have are not essential and we can do without them. Some non-strategic projects can be left on the shelf for awhile without hazarding our basic posture of deterrence. Certainly, money can be saved by reductions in the proliferating, Pentagon civilian staffs, and in some of the top-heavy staffs in the military departments or in some U.S. military headquarters abroad.

But are we going to make American foreign and defense policy by hysterical editorials,

emotionally-charged TV news comment, and by local protests and sign-carrying demonstrations? Not if I can help it!

Let us debate the real issues on the merits.

Americans have a right to speak their minds, but a President and a Congress are charged under the Constitution with the most solemn responsibilities as protectors of the Republic and as guardians of the peace. Public officials have an over-riding responsibility to the American people to make the most careful, balanced judgments on the critical issues of national safety and survival.

In conclusion, let me add just this:

Obviously, the nation's resources are limited. Our capabilities must be committed with discrimination and prudence. We have some very urgent, vital, costly tasks on the home front also.

But unless Americans are prepared to accept the responsibilities of a great nation in the fateful and difficult years ahead, the problems can become worse and worse and the international crises finally unmanageable.

Winston Churchill said the right words to us:

"The price of greatness is responsibility."

PRESIDENT NIXON STRESSES NEED FOR RURAL-URBAN BALANCE

Mr. PEARSON. Mr. President, one of the great challenges which we as a Nation face in the latter part of the 20th century is the achievement of a reasonable rural-urban balance. If present trends continue a majority of our people will be crammed into five super strip cities by the year 2000. Given the magnitude of the urban crisis today one cannot look forward to such a prospect without a great deal of foreboding.

Unfortunately, it is only fairly recently that we have begun to appreciate fully the fact that today's rural problems are the urban problems of tomorrow. For too long we have assumed that little or nothing could be done to modify the economic forces which have been working to depopulate our farms and small towns on the one hand and to swell the population of our overcrowded and overburdened cities on the other hand.

The challenge we face will not be easily or quickly overcome. Therefore, it is particularly encouraging that President Nixon is keenly aware of the need for a better rural-urban balance. I know that his administration will provide imagination and forceful leadership in this area.

Some of the President's views on this subject are outlined in an article appearing in the magazine Rural America. His stress on the need to improve rural educational and economic opportunities and his assertion that we need not be the "helpless objects of blind economic forces" are particularly noteworthy.

Mr. President, I ask unanimous consent that the article entitled "Equal Opportunity; Our Policy for Rural America," written by President Nixon, be printed in the RECORD.

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

EQUAL OPPORTUNITY—OUR POLICY FOR RURAL AMERICA

(By Richard M. Nixon)

"Ill fares the land, to hastening ills a prey . . ." was written of the English countryside nearly 200 years ago. But it might be written of rural America today.

Our rural areas are being depleted of people. Since 1960 the farm population has been declining at an annual rate of about 6 percent. From 1960 to 1967 the farm population declined by 4,818,000. The Department of Agriculture anticipates further out-migration.

This out-migration from our small towns and rural areas is largely the result of an agricultural revolution. Inadequate and unwise farm policies have contributed to the trend. Witness the lowest wheat prices in 26 years. Our farm population has fallen from 18 per cent of the total population two decades ago to about 5 per cent today.

What becomes of these people? Most of them move into our great cities. Without necessarily desiring it and almost by default we are becoming an urban society. Seventy per cent of our people now cluster in cities that cover one percent of our land. If present trends continue unchecked, by the year 2000, 80 per cent of our people will be living in urban areas and most of them will be crammed into five super metropolitan areas.

By generating a kind of "urban crush," this creates problems in the cities to which they go. By de-populating the countryside, this creates problems in the rural areas and small towns.

But move they must, if there are no nearby jobs.

Seemingly, almost everything has conspired to prevent the creation of jobs in rural areas:

Federal farm programs have cut our cotton crop to 10 million acres, compared with 43 million acres before the programs begin. Tobacco acreage is now only half as great as 35 years ago.

Local communities have not had the resources, the services and utilities needed to attract industry.

Industry, which has been urban-minded, has not sufficiently sought to decentralize.

The rural labor force lacks the wide range of federal employment services available to urban workers.

Education policies have discriminated against the poorer areas. For example, the Elementary and Secondary Education Act of 1965 provides more than twice as much help per pupil to the counties ranking *highest* on the index of rural well-being as it does those ranking *lowest* ($350 as against $157). (Manpower Report of the President, April 1967, Page 116.)

WE MUST EXPAND OPPORTUNITY

Today's rural problems are the urban problems of tomorrow. The American people want a better balance between the rural and the urban sectors. There should be expanded opportunity for those who wish to live in the country to find decent work there, to have access to good education and health services, and to pursue a way of living that gives diversity and balance to our economy.

What the American people really want and will work for, they can have. We are not the helpless objects of blind economic forces; we are capable of shaping our own future.

The future vitality of our small towns and rural areas depends largely on sound planning. Our states and localities should make a greater effort to develop land use plans based on the community's available human and natural resources. This is an essential first step to diversify and to strengthen the economic base of our rural areas.

IMAGINATION AND PLANNING

Imaginative and comprehensive land use plans will open the way to the location of new industries in small towns and rural areas. Local, state and national tax policies can also provide realistic and effective conomic incentives to attract industry. Improved transportation facilities, better schools, and more extensive public utilities in rural areas will also serve the same goal. The Federal Government can help in a very direct way by placing more emphasis on the dispersal of Government contracts to small towns and rural areas wherever possible.

An essential ingredient for broadening the economic base of small towns and rural communities is an improvement in the skills and education of the rural citizen. This creates an economic inducement to industry as well as a wider economic opportunity for the individual. In practice, it means better education of all kinds, at all levels: elementary, secondary and advanced; vocational, technical and academic; continuing education for adults, apprenticeship, retraining and all the rest. It means on-the-job training as proposed in the Republican-sponsored "Human Investment Act."

What is here proposed is not a blueprint for the economy, with a certain calculated number of people on farms or a carefully computed balance between rural and urban areas. Rather, I propose that we redress the imbalance in education and opportunity which has worked to the disadvantage of the rural areas and threatens to make America predominantly urban.

To undertake the action I propose does not introduce a rural bias; rather, it would overcome the neglect that has contributed to rural deterioration that in turn has contributed to the urban bias, largely unintended, that has been allowed to develop. I propose that we provide the equality of opportunity which will give our people a chance to develop the kind of society they want. If this is done, we can safely leave with the people themselves the decision as to the balance between rural and urban living.

JIM LOVELL—A DOWN TO EARTH SPACE VOYAGER

Mr. PROXMIRE. Mr. President, Wisconsin is very proud indeed of her favorite son-in-space, Capt. James Lovell, who was one of the first three human beings to see the moon's surface from a spaceship orbiting that satellite. Now Captain Lovell has staked out his claim back here on the earth as well by taking charge of a $4.5 million summer day camp program that will give sports opportunities to 75,000 young people from the Nation's ghettos.

The program, as announced last Monday, will be administered by the National Collegiate Athletic Association under contract to the Department of Health, Education, and Welfare. Jim Lovell, who directs staff activities for the President's Council on Physical Fitness, will supervise the program.

I cannot think of a better choice for this important task. Jim Lovell has to be an inspiration to us all, but the awe that his exploits have inspired in the Nation generally is multiplied in its significance to the younger generation. The space age is their age. And Jim Lovell is their hero. With this base of admiration and support I know that he will do a superlative leadership job in working with the disadvantaged young men and women participating in the day camp program.

I know I speak for all Senators when I wish him the very best.

I ask unanimous consent that an article about the day camp program, published in the New York Times, together with materials on the program released from the White House be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

ASTRONAUT WILL DIRECT PROGRAM OF GHETTO YOUTH SUMMER CAMPS

WASHINGTON, March 17.—Vice President Agnew announced today that Navy Capt. James A. Lovell, the astronaut, would head a $4.5-million day camp sports program for 75,000 ghetto youths this summer.

"The program will enable disadvantaged youngsters in 40 metropolitan areas across America to attend summer day camps, which will be held on the campuses of 120 colleges, universities and junior colleges," Mr. Agnew said.

Captain Lovell, one of the three Apollo 8 astronauts who flew around the moon last December, appeared with Mr. Agnew at the White House for the announcement. The astronaut is staff director of the President's Council on Physical Fitness and Sports.

The program will provide a minimum of two hours sports activity at least four days a week for five weeks from June 1 through Sept. 1 for both boys and girls 12 to 18 years old. They will live at home and be taken to and from the camps each day.

Among the activities available will be track and field, basketball, swimming, touch football, baseball, gymnastics and even fly casting and basket weaving, Mr. Agnew said.

"The 40 metropolitan areas have been chosen on the basis of population, size and percentage of poverty-level families," Mr. Agnew said. "Our prime target is to reach the inner-city youngster who has no recourse but the streets during the long hot summer."

The youth sports program will be administered by the National Collegiate Athletic Association under contract to the Department of Health, Education and Welfare. The Department is providing $3 million, with $1.5 million supplied by private contributions.

The estimated daily cost for each youth is $2.40.

STATEMENT BY THE VICE PRESIDENT ON THE NATIONAL SUMMER YOUTH SPORTS PROGRAM

Captain James A. Lovell has joined me today to announce a new program on earth rather than in space. While most Americans are familiar with astronaut Lovell's part in the successful Apollo 8 mission, he has another role and another mission as the President's Consultant on Physical Fitness and Sports. We believe he will be equally successful here.

Today I am pleased to announce the establishment of a national summer youth sports program which will provide summer day camp experience for an estimated 75,000 young people living in urban areas.

The program will enable disadvantaged youngsters in 40 metropolitan areas across America to attend summer day camps which will be held on the campuses of 120 colleges, universities and junior colleges.

Colleges will contribute their gymnasiums, swimming pools, tracks, playing fields and special purpose rooms as well as a full-time program director and capital sports equipment at a cost of $1.55 million.

The balance of the program's cost will be financed through a transfer of $3 million in OEO funds to the Department of Health, Education and Welfare which will assume responsibility for the program.

The program will be administered by the National Collegiate Athletic Association under contract to the Department of HEW. The President's Council on Physical Fitness and Sports which I chair as Vice President, has been assigned by HEW Secretary Finch to supervise the program. Captain Lovell directs staff activities for the Council.

This national program is modeled after the highly successful summer sports program conducted last year at the University of Southern California for youngsters from the ghetto area near its campus.

The 40 metropolitan areas have been chosen on the basis of population size and percentage of poverty level families. Our prime target is to reach the inner city youngster who has no recourse but the streets during the long, hot summer.

Obviously we cannot reach every child we want. We hope to reach many in the heart of these cities' poverty areas to provide at least a 5 week respite of recreation and relaxed education.

This is a beginning. We are tapping resources heretofore unused and reaching youngsters heretofore unknown. As Captain Lovell knows from experience, you cannot reach the moon on the first flight. But you can never reach the moon if you will not try.

This year's success will pave the way for greater participation and expand horizons of hope where hope is most needed—right here at home.

FACT SHEET ON THE NATIONAL SUMMER YOUTH SPORTS PROGRAM

OBJECTIVES

To provide expanded opportunity during the summer for the youth of the community to participate in competitive sports and benefit from sports skills instruction.

To enable the institutions and their personnel to participate more fully in community life and contribute to the solution of community problems.

To help young people learn good health habits and become better citizens through utilization of the personnel and facilities of higher education.

To provide a combination of employment and on-the-job training in sports instruction and administration to older students.

PROGRAM PARTIES

1. U.S. Government: Secretary, Department of Health, Education, and Welfare (President's Council on Physical Fitness and Sports designated as the Secretary's program representative).

2. National Collegiate Athletic Association (Kansas City, Mo.) as prime contractor to the U.S. Government.

3. 120 higher education institutions, both members and non-members of the NCAA, who will be sub-contractors to the NCAA for this program.

PROGRAM DETAILS

Number of metropolitan areas in program: 40 (list attached).

Basis of selection: combination of population size, numbers of poor, percentage of poor, facilities availability.

Youth participating: Up to 75,000; 12–18 year old. Boys and girls. 80% or more per program must meet poverty criteria. Inner-city youth the target. 200 youth minimum per participating institution.

Program period: 1 June–1 September 1969 (5 weeks minimum, 6 weeks recommended). 2 sports activity hours minimum per day (excluding changing time), minimum 4 days per week.

Program activities: 2 or more sports activities offered, including track and field, basketball, swimming, gymnastics, soccer, touch-football, volleyball, hockey, or special activity singular to the area. Choice to be based on youth interest and institution's capability. Not less than one girls' activity required.

Educational component, stressing health, nutrition, etc. required periodically.

Nutrition service: Strongly urged that one meal or meal supplement be provided each enrollee per day, if at all possible.

Transportation: To be provided wherever necessary to reach target youth and area.

Individual fees or incidental charges to enrollee: None.

Resources:

Colleges and universities provide: facilities (pools, playing fields, etc.), non-expendable equipment (hurdles, gymnastic equipment, etc.), full-time Program Director.

U.S. Government provides funds for: professional personnel staffing, medical screening and referral, insurance (medical and liability), support services (custodial, etc.), nutrition service (where rendered), transportation (where rendered).

NCAA provides, at no cost: full-time Program Director, program management, administrative services.

PROGRAM FUNDING AND COSTS

Expected maximum: $3,000,000.

Source: Office of Economic Opportunity.

Mechanism: Delegation to the Secretary, HEW, from OEO.

Estimated unit costs: $2.40 per Youth Day.

List of metropolitan areas expected to participate in the national summer youth sports program:

New York, Newark, Chicago, Los Angeles, Philadelphia, Detroit, Houston, San Antonio, Baltimore, Memphis, New Orleans, St. Louis, Washington, D.C., Dallas, San Francisco, Oakland, Boston, San Diego, El Paso, Phoenix, Norfolk, Tampa.

Cleveland, Atlanta, Columbus, Ohio, Birmingham, Cincinnati, Miami, Pittsburgh, Oklahoma City, Milwaukee, Indianapolis, Kansas City, Mo., Fort Worth, Buffalo, Louisville, Ky., Seattle, Portland, Dayton, Tallahassee, Anaheim.

TV STATEMENTS BY SENATOR BYRD OF WEST VIRGINIA ON THE RAY CASE AND FEDERAL FUND CUTOFF TO CAMPUS RIOTERS

Mr. BYRD of West Virginia. Mr. President, on March 18, 1969, I made a statement for television regarding unanswered questions about the James Earl Ray case.

On March 20, 1969, I made a statement for television regarding the cutoff of Federal funds from those involved in campus disorders.

I ask unanimous consent that the transcripts of these statements be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

BYRD DISTURBED OVER RAY CASE

I have been disturbed by the fact that the full story concerning the murder of Dr. Martin Luther King, Jr., has not yet been learned.

The sentencing of James Earl Ray without a trial has stirred too much speculation that a conspiracy may have been involved. If other people did play a part, then justice has not yet been served.

Ray's own words and the comments of others have created questions that ought to be answered.

I was not an admirer of Dr. King, but the assassination of anyone is a despicable act and the suspicion should not be allowed to remain that there were individuals other than Ray who participated in King's assassination. If there were such persons, then they, too, should be punished. I have contacted the FBI to urge that it renew its efforts to get to the bottom of the case.

CAMPUS FUND CUTOFF

The President will have my support in enforcing the laws to cut off federal funds from students involved in campus disorders. For the government to continue to lend financial assistance to those who foment unrest, rebellion, and violence is utter stupidity—and grossly unfair to the taxpayer. The Attorney General has promised to enforce the laws against agitators who cross state lines to incite riots. Such action is well overdue. It is useless to have laws on the books if they are not going to be en-

forced, and I am glad to see someone moving at last to enforce them against the insurrectionists who have been having things pretty much their way too long.

RURAL AND URBAN AMERICA: A TWO-WAY STREET—ADDRESS BY HON. JOHN BRADEMAS

Mr. KENNEDY. Mr. President, earlier this week I had the honor of addressing the annual convention of the National Rural Electric Cooperative Association. At the same meeting, Congressman JOHN BRADEMAS delivered an impressive speech entitled "Rural and Urban America: A Two-Way Street."

Congressman BRADEMAS discussed the many accomplishments of the NRECA in developing rural areas of this Nation. He noted the progress made for all Americans in the form of far-ranging consumer legislation which has been given more and more attention by Congress. And he pointed out the contribution which rural electric cooperatives and the NRECA have made to meeting the problems of our cities. For only with a healthy rural-urban balance can we stem the flow of dissatisfied and unemployed citizens out of rural areas to our overcrowded cities.

Mr. President, because of its important discussion of these and other critical rural-urban issues, I ask unanimous consent that the address by Congressman BRADEMAS be inserted in the RECORD.

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

RURAL AND URBAN AMERICA: A TWO-WAY STREET

(Address of Congressman JOHN BRADEMAS, of Indiana, at annual meeting of National Rural Electric Cooperative Association, March 18, 1969, Atlantic City, N.J.)

I am deeply honored and pleased to address this annual meeting of the National Rural Electric Cooperative Association.

First, I want to salute all of you as leaders of rural electric cooperatives across the country. You represent a long and proud tradition in rural America and your work today is part of a continuing movement dedicated to improving the quality of life in our society.

More than 30 years after President Franklin D. Roosevelt successfully pressed for the establishment of the Rural Electrification Administration, rural electrification is still a vital force for progress, the symbol of a better life in rural America.

Three decades ago, only 10 percent of the farm families of America enjoyed electricity. Today less than two percent are without it, and the expansion of rural electrical service continues. Nearly 25 million people now receive the benefits of electrical and telephone service through systems financed by REA. Far from having outlived its usefulness, the program is still pioneering new ground, moving steadily toward its goal of low-cost electricity for all farm families.

I am, of course, most familiar with the rural electric program in my own state of Indiana. Under the outstanding leadership of the Indiana Statewide Cooperative and its general manager, Dave Mueller, 42 REA-financed electric systems serve over 190,000 rural consumers in the state. Most important, fully 99.5 percent of the farms in Indiana are now electrified compared with 11.7 percent in 1935 when REA was born. Ninety percent have telephone service provided through REA support.

Two rural electric cooperatives have their headquarters in my own Congressional district. They are both successful private enterprises jointly owned by close to 8,000 member-consumers. These two cooperatives maintain a sizable staff and payroll, and pay their share of taxes—well over $100,000 in 1967. They are a vital part of the communities they serve.

A MIRACLE OF THE MODERN ERA

The rural electrification story is one of the miracles of the modern era. Electricity in rural areas is still a miracle today. Without the efforts of rural electric cooperatives, most farmers would still be in the dark ages of the candle and the kerosene lamp. Yet we tend to take rural electrification for granted now. In these rapidly changing times, we live in a world where miracles are commonplace, and we cease to marvel at what we have created.

Rural electrification was a crusade two and three decades ago, and many members of Congress rallied to its support. Today other issues crowd the Congressional agenda and demand priority attention.

I know you are fully aware of the great changes that are taking place in the areas where your electric cooperatives provide service. Nationwide, the number of farms has been dwindling by more than 100,000 a year. Our total farm population has dropped to less than seven percent of the nation's total. The rural areas, where REA was the greatest thing that ever happened, now comprise only a small percent of the voting strength of the American people.

All rural-oriented organizations face the dilemma of how to use most effectively their diminishing political power in order to achieve their legitimate legislative goals. Rural electrification, like most measures to improve farm income, must have support from Congressmen who have never seen an electric milking machine or an electric pig brooder.

Such broad-based support is absolutely essential if the rural electrics are to come to grips with the challenges immediately ahead. You will be discussing some of these challenges this week, and paramount among them, of course, is the increasingly difficult problem of securing adequate capital for future growth.

Rural electric cooperatives are being called upon to serve some 150,000 additional consumers each year. Rural power requirements will triple over the next 20 years. These needs, added to those of rural telephone cooperatives, call for an estimated $11 billion in new capital by 1980, an amount double that provided in Congressional appropriations for two percent REA loans during the 15-year period prior to 1965.

To meet this growing demand for capital, rural electrics must look to both government and the private money market. You will be voting later this week on the proposal developed by the NRECA Long-Range Study Committee to establish a self-help financing institution with the capability of drawing upon sources of private capital. But the success of this forward-looking plan, should it be adopted, will depend upon continuation and adequate funding by Congress and Federal government of the REA two percent interest loan program.

Another matter of tremendous importance to rural electric cooperatives is access to large-scale power supply. Much more must be done to enable the rural electrification program to participate in the current technological developments in the power industry offering economies of size—huge generating plants, high voltage transmission lines, and regional and inter-regional power pools. Rural electric cooperatives need facilities big enough and advanced enough to enable them to share in the savings enjoyed by other segments of the power industry.

RURAL ELECTRICS NEED HELP FROM URBAN CONGRESSMEN

To achieve these and other goals, rural electrics must be able to count on the cooperation and support of non-rural, nonfarm interests; the rural farm constituency by itself simply no longer has the votes in Congress to go it alone.

Fortunately, there are Congressmen who, although they have no rural electric systems in their districts, vote regularly for REA appropriations, support Federal multiple purpose power projects, and approve funds for the Federal power marketing agencies. They recognize the contribution that rural electrification makes to the entire economy.

But just as Congressmen have had to broaden their interests, so your Association, the NRECA and other organizations—both rural and urban—have broadened the scope of their concerns. Given our highly complex social and economic structure, there is very little legislation proposed today that does not reach well beyond the persons or the areas toward which it is primarily directed.

Thus while the NRECA is concerned first with the immediate and serious needs of the REA program, its attention should also be directed to the broader interests of our society as a whole—to national needs which cut across both rural and urban America.

Let me, therefore, explain my message to you today. I want to assert that the problems of our cities and the problems of our rural areas are more closely intertwined than ever before. If we are to deal with these problems effectively, greater mutual understanding and new patterns of alliance between leaders of rural and urban America are essential. Rural America needs the support of urban America—and urban America requires the help of rural America.

We must, then, broaden the street that leads from the center of the city into the countryside. It is a two-way street and we must build additional lanes on both sides. Instead of more "city limits" signs, we need more rural-urban cooperation—unlimited.

I want to suggest today two areas in which I believe such cooperation is particularly important and where the rural electrics can and, I believe, should take a lead. One is the protection of the American consumer. Second is the overall effort to achieve a better balance in rural-urban growth.

THE CONSUMER REVOLUTION

Rural electrics have a natural role in the field of consumer protection. At last year's annual meeting in Dallas, your Association adopted a resolution supporting bills aimed at strengthening the consumer's position in the marketplace, and this action is certainly in line with the strong consumer identification throughout the rural electrification program. Your NRECA resolution gives meaning to the statement that the rural electric cooperatives are consumer-owned.

And, after all, we are all consumers—all 200 million of us. Fortunately for all of us, we are witnessing in America today something of a consumer revolution. It's a peaceful revolution to be sure, but it's a revolution nonetheless.

The American consumer is much less willing than ever before to accept maltreatment and fraud in the marketplace. He is beginning to assert his rights and is organizing to make his voice heard by both government and business.

Early in 1968, partly as an outgrowth of the Consumer Assembly which has become an annual forum in Washington, a new organization of national scope was created—the Consumer Federation of America. You are familiar with the Assembly and the Federation because rural electric leaders have been active in both undertakings.

With all the special interest groups and lobby organizations that have stalked the U.S. Capitol throughout the years, this is the

first successful attempt to organize an effective and responsible voice in Washington for the interests of individuals as consumers of goods and services.

The mobilization of consumer interests is having a major impact all across the country, and of course much opposition has been heard from some segments of business. But the business community is responding in positive ways too. The U.S. Chamber of Commerce, for example, has set out to close the "communications gap" between sellers and buyers through the establishment of joint business-consumer committees by local Chambers of Commerce. These committees are supposed to identify consumer problems and determine priorities for cooperative action at the local level. The Chamber speaks of a need for business to "act positively . . . to demonstrate that it can and will deal effectively with the consumer questions and problems."

THE 90TH CONGRESS: THE CONSUMER CONGRESS

Congress and the Federal government have also responded, in a variety of ways, to the new consumer awakening. Indeed, more has been achieved in legislation to protect the consumer during the past five years than in any comparable period in our history. The 90th Congress stands as one of the most consumer-conscious Congresses we have ever had, passing 28 consumer protection laws in 1967 and 1968 alone.

Underlying the new legislation is a recognition that today's consumer faces problems he simply cannot handle by himself. Our economy has become so complicated, its products so complex and its services so vast, that the consumer needs more protection, more information, and more assistance then he has ever needed before.

The individual consumer today is faced with products of such complex chemical or electronic composition that he is often incapable of making knowledgeable purchases. Moreover, the market is flooded with new drugs, synthetics, cosmetics, processed foods and complicated equipment—some of which present real health and safety problems.

In other words, the swift pace of technology, which has brought abundance to the American consumer, has also exposed him to new hazards—car insurance plans that are cancelled for no apparent reason or don't pay off after an accident, misleading warranties and guaranties that leave the purchaser with a worthless product, deceptive and unfair lending and sales practices . . . to name only a few.

To solve some of these problems, Congress has enacted a wide range of legislation. Here are just some of the measures Congress has passed in recent years:

Protection against impure and unhealthy meat and poultry through tighter inspection standards;

Curbs on deceptive packaging and labeling;

Safety standards for automobiles to stem the carnage on our nation's highways;

Regulation of fire-prone fabrics such as baby blankets and household draperies;

Protection against fraud and swindling in interstate land sales;

Protection of children against hazardous toys and medication;

Truth-in-lending, and a long list of others.

Practically every one of us, whether we live in city, suburbs, small town or open countryside, will benefit from some of these measures passed by recent Congresses. Rural electric cooperatives and their members are consumers, and as such they share a common interest with all Americans, regardless of how they earn a living.

Unfortunately, consumer protection has sometimes been interpreted in rural America as meaning a "cheap food" policy for the benefit of urban America. This is not the goal of consumer protection legislation, nor has any consumer bill resulted in pushing down prices paid to farmers. What consumer protection laws can do is to protect farmers, as well as other people, against abuses practiced by a relatively few dishonest and careless sellers of goods and services—abuses which victimize rural and urban buyers alike.

UNFINISHED BUSINESS IN CONSUMER PROTECTION

There remains for the 91st Congress a great deal of unfinished business in consumer protection.

Some of the bills which are being introduced early in the present session hold special interest for rural electric cooperatives. There is the issue of electric power reliability—the need to minimize the possibility of massive power blackouts by establishing and enforcing minimum reliability standards, requiring interconnections among neighboring utilities, and by licensing extra-high-voltage transmission lines.

Last year's NRECA meeting went on record with an endorsement of the Electric Power Reliability Act sponsored by Congressman John Moss of California. A revised version of this legislation has been introduced this year by another of your convention speakers today, Senator Edward M. Kennedy of Massachusetts, and a large group of cosponsors, including myself, in the House and the Senate.

Another bill which NRECA endorsed last year was introduced by Senator Lee Metcalf of Montana, to establish an Office of Utility Consumer Counsel to represent consumer interests before state and Federal regulatory agencies and to make publicly available all information on utility system operation necessary to make such representations effective. The Senator has reintroduced the bill this year and hearings on it are now in process.

Besides such consumer-oriented legislative proposals which are so clearly in your interests, there will be many others needing your consideration and support.

We need a bill that will set standards to insure clean and wholesome fish products similar to the meat and poultry inspection laws passed by the 90th Congress. Millions of pounds of uninspected fish are eaten in this country every year and the conditions under which these products are processed often pose serious health problems.

We also need—vitally need—a law to curb sales racketeering. Most of us have heard countless stories of fast-talking salesmen who travel door-to-door passing off shoddy and unwanted goods at cleverly concealed prices, then slip out of the community before the consumer knows what has been done to him. We need legislation regulating door-to-door selling that would put an end to such abuses.

We need legislation to insure that warranties and guarantees say what they mean and mean what they say, that they are as binding as their language implies, that they can be understood by the average consumer, and that there is service readily available to carry out their provisions.

We need to do something in the way of reforming automobile insurance—to do something about the problems of settlements that are too low and too late, of cancellations and premium increases that are unfair.

We need to pass legislation to require a stronger warning of the health hazards of smoking on all cigarette packages and advertising materials.

And there are many further areas of legislation essential to the protection of the American consumer which I have not mentioned.

Your interest in and recognition of the importance of consumer protection measures are a natural outgrowth of the continuing battles which have characterized the rural electric movement from its very beginning. Rural electric cooperatives, as consumer-owned and consumer-oriented organizations, can and must provide a means to amplify the voice of the consumer. They can help to make the consumer's interest and concern heard.

RURAL ELECTRICS CAN HELP REVITALIZE RURAL AMERICA

Finally, let me turn to another area where rural electrics must become more deeply involved. I want to suggest here that perhaps the overriding challenge for rural electrification in the years ahead lies in its broad potential for accelerating the diversified economic development of rural America. Indeed, I believe that rural electric cooperatives across the country can play a key role in revitalizing the economy of our rural areas and in stemming the movement of people and jobs to the overcrowded cities.

One of the most critical underlying issues that America faces in the next thirty years is the balance between rural and urban growth. The country-to-city population shift is nothing new, but its extent is often overlooked. Today 70 percent of our population live on the one percent of the continental land mass classified as "urban." As our population moves toward 300 million by the year 2000, only a generation away, it will become ever more necessary that we shape a more balanced rural-urban growth. I beleive that it will also become clear that this balance can be achieved only by providing greater economic opportunity and by improving the quality of life in rural America, making it competitive with the attractions of the city.

The challenge, I submit, rests with leaders such as yourselves in the rural and farm communities. Electric and telephone cooperatives should seek to stimulate a new movement to develop local industry and create jobs in order to counteract the migration of rural people to employment centers in the urban areas. The local system, working with its statewide coop, is the keystone in the rebuilding effort.

The NRECA's recent policy statement, "An Agenda for Rural America," echoes this theme. In the words of this statement:

"The 1,000 rural electric systems and the pattern of government-local people partnership they have established, represents, we believe, an extremely valuable asset that the nation can utilize in revitalizing rural areas. These systems have considerable resources, including thousands of highly-skilled employees, a close working relationship with millions of rural people, long experience in dealing with government, and an impressive record of getting difficult jobs accomplished."

SOLVING CRISIS OF OUR CITIES DEPENDS PARTLY ON IMPROVING QUALITY OF LIFE IN RURAL AMERICA

I very much hope that the Nixon Administration will embrace the specific policy recommendations urged in the NRECA's "An Agenda for Rural America," and I hope that you, as rural electric leaders, will act upon this mandate for leadership in the revival of rural America.

I should note that many rural electrics across the country have already begun to respond to the challenge. Since 1961, rural electric and telephone systems financed by REA have sponsored over 2,700 industrial and other projects aimed at improving the local rural economy. The results have been impressive: more than 216,000 new jobs opened up; new markets for crops, livestock and forest products; hundreds of community facilities built; recreation projects ranging from large resort industries to overnight camping facilities.

In addition, a number of projects supported by rural systems assist low-income groups. I am especially pleased to note, for example, the fine contribution by the Kosciusko County REMC in my own congressional district, which has helped start an effective VISTA project to aid poor families who have recently migrated from Appalachia.

But I think we must all agree that the

efforts so far in rural area development have only scratched the surface. Much, much more is required if we are to combat effectively the economic erosion of rural America and the marked imbalance of rural and urban growth. The long-run solution to the crisis of our cities depends a great deal more than many of us realize upon the revitalization of our rural regions.

The challenges I have suggested for rural electrification—in amplifying the voice of the American consumer, in leading the effort to revive rural America—are formidable. The burden of responsibility upon you, as leaders in the rural electric cooperative movement, is heavy.

But, as the distinguished general manager of your national association, Robert Partridge, has said, "There has never been any shortage of guts among the people who make up the rural electrification program . . . (You have) . . . a great reservoir of strength and courage to draw upon when you make up your minds to move."

Moreover, the genius of the rural electrification program has been its adaptability to change and its achievement in the face of new obstacles. It is my hope—it is my faith—that rural electrification will always be equal to the challenge at hand.

SECRET INFORMATION LEAKED FROM PENTAGON TO RIGHT-WING EXTREMIST ORGANIZATIONS

Mr. YOUNG of Ohio. Mr. President, recently, publications have been brought to my attention which indicate clearly that one or more officials in the Pentagon have "leaked" highly classified information to propagandists for lunatic rightwing extremist organizations such as the John Birch Society. It is obvious that many facts concerning the *Pueblo* incident were furnished to these rightwing publications prior to the time they were revealed to the Naval Board of Inquiry investigating the affair.

On Saturday, December 21, the Rev. Paul D. Lindstrom called a press conference in Chicago to report the United States and North Korea had come to terms for the release of the 82 members of the *Pueblo* crew and that the announcement was imminent. The official announcement of the release of the *Pueblo* crew was not made until the next day, December 22, when Lindstrom's taped comments were then broadcast on nationwide television. Among those comments was severe criticism of the U.S. Government for making deals with "Commie pirates and bandits."

Lindstrom refused to reveal how he obtained the information before the news services did, but stated that it was from "a good source" in Washington. He, if not actually a Birchsap himself, is most assuredly a supporter of that lunatic group. He is proprietor of the so-called Church of Christian Liberty in suburban Chicago, and the Chicago Sun-Times has reported that six trustees of this organization are members of the John Birch Society. He was also chairman of the Remember the *Pueblo* Committee, a rightwing outfit with ties both to the ultraextremist Liberty Lobby and Carl McIntire's rightwing complex.

Mr. President, the timing of this announcement was such to lead anyone to believe that someone in the Defense Establishment leaked the news to Reverend Lindstrom for purposes not compatible with the best interests of our Nation.

Furthermore, in the August 15 edition of the Washington Observer, another publication of the lunatic right, it was reported that Commander Bucher's written request for self-destruct mechanisms was refused, and the question was then asked, "Who are the traitors entrenched within the executive department who are working—almost openly now—to surrender the United States to the Soviet Union?" This report and other allegations in the Washington Observer were subsequently repeated in columns by Tom Anderson, one of the founders of the John Birch Society and a member of its 24-man policy council.

Mr. President, frankly, I for one cannot believe that these rightwing propagandists are clairvoyant. It is clear that they receive their advance information from rightwing sympathizers holding sensitive jobs in the Defense Department. The John Birch Society and other organizations of its ilk then used this information to further convince their members and sympathizers that the Nation is being governed by traitors. They would have Americans believe that we lost the *Pueblo* as part of a conspiracy between Washington and Moscow to get secret electronic equipment into Russian hands. As David O. Woodbury bluntly concluded in the February issue of American Opinion, a John Birch Society magazine:

> The *Pueblo* was a delivery wagon ferrying a gift to the Communists as per arrangements previously made by the White House and State Department in secret conclave with McNamara, Rostow and other civilians.

Mr. President, the real traitors, or those who are doing a disservice to their country, are in reality those who supplied this highly secret information to private individuals or groups. I know that it is virtually impossible to determine the source of these security "leaks." However, Secretary Laird and top Defense Department officials must make a more serious effort to root out those responsible for passing on this information to rightwing organizations and to prevent further such flagrant abuses of security. Should they continue, I intend to urge the chairman of the Committee on Armed Services, the distinguished junior Senator from Mississippi (Mr. STENNIS), to request a thorough investigation by the Armed Services Committee, if necessary, that will reveal the culprits. Let the guilty parties be forewarned, and let them be reminded that treachery, though at first very cautious, in the end betrays itself.

FORT RILEY, KANS.

Mr. PEARSON. Mr. President, Fort Riley has played a dramatic role in the history of Kansas and today has a significant impact on the economy of our State. This impact was well described recently by a distinguished Kansas newspaper, the Junction City Daily Union. It is appropriate that the article appear in the RECORD, and I ask unanimous consent that it be so entered.

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

THE IMPACT OF FORT RILEY

How big of an operation is a military post such as Fort Riley? Does it hold its own slot in the economy of Kansas or would it be quickly forgotten if it disappeared from the map tomorrow?

Located between Junction City with a population of 18,700 and Ogden with a population of 1,780, Fort Riley itself has a population of approximately 26,300 military personnel and dependents.

The population of the area, military and dependent wise, is approximately 40,000. There are more than 23,000 military personnel assigned to the Post with 6,700 dependents living on the Post and more than 9,800 residing off of the Post, the last figure including the 3,100 dependents located at Schilling Manor Sub-Post near Salina. Approximately 1,000 retired military personnel also reside in the area.

An estimated $103,000,000 a year is passed out in salaries to the military personnel assigned to Fort Riley and in turn, most of this is spent in the nearby communities.

In addition to the military connected with the Post, there are more than 3,000 civilians employed at the Fort with a total of $17,000,000 divided among them in salaries. Civil Service employees total approximately 2,200 with the remaining civilians working for the Post Exchange and concessionaires; non-appropriated funds, public schools and contractors working on the Post.

Salaries for the Post Exchange and concessionaires total about $1,120,000 with approximately $750,000 worth of local purchases made by them.

Non-appropriated fund organizations include the Fort Riley Officers Open Mess (FROOM), Noncommissioned Officers Open Mess (NCOOM), Rod and Gun Club, Bachelor Officers Quarters (BOQ's), Central Post Fund and the Central Accounting Office.

The FROOM averages yearly salaries of $122,000, purchases of $325,500 and other expenses of $81,500. The approximate $1,127,350 that are expenses of the NCOOM include $296,500 for salaries, $587,500 for purchases and $243,350 for other expenses such as insurance, laundry, bingo prizes, breakage, etc. The Rod and Gun Club expends $141,000 in purchases and $6,750 in salaries yearly, while the BOQ's have salaries of $12,000 yearly, Central Post Fund, $125,000 and the Central Accounting Office, $80,000.

More than 100 civilians are employed by the Post schools and an additional 75 work for contractors who have jobs on the Post.

Fort Riley's Purchasing and Contracting Division accomplished a total of 40,660 actions, spending approximately $17,270,000 for contracts and purchases during the past calendar year.

Construction cntracts cost the Post budget more than $2,964,300; supply contracts, $831,250; service contracts, $790,625; and educational (teacher) contracts, $90,150.

A breakdown of the annual expenditures at Fort Riley, including everything except salaries, are approximately as follows: utilities and related services, $1,500,000; transportation and movement services, $2,500,000; subsistence, $9,200,000; petroleum oil and lubricants, $300,000; supplies and equipment, $8,900,000; equipment maintenance, $10,000 and facilities maintenance, $1,900,000.

So, to answer the question "What economic impact does Fort Riley have on the State of Kansas?" just ask yourself "What effect does $145,000,000 have on the economy of a state?"

RESEARCH FOR LOW-COST HOUSING

Mr. PROXMIRE. Mr. President, in central Wisconsin a unique page of housing history is being written. A Winnabago Indian grandmother is preparing to move into a house built for her under the rural

low-income clauses of the Housing Act of 1968. Mrs. Helen Cloud is the first to benefit in rural Wisconsin from that act with a loan granted by the Farmers Home Administration at 1-percent interest.

But that is not the only unique aspect of the event. Another is the cost of this two-bedroom-and-bath home. The loan is for a shade more than $7,000. All materials and labor costs amount to about $6,750. In the era of spiraling housing costs, this is a truly unique achievement. Last year the average cost for a three-bedroom farm home financed by the Farmers Home Administration was about $19,000.

Credit for this unique cost breakthrough goes to the Forest Products Laboratory, a Forest Service unit maintained by the Department of Agriculture at Madison, Wis. Although the house is small—576 square feet overall—it will be a vast improvement for Mrs. Cloud. Indoor plumbing, full bath, central heating, and a kitchen with sink and built-in shelves, were all lacking in the one-room home she occupied nearby for 27 years and in which she reared her children.

This is, I am sure, a vitally important first step toward solving a domestic crisis such as we have not hitherto known. The housing crisis is not limited to the urban ghettos that have commanded the bulk of our attention. It extends into the remotest rural regions of our Nation. Some of its harshest urban manifestations can be traced to causes rooted in our seldom noticed rural slums.

The solution of this festering sore spot of our society constitutes a challenge to many of our industrial and governmental institutions. One of the institutions already reacting productively to the challenge is the Forest Products Laboratory. Not only has it produced the design and specifications for that house in the flat cranberry bog country of central Wisconsin, it has produced three others—for farmers with up to 12 children. It is at work on a fifth design. These plans are developed as part of a crash program to meet current needs with readily available wood materials and following simple, conventional building practices. They will soon be widely distributed by the Agricultural Research Service at Beltsville, Md., and the Farmers Home Administration in its various offices throughout the Nation. Though small and frill-less, these houses are efficiently engineered to meet basic housing needs. They represent the best that existing technology can offer with wood or low-cost housing.

But the Forest Products Laboratory researchers recognize that their responsibility does not end with these house designs based on past research. None more than they are aware of the limitations placed on wood utilization by existing technology. Gross inefficiencies still exist and the resultant waste will only be eliminated by concentrated research aimed at unearthing fresh basic knowledge and evolving new design concepts.

Therefore the men and women of the Forest Products Laboratory are pushing long-term research aimed at better and more economical systems of housing construction with wood. That research is oriented toward the rural phase of that crisis. But its results will certainly contribute to the alleviation of urban housing needs. It is research the Forest Products Laboratory is uniquely qualified to perform. For the Laboratory has a long history of housing research achievements that have greatly influenced existing technology, with pioneering developments, efficient structural design, prefabrication techniques, and processes that broaden and extend the serviceability of wood products.

The development of new housing concepts is imperative. For our shrinking timber resource, we must meet the ever-expanding needs of a growing population. We cannot tolerate much longer, for example, structural design concepts with wood that permit us because of ignorance to utilize only part of the potential strength of wood, allowing large "safety factors" that are really ignorance factors. These factors, call them what we will, handicap our efficient utilization of lumber, plywood, laminated wood, and even the new fiberboards, and other wood-base materials that help reduce construction costs and make full use of the wood resource. That is the goal of the long-term housing research underway at the Forest Products Laboratory. It is research that must be included among the most important scientific enterprises we now have going for solutions to our domestic crisis in housing, both rural and urban, if we are to alleviate the poverty that haunts millions of our people like Mrs. Cloud.

THE FEDERAL REVENUE SHARING ACT

Mr. GOODELL. Mr. President, on January 15, 1969, I introduced the Federal Sharing Act (S. 50).

On the day I introduced the bill, I placed a statement in the RECORD explaining its purposes and provisions. Today, I would like to describe in somewhat greater technical detail how the bill works.

BASIS OF REVENUE-SHARING PAYMENTS

Section 3 of the proposed act would appropriate for revenue-sharing purposes a stated percentage—3 percent for fiscal 1970 and 1971, 4 percent for 1972, and 5 percent for 1973—of the total receipts from Federal individual income taxes in the preceding fiscal year.

A proviso states that in no case will the amount appropriated for revenue-sharing in any given year be less than the amount appropriated for that purpose in the prior year. The proviso would protect States and localities from a cutback resulting from a recession or future Federal income tax reduction.

On the basis of present estimates, the bill would allocate about $2.42 billion for revenue-sharing in fiscal 1970, the first year of the program. It would allocate somewhat over two-thirds more than this amount in fiscal 1973, the last year for which money is appropriated under the bill.

ALLOCATION AMONG THE STATES

Section 4 of the act allocates 90 percent of these revenue-sharing moneys among the States according to a formula based on population and tax effort. The tax effort factor is measured by the ratio of all State and local taxes collected within a State to the total personal income for that State.

The use of the tax effort factor in the formula provides a bonus to States which maintain or increase their tax efforts. It thus serves as a deterrent against States reducing their own taxes in expectation of receiving revenue-sharing assistance.

Section 5 of the act would allocate the remaining 10 percent of revenue-sharing moneys to the 17 States having the lowest per capita income. The number 17 is selected as representing the poorest one-third of the States. These States generally are those most in need of Federal aid to strengthen their fiscal base. The formula for these States would be based on population and per capita income, and would be designed to provide a larger proportional share to those States having the lowest per capita income.

These 17 States eligible for special assistance under section 5 are Mississippi, Arkansas, Alabama, South Carolina, West Virginia, Tennessee, Kentucky, North Carolina, Louisiana, New Mexico, North Dakota, Georgia, South Dakota, Idaho, Utah, Maine, and Oklahoma.

PAYMENTS TO CITIES AND URBAN COUNTIES

Section 6 of the act requires States to pay over to cities and urban counties of 50,000-plus population a substantial portion of revenue-sharing payments they receive. The formula in the bill for these payments by States to metropolitan governments was based on the work of the National Advisory Commission on Urban Problems, headed by former Senator Paul Douglas, of Illinois.

Under the formula in the bill, the amount a State would be required to pay to a city or urban county would depend on the latter's local tax ratio. A city's or urban county's local tax ratio would be defined as the ratio between, first, its revenues from its own local tax sources, and, second, the total revenues from all State and local taxes in the State.

Specifically, the State would be required to pass through to cities and urban counties the following portion of its revenue-sharing payments:

First. For each city or urban county of 100,000-plus population, two times its "local tax ratio" as defined above; and

Second. For each city or urban county of 50,000 to 99,999 population, the product of (a) times the percentage by which that local government's population exceeds 50,000.

It is estimated that on a nationwide basis, this formula would allocate 22 percent of revenue-sharing payments to cities, 13 percent to urban counties, and the other 65 percent to the State governments.

The formula was designed with the following considerations in mind:

First. Basing the formula on local taxation would allocate the largest share to the most populous and most "active" metropolitan governments. It would, moreover, restrict the amount of payments to urban governments which are relatively "dormant"—that is, which impose few taxes and provide few services.

Second. The formula would take into account the variation in State-local fiscal relations throughout the Nation. The shares it would allocate between the State government and metropolitan governments in a given State would depend upon their relative shares of the total burden of State and local taxation.

Third. The formula serves automatically to allocate payments between cities and urban counties which have overlapping boundaries.

Fourth. Providing a graduated scale of allowances for cities and urban counties with populations between 50,000 and 99,999 avoids the possibility of drastically different treatment for local governments just below and just above the minimum population of 50,000.

RELATIVE SHARES OF STATES, CITIES, AND URBAN COUNTIES

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the relative amounts that States, cities, and urban counties would receive of each billion of revenue-sharing dollars distributed under section 4 of the bill.

The table does not include the amounts distributed to the 17 poorest States under section 5.

Column (b) of the table shows the additional or reduced percentage a State receives as a result of the inclusion of a tax effort factor in the formula of section 4 of the bill.

It is to be noted that the table shows how much States, cities, and counties would receive of each billion dollars distributed. Thus to calculate the amount they actually would get, it is necessary to multiply the figures in the tables by the number of billions—for example, 2.4 for the 1970 fiscal year—distributed under the bill.

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

ALLOCATION OF EACH $1,000,000,000 OF REVENUE-SHARING MONEYS DISTRIBUTED UNDER SEC. 4 OF THE FEDERAL REVENUE SHARING ACT (S. 50)

States	Total allocation		Amount, by type of government (thousands)			Percent, by type of government		
	Amount (millions)	Relative effort adjustment (percent)	States	Cities	Urban counties	States	Cities	Urban counties
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
United States, total	$1,000.00		$660,537	$218,147	$121,107	66.1	21.8	12.1
Alabama	16.00	−11	12,214	1,944	1,792	76.4	12.4	11.2
Alaska	1.25	−11	996		254	79.4		20.6
Arizona	10.10	+21	7,262	1,562	1,276	72.0	15.4	12.6
Arkansas	9.49	−5	9,078	242	170	95.7	2.5	1.8
California	112.76	+16	63,866	18,516	30,378	56.7	16.4	26.9
Colorado	11.46	+14	8,300	1,914	1,246	72.5	16.7	10.8
Connecticut	12.91	−13	9,132	3,778		70.8	29.2	
Delaware	2.44	−7	1,954	298	188	80.3	12.1	7.6
District of Columbia	3.38	−18		3,380			100.0	
Florida	30.87	+1	21,850	3,630	5,390	70.9	11.7	17.4
Georgia	20.82	−9	16,222	1,962	2,636	78.0	9.4	12.6
Hawaii	4.76	+28	2,610	2,150		54.9	45.1	
Idaho	3.67	−14	3,572		98	97.4		2.6
Illinois	44.79	−19	31,802	9,432	3,556	71.1	21.0	7.9
Indiana	24.41	−4	19,048	2,432	2,930	78.1	9.9	12.0
Iowa	14.50	+4	12,468	980	1,052	86.1	6.7	7.2
Kansas	12.05	+4	9,952	844	1,254	82.6	7.0	10.4
Kentucky	14.61	−10	12,430	1,368	812	85.2	9.3	5.5
Louisiana	20.47	+10	16,036	3,022	1,412	78.4	14.7	6.9
Maine	4.96	+1	4,366	218	76	94.1	4.4	1.5
Maryland	18.34	−2	5,870	5,454	7,016	32.1	29.7	38.2
Massachusetts	29.53	+7	17,884	10,666	980	60.6	36.1	3.3
Michigan	41.39	−5	30,528	6,822	4,040	73.9	16.4	9.7
Minnesota	21.27	+17	16,480	2,230	2,560	77.6	10.4	12.0
Mississippi	12.62	+5	11,458	658	504	90.8	5.2	4.0
Missouri	20.69	−12	14,652	4,672	1,366	70.9	22.5	6.6
Montana	3.80	+8	3,690	14	96	97.2	.3	2.5
Nebraska	6.50	−11	5,116	902	482	78.8	13.8	7.4
Nevada	2.35	+6	1,712	62	576	73.0	2.6	24.4
New Hampshire	3.10	−12	2,702	334	64	87.3	10.7	2.0
New Jersey	31.34	−12	18,774	6,192	6,374	60.0	19.7	20.3
New Mexico	5.62	+10	4,828	644	148	86.0	11.4	2.6
New York	116.58	+25	31,432	73,724	11,424	27.0	63.2	9.8
North Carolina	24.07	−6	18,784	1,718	3,568	78.1	7.1	14.8
North Dakota	3.39	+5	3,346		44	98.7		1.3
Ohio	41.46	−22	30,324	7,040	4,096	73.3	16.9	9.8
Oklahoma	12.71		11,010	1,190	510	96.7	9.3	4.0
Oregon	10.53	+4	8,594	974	962	89.7	9.2	9.1
Pennsylvania	53.00	−10	37,864	11,034	4,102	71.5	20.8	7.7
Rhode Island	4.29	−7	2,868	1,422		66.9	33.1	
South Carolina	12.04	−9	11,296	282	462	98.9	2.3	3.8
South Dakota	3.82	+12	3,680	46	94	96.5	1.1	2.4
Tennessee	17.98	−9	10,124	4,296	3,560	53.3	26.9	19.8
Texas	47.66	−14	84,468	9,056	4,136	72.4	19.0	8.6
Utah	5.84	+12	4,546	510	784	77.9	8.7	13.4
Vermont	2.40	+14	2,392		8	99.7		.3
Virginia	20.34	−12	10,959	5,659	3,722	53.9	27.8	18.3
Washington	16.68	+6	13,604	1,512	1,564	81.7	9.0	9.3
West Virginia	8.86	−3	8,346	260	254	94.3	2.9	2.8
Wisconsin	24.23	+14	18,050	3,102	3,078	74.5	12.8	12.1
Wyoming	2.01	+25	1,998		12	99.4		.6

FIVE-PERCENT SHARE FOR EXECUTIVE STAFF

Mr. GOODELL. Mr. President, section 6 of the bill would generally require a State to allocate 5 percent of its revenue-sharing payments—exclusive of the amount it is required to pass on to cities and urban counties—for executive staff and management.

One of the most compelling issues for many States today is the improvement of State executive and management functions. Some States have lagged in these fields, often because of a lack of funds. Pressures for higher spending for education, health, welfare, and urban development have overshadowed the development of executive staff machinery and the improvement of State management services.

This feature of a revenue-sharing plan would put emphasis on the need for active, well-staffed State budget offices; qualified executive planning personnel in such fields as fiscal planning, development planning, and policy formulation and coordination; and sufficiently high salaries for top-level management personnel to attract and hold capable people in State government.

UNCONDITIONAL NATURE OF REVENUE-SHARING PAYMENTS

Except for the 5-percent share for State executive staffs, the revenue-sharing payments allocated to State governments and to city and urban county governments would be unconditional. These State and local governments would have full discretion to spend the moneys in the manner they thought most fit.

COUNCIL ON REVENUE-SHARING

To avoid any possibility of Federal administrators imposing conditions, controls, or excessive administrative paperwork, the revenue-sharing program would be administered by a Council on Revenue-Sharing appointed by the President. Five members of the Council would be Governors, five would be mayors or chief executives of cities or urban county governments, and five would be chosen from private life. No more than three persons in each of these categories could be members of the same political party. The Council would determine forms and procedures with a requirement that they be kept as simple as possible. Only the Council could withhold funds for failure of State and local officials to comply with established procedures. Any decision to withhold funds would be subject to judicial review in a Federal Court of Appeals. The Council would also be charged with responsibility for assessing the impact of the revenue-sharing program and making recommendations to Congress for changes.

SOFTWOOD LUMBER STANDARDS AND ENGINEERING DATA FOR STRUCTURAL LUMBER

Mr. RANDOLPH. Mr. President, since the subject of availability of lumber and increasing lumber prices is a current topic of concern, the proposed new softwood lumber standard presently being processed by the Department of Commerce takes on added significance.

I was impressed—as I am sure others were—with the cogent remarks in the Senate on February 7 by the distinguished chairman of the Senate Banking and Currency Committee (Mr. SPARKMAN) on the proposed lumber standard. Of particular significance, as noted by Senator SPARKMAN, is the fact that the new standard relates size of lumber to the moisture content of wood. It is my understanding that in bringing about this equating of lumber sizes, they have also been tailored more closely to consumer requirements so that the proposed new sizes will permit almost 4 percent

greater utilization of green lumber and as much as 11 percent greater utilization of dry lumber. This means that the yield of softwood lumber from our entire softwood timber resource can be increased by as much as 4 to 11 percent simply by the implementation of the new standard.

The Senator from Alabama (Mr. SPARKMAN) rightly stressed the need to correct the deficiencies in the old softwood standard. He indicated that a special panel operating under the Department of Commerce found that the present softwood lumber standard should be revised for the protection of users and consumers.

A review of the features of the proposed new standard reveals that it will not only provide for better utilization of our Nation's supply of softwood timber but also incorporates many new features of benefit to the designer and user of softwood lumber. Among these are—

First. A system of related sizes for green and dry lumber which results in comparable strength, stiffness and wood content for both products.

Second. Simplification of lumber use by the designer, through standardized strength and stiffness values for species and groups of species having similar characteristics.

Third. A national "grading rule" for softwood dimension lumber which applies to all species and all regions.

Fourth. A restructuring of the American Lumber Standards Committee under the procedures of the Department of Commerce to provide for uniformly strengthened enforcement of lumber grading rules.

Fifth. The requirement that actual lumber dimensions be included on all invoices and orders.

Of major importance to the construction industry and to those who design with lumber, the proposed lumber standard also provides for the most accurate strength and stiffness values ever assigned to softwood lumber. In view of the questions relating to earlier assignment of stress values to lumber which have been raised by Representative JOHN DINGELL, the Federal Trade Commission, and the press, it is particularly significant to note that the engineering data under the proposed new lumber standard will be developed in accordance with the latest established standards of the American Society for Testing and Materials—ASTM. These ASTM standards were revised as late as last year. They reflect the results of a comprehensive survey of the properties of standing timber conducted by the U.S. Forest Service with the cooperation of the lumber industry at the cost of approximately three-quarters of a million dollars.

In addition to the ASTM standards governing the assignment of engineering data to softwood lumber when graded by visual methods, the proposed new standard provides for the use of machine grading and other procedures which may be developed as they are found acceptable by the U.S. Forest Products Laboratory and the National Bureau of Standards.

It is my belief that Members of Congress should be aware of this background. There are a few who may be expected to oppose the promulgation of any improved new standard, even when the standard is in the public interest and in the long-term best interest of the industry involved. Such minority opposition has been voiced. Since it tends to question the adequacy of ASTM standards referenced in the proposed new lumber standard, I ask unanimous consent to have printed in the RECORD at the conclusion of my statement a general description of the procedures for establishing ASTM standards, particularly those relating to lumber.

It is possible that an attempt will be made to stop or delay this worthy standards effort. But I feel that Members of the Senate and House of Representatives who studied Senator SPARKMAN'S statement will agree that our lumber industry has suffered enough as a result of minority opposition. The required new lumber standard should be implemented without delay.

It is my hope that Members of Congress will question very carefully any efforts to seek their assistance in actions which might serve to impede the processing of this improved and much needed standard for a major building product.

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

STATEMENT ON PROCEDURES OF THE AMERICAN SOCIETY FOR TESTING AND MATERIALS

The American Society for Testing and Materials has a long and distinguished record. Founded in Philadelphia, Pennsylvania, in 1898, the Society now has approximately 16,000 members consisting of 12,000 individual engineers, scientists, researchers and educators; 2,700 companies, associations and research institutes; plus 1,300 governmental agencies and departments. Within the Society are more than 100 main technical committees (2,500 including subcommittees and sections) which have developed more than 4,000 standards. All of these standards are published, widely distributed, and used.

Several years ago, the standards-making procedures of ASTM were reviewed by the Federal District Court in Philadelphia and were found to be entirely within the antitrust laws. In fact, the Court commended the Society on its procedures and the care with which its technical committee regulations were administered. An important part of those regulations specifies that the number of producers on a committee may not exceed the number of nonproducers (consumer and general interest) and that the committee chairman may not be a producer.

Another important part of the regulations provides for Society membership to all interested parties and committee membership to all Society members who are qualified to participate in the work of the committee. All committee recommendations on standards are subject to letter ballot approval of committee members and all negative votes must be reviewed by the committee.

One of the oldest ASTM technical committees is Committee D–7 on Wood. It was organized in 1904 and is credited with the development of 73 standards applicable to wood and related products. According to the 1968–69 ASTM Yearbook, Committee D–7 has 167 voting members of which 75, or less than half, are wood products producers. It would be extremely difficult to find a group more knowledgeable on the subject of wood and related materials than the 167 engineers, researchers and scientists who comprise the membership of Committee D–7.

The importance of the work of Committee D–7 is demonstrated in the wide use of the standards it has developed. For example the assignment of strength and stiffness values to structural lumber by the various lumber grade-writing agencies is based entirely on standards developed by this committee. The benefits of this work to the designer and user of wood, as well as to the producer, are well recognized.

The writing of an ASTM standard involves many of the problems encountered in writing a legislative act. All those who have an interest must have the opportunity to be heard, the evidence must be analyzed and a decision made by those competent and responsible for doing so. The usual result is a technical compromise representing the best combined judgment of the specialists who comprise the various committees.

It is very apparent from the published regulations of the American Society for Testing and Materials that each technical committee is required to support its recommendations for action on any standard with a substantial affirmative vote and that each negative voter be provided full opportunity to explain his position and to try to persuade other members to join him. However, opposition of a small minority—vocal as it may be—if it is found to be of questionable validity, is not permitted to negate the affirmation of a substantial majority.

NIXON'S CASE FOR A MODIFIED ABM

Mr. DOLE. Mr. President, I feel it is important to note that President Nixon's recent decision for a modified ABM system provides the flexibility needed to keep a number of options open. Since the emphasis is on defense, not offense, the President's decision should not hinder arms talks or the possibility of a summit meeting with the Russians.

The President was faced with his first major decision. After carefully considering the alternatives, he chose to proceed in the interests of national security.

Mr. President, my sentiments are expressed in a March 15 editorial in the Cleveland Plain Dealer. I ask unanimous consent that the editorial be printed in the RECORD.

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

NIXON'S CASE FOR A MODIFIED ABM

President Richard M. Nixon's decision in favor of a modified antiballistic missile system was difficult to make and probably will result in vigorous congressional debate but it is based on three acceptable selling points:

It stresses the defensive objective of the system which is designed to deter outside aggression.

It is realistic, facing squarely the unhappy but hard fact that it would be impossible to protect all or any large cities completely in case of enemy attack.

It attempts, by compromise, to avert an out-and-out battle with the Senate group which regards the antiballistic missile project as too expensive, too ineffective and too provocative.

The choice puts the accent on defense. Mr. Nixon would modify the Sentinel ABM system proposed by President Johnson's administration and concentrate on protecting, first, the United States missile and bomber force from a quick knockout. Initial defensive installations reportedly would be in Montana and North Dakota.

Admittedly the decision was in the damned-if-you-do and damned-if-you-don't category, even though it is classified as a minimum program geared for 1973 operation and subject to change. However, the President heard all sides and all shades of political, scientific and military opinion before making up his mind. It cannot be said he wasn't well informed or did not avail himself of all knowledge on the subject.

In announcing his decision to advocate spending between $6 and $7 billion for anti-ballistic missile deployment, Mr. Nixon made it plain he is counting on the Soviet Union to recognize the defensive nature of ABM and not to consider it a reason for increasing its own arsenal of weapons. He admitted this is in the nature of a calculated risk taken "in the interest of peace throughout the world."

Red China, he said, is a potential military threat to world peace which keeps the U.S. and the Soviet Union wary.

He was candid in saying that although "every instinct motivates me to provide the American people with complete protection against a major nuclear attack, it is not now within our power to do so." This is patently true. A massive city defense system would have to be perfect to be effective in cutting civilian losses significantly in case of nuclear attack. The President's best advice was to push for a missile defense that would do the basic job of protecting this nation's retaliatory power against sneak attack.

Any armament decision today is perilous but choices must be made. A president cannot duck them. The President, in the case of ABM, made a reasonable conclusion.

FARM TAX INEQUITIES

Mr. METCALF. Mr. President, on January 22 I reintroduced a bill, S. 500, which is designed to remove inequities between legitimate farm operators and the tax-dodge farmers who are in the business of farming mainly because of the tax advantages that serve to put their nonfarm income in a lower tax bracket.

The problem with which the farmer is faced is that many high-bracket taxpayers, individuals as well as corporations, whose primary economic activity is other than farming, have entered in farming because by doing so they can then come under exceptions intended only for legitimate farmers. The tax-dodge farmer then elects special farm accounting rules that enable him to deduct as farm losses items that are not true economic losses from his other high-bracket income. This results in large tax savings. As a matter of fact, the tax savings can be so large that this form of investment is dangled in front of prospective clients of cattle or citrus management firms as an enticement to jump on the bandwagon.

At present, a bipartisan group of 26 other Senators have joined with me in sponsoring this bill. In the House the gentleman from Iowa, Mr. CULVER, has introduced companion legislation, H.R. 4257 and H.R. 7575, with a bipartisan group of 28 cosponsors. In addition, the gentleman from Texas, Mr. PATMAN, has introduced H.R. 7336, which is also identical to the bill which I introduced early this session.

Aside from congressional support, the principle of this legislation has the full support of all those who are sincerely interested in the working farmers of our Nation. For example, the National Farmers Union, the American Farm Bureau Federation, the National Grange, the National Farmers Organization, the National Council of Farmer Cooperatives, the National Association of Wheat Growers, the Cooperative League of the U.S.A., the National Association of Farmer Elected Committeemen, the Farmland Industries Cooperative, the Midcontinent Farmers Association—formerly known as the Missouri Farmers Association—the AFL–CIO, the Industrial Union Department, AFL–CIO, the United Steelworkers, the South Texas Cotton and Grain Association, Inc., the Amalgamated Meat Cutters and Butcher Workmen, and the Farmers Grain Dealers Association, have all called for action to be taken now.

On March 19 the Wall Street Journal carried on its front page an excellent indepth analysis of the whole problem of tax-dodge farming. The article starts out with a parody of a 1930's tune that goes like this:

I'm a rich cowhand, of the Wall Street brand,
And I save on tax, to beat the band,
Oh, I take big deductions the law allows,
And I never even have to see my cows,
Yippie-i-o-ki-ay!

Mr. President, I ask unanimous consent that the article written by Mr. Ronald A. Buel, staff reporter of the Wall Street Journal, be printed in the RECORD.

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

CITY COWBOYS: BIG INVESTORS ROUND UP TAX SAVINGS ON CATTLE THEY OFTEN NEVER SEE—HERDS YIELD HUGE DEDUCTIONS WHILE MANAGEMENT FIRMS TAKE CARE OF THE DETAILS—TREASURY PROPOSES A CURB

(By Ronald A. Buel)

"I'm a rich cowhand, of the Wall Street brand
And I save on tax, to beat the band
Oh I take big deductions the law allows
And I never even have to see my cows
Yippie-i-o-ki-ay!"

A growing number of investors could sing that parody of a 1930s tune ("I'm an Old Cowhand From the Rio Grande"). They're customers of agricultural management companies, which help them round up huge tax savings from investments in farming, sometimes fruit and nut groves but most often cattle.

The basic idea is familiar. A high-income taxpayer ($50,000 a year is the minimum to get much benefit from the plan) buys cattle. He then takes generous deductions permitted to farmers—even part-time farmers—writing them off against nonfarm income that otherwise would be taxed at rates up to 70%.

There are some disadvantages, though, for a taxpayer who tries to do this himself. He has to go to the bother of inspecting a herd or a whole ranch, negotiating a purchase, hiring a manager and keeping the books. If his inexperience results in mismanagement, he might even lose enough money on the cattle to cancel the tax benefits.

A DEDUCTIBLE VACATION

Now, for a fee—itself tax-deductible—a farm management company will take over the annoying details. It will buy cattle, arrange for professional ranchers to raise them, negotiate eventual sale of the herd and do the bookkeeping. A client who finds the non-tax aspects of cattle boring doesn't even have to go look at the beasts. (A client who buys a citrus grove, however, might as well look it over during a Florida vacation; he can then deduct much or possibly all of the travel cost as the expense of a trip to inspect his property.)

Some of the bigger management companies even guarantee the investor against a loss of more than 3% or 10% (the amount varies with the type of investment) on their farm property. They make the rancher or grove manager who handles the property absorb any greater loss. A rich investor can shrug off a 3% or even 10% loss; it probably will be offset many times over by tax savings on his nonfarm income. Indeed, a small farming loss has its own tax advantage; it can be deducted from taxable nonfarm capital gains, such as stock-market profits.

As of now, all this is perfectly legal. The Internal Revenue Service requires only that a nonfarmer taking farm-expense deductions aim at making an eventual profit out of his sideline agriculture. To run afoul of this provision, an investor would have to show suspiciously large losses for a suspiciously long period or do something as stupid as forgetting to harvest his crops.

TREASURY SEEKS A LIMIT

But the Treasury now is trying to limit farm deductions against nonfarm income to $15,000 a year per person. Sen. Lee Metcalf (D., Mont.) calculates this proposal—one of a package of tax-reform ideas now being considered by the House Ways and Means Committee—would bring in $200 million to $400 million a year in taxes that sideline farmers now legally escape paying.

The proposal's fate is uncertain, however, and it hasn't stopped the rush of nonfarmers into agricultural investments. At least eight corporations, plus dozens of individual farmers who also manage farm property for a fee, now handle well over $100 million of investments for more than 5,000 people. Oppenheimer Industries Inc. of Kansas City, the oldest and largest of the companies, has doubled its clientele to 400 in four years. In December, it was managing 220,000 head of cattle for them and had orders for another 20,000 head it couldn't fill immediately.

Oppenheimer, the principal subsidiary of Atlas Acceptance Corp., Kansas City, began managing cattle in 1952, mostly for movie stars. Over the years, though, the focus of its appeal has shifted to Wall Street; stockbrokers and investment counselors now outnumber the Hollywood figures, such as Jack Benny, who still dot its client lists.

The tax savings these clients can make on cattle purchases compare favorably with the profits they can make on most stock-market investments. Consider, for example, the Kansas City broker for whom Oppenheimer bought a herd of "breeding cattle"—cows used to produce beef cattle—two years ago.

A 90-PERCENT LOAN

The broker paid $3,000 of the $30,000 purchase price in cash, borrowing the other 90% on a loan Oppenheimer arranged. This is a frequent practice for Wall Street cowboys; it allows them to get the full tax savings on a large herd without tying up too much of their own capital. Also, interest on the loan—in this case, $4,400 in two years—is tax-deductible.

The broker by now has paid out $32,000 in cash to cover various expenses of running the herd and deducted all of it from his nonfarm taxable income; at this point, the farm operations themselves have produced no profit. Besides interest, the deductions include a $5,050 management fee paid to Oppenheimer, $2,550 paid for use of bulls or artificial insemination for his cows—and a whopping $20,000 paid to purchase in advance several years' supply of feed.

This last deduction illustrates a special tax advantage of farming: Farmers are allowed to keep their books on a "cash" basis, rather than the "accrual" basis most businesses must use. That means, among other things that they can deduct the full purchase price

of feed in the year it is bought, rather than having to spread the deduction over the years in which the feed is consumed. This benefit was written into the tax laws because most farmers were assumed to have neither the time nor the accounting expertise to keep accounts on an accrual basis, but it applies to sideline farmers who are thoroughly familiar with involved bookkeeping methods.

Farmers also are allowed to take depreciation deductions on some kinds of cattle; in the broker's case, depreciation came to $5,000. That brought his total deductions to $37,000—saving $25,900 in taxes he otherwise would have had to pay at the 70% rate applying to the top slice of his nonfarm income.

That saving, it's true, may eventually be reduced by capital-gains taxes and possibly a paper loss on the sale of the cattle. But the broker still figures to come out way ahead.

If he had Oppenheimer sell his cattle at today's prices, for instance—and he may—the broker would receive about $58,000, or about $4,000 less than he would need to recoup his cash outlays and repay the purchase loan. Also, he would have to pay capital-gains tax on $33,000, representing the excess of the $58,000 sale price over the cattle's $25,000 book value (the $30,000 purchase price less the $5,000 depreciation). At the top capital-gains rate of 25%, this tax would be $8,250.

RETURN OF 39 PERCENT IN 2 YEARS

Subtracting this tax payment and the $4,000 paper loss from the $25,900 he has saved in income taxes, however, would leave the broker still $13,650 ahead on the deal. That's a two-year return of 39% on his total cash outlay of $35,000—a return not many stockmarket investments can match.

Lucrative as this deal was, it still doesn't illustrate all the advantages of cattle ownership. Investors in dairy cattle get the benefit of greater depreciation deductions than the Kansas City broker took, combined with greater income from their herds.

Modern Dairy Farms Inc., Fort Madison, Iowa, now has 120 investors in its tax-shelter program, compared with 35 two years ago. One client, a clothing executive in the 50% tax bracket, bought a herd four years ago for $160,000, half of which he borrowed. He already has written the herd's value down to $60,000, saving $50,000 in taxes in four years through the $100,000 of depreciation deductions alone.

SPLITTING MILK INCOME

In addition, he receives income of $40 per cow per year, or $16,000 annually, on his herd of 400 head. (An equal revenue from milk sales goes to Modern Dairy Farms as a management fee; the farmer who raises the cattle keeps any remaining milk income.) With other deductions on the herd offsetting taxes on his milk income and then some, the investor figures to repay his $80,000 purchase loan out of milk revenues in five years, increasing his potential profit on eventual sale of the herd. This investor went to see his cows once; he recalls "slogging through the manure in the rain to take a look at the little beasts."

The permission for farmers to keep books on a cash basis also enables sideline agriculturists to take especially big deductions in years when their nonfarm income, and thus their potential tax liabilities, is highest. An example is one Oppenheimer client who bought a herd of cattle being fattened for slaughter for $17,684—95% of which he borrowed—in November of a year in which he knew his top tax rate on nonfarm income would be 70%. He imediately paid out $7,000 for a huge supply of feed. Other expenses brought his immediate deductions to $7,925, saving him $5,548 on that year's taxes.

Early the next year this investor made a planned switch to a new nonfarm job that he knew would depress his income enough at the outset to reduce his top tax to 35%. So he had Oppenheimer take advantage of favorable prices and sell the cattle in April. He received enough to recoup his cash expenses, repay the purchase loan and leave a nominal profit of $510.

A FIVE-MONTH BONANZA

Since he had held his cattle only five months, the investor paid ordinary-income, rather than capital-gains, tax on the excess of the purchase price over the sale price. But at a 35% rate, that tax came to only $3,351. Subtracting this sum from the total of his profit and previous year's tax savings left him $2,137 ahead on a cash outlay of $8,810—a return of almost 25% in five months. And that was without the benefit of depreciation deductions, which aren't permitted on feeder cattle.

Not every investor who signs up with an agricultural management company does that well, of course. Some apparently have been taken by small companies that don't guarantee their clients against large losses and sometimes mismanage their cattle or groves.

The reputable companies take extensive precautions to protect their clients. To begin with, they set minimums on the investments they will accept to keep away would-be investors with incomes and tax rates too small to benefit much from agricultural property. Oppenheimer won't accept any amount less than $10,000, and Black Watch Farms, a subsidiary of Bermec Corp., an Englewood, N.J., truck-leasing concern, specifies a $100,000 minimum. Black Watch manages registered breeding cattle, whose lineage can be traced; it now manages 18,000 such cattle for investors, against 9,000 last June 30 and 1,900 at the end of 1965.

RESTRICTIONS ON RANCHERS

To make sure its clients' cattle are well cared for, Oppenheimer will make contracts to raise the cattle only with ranchers who have been successful enough to accumulate a net worth of at least $250,000. To prevent the ranchers from getting its clients' cattle mixed up with their own, it insists each investor's cattle bear a "personalized" brand.

Oppenheimer won't give any rancher contracts to raise more than 10,000 of its clients' cattle. It tries to scatter each client's herd over two or three ranches "so that," explains a spokesman, "if an investor gets hit by a drought in New Mexico, he's unlikely to get hit by a blizzard in Montana, too." The 220,000 head of cattle Oppenheimer's clients owned in December were roaming over more than 100 ranches or feed lots scattered across 17 states.

Despite these restrictions and its insistence that ranchers pick up any losses on an investor's cattle in excess of a guaranteed maximum, Oppenheimer has no trouble finding willing ranchers. Leonard H. Purdy, who currently raises 600 Oppenheimer cattle along with 1,700 of his own on a 39,000-acre spread in Picabo, Idaho, says that dealing with Oppenheimer gives him "something of a guaranteed market." He means that he can count on Oppenheimer to buy some of his cattle regularly for its clients at prices he considers reasonable.

Even Oppenheimer, however, concedes that finding ranchers who are capable as well as willing is difficult. "Neglectful ranchers" who don't take proper care of a client's cattle "are our biggest problem," says Garrett Cole, Oppenheimer's Midwest sales manager.

The much greater problems that an investor who signs up with a less careful management company can run into are illustrated by the case of Tenn-Tex Land & Cattle Co., Dallas. This company some years ago took mail orders and cash for $900,000 of cattle from more than 300 investors. It won enough attention to be recommended at one point by a prestigious national investment letter.

SECURITIES BOARD'S FINDINGS

The Texas State Security Board, however, eventually found that Tenn-Tex had no reserve account to replace lost cattle as it had advertised, that it hadn't purchased all the cattle ordered, that the land upon which its clients' cattle "were being grazed was overstocked and that a large number of such cattle had died and were dying from starvation." The board ordered the company to stop soliciting investments and Tenn-Tex went into receivership. Its president, Leighton G. Dotsom, pleaded guilty to mail fraud in April 1965 and was sentenced to a three-year jail term, with two and a half years of the sentence suspended.

There are some dangers in grove investments, too. The investor who goes into this type of agriculture "had better be sure he knows how his groves are being managed," says John Tobias, executive director of American Agronomics Corp., one of the biggest management companies specializing in groves. "There are plenty of people still out to make a quick buck."

(American Agronomics itself has posted an enviable growth record; it now has over 2,000 clients investing in orange groves, more than double the number two years ago. It is getting increasing competition, though, some of it partly financed from Wall Street. Hayden Stone Inc., a big stock brokerage firm, owns the majority interest in Jasmine Groves Co., which started up in December.)

WOE FOR THE MIDDLING RICH

Even the management-company client whose investments are carefully handled can't always count on getting much benefit from farm property. For the only middling rich, such investments sometimes don't yield enough tax savings to make the outlay worthwhile.

A retired St. Louis investment banker, for example, has laid out $58,700 since 1964 for the purchase price and expenses of a cattle herd that now numbers 340 head. His deductions against nonfarm income (mostly from stock trades) came to $40,000 in the first four years, but since he is "only" in the 50% tax bracket, he saved only $20,000. Last year his nonfarm income dropped, and he had unusually high nonfarm deductions, including large medical expenses, to offset it almost entirely. As a result, he got "almost no tax benefit" from cattle deductions, since he didn't need them.

If he sold his herd now, the St. Louisian figures he would just about get back his purchase price and cash expenses and have to pay about $12,000 in capital-gains taxes. Subtracting that from his income-tax savings would leave him only $8,000 ahead on the investment—a five-year return of less than 14%, or less than 3% a year, on his cash outlay. "I undoubtedly would have done better putting the money into the stock market," he says.

Why then did he bother investing in cattle? "Some of my smart friends have cattle programs, so I figured I'd better have one too," he replies.

HOW CONFIDENTIAL IS THE INFORMATION IN CREDIT BUREAUS?

Mr. PROXMIRE. Mr. President, spokesmen of the credit bureau industry frequently assert that the information in the files of credit bureaus is kept strictly confidential and is furnished only to bona fide creditors.

This argument was drastically punctured by the "CBS Evening News." In order to find out how easy it would be to obtain confidential information from a credit bureau, a CBS news team formed a bogus company complete with letterhead, mailing address, and telephone answering service at a cost of $15 a month. CBS then proceeded to select 20 names at random from the tele-

phone books in 20 different cities. Under the letterhead of the fake company, CBS then wrote to the credit bureaus in those 20 cities asking for a complete credit report on the names they had selected.

Despite the so-called safeguards and procedures which credit bureaus claim to follow, 10 of the 20 credit bureaus responded with a complete credit report on the individuals selected.

Mr. President, this brief example once again underlines the need for protective legislation in the field of credit bureaus. I have introduced S. 823, the Fair Credit Reporting Act, which would require credit bureaus to preserve the confidentiality of the information in their files. The CBS experiment should demonstrate once and for all that public safeguards over credit bureau activities are long overdue.

Mr. President, I ask unanimous consent that the transcript of the CBS Evening News for March 17 concerning the CBS report on credit bureaus be printed in the RECORD.

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

CBS EVENING NEWS WITH WALTER CRONKITE

CRONKITE. Senator Abraham Ribicoff of Connecticut declared today that the "time is long overdue" for President Nixon to pay more attention to the U.S. consumer. Ribicoff was one of several Democratic Congressmen who took the President to task at a Senate subcommittee hearing on legislation to create a Federal Department of Consumer Affairs. One area of recent concern to many people is the question of credit ratings and the invasion of privacy. CBS News Correspondent Mike Wallace investigated that question.

WOMAN. May I help you?

WALLACE. Yes, please. My name is Wallace and I'm starting a small business. We're not going to have an office to begin with, and I understand that you take telephone calls.

WOMAN. Oh, you want to use our address and telephone number?

WALLACE. Exactly.

WOMAN. Oh, yes, of course, we can arrange that. Do you know what the rates are?

WALLACE. No, I don't.

WOMAN. They are $15 a month for both, and the only thing that you . . .

WALLACE. For, for both?

WOMAN. For both, mail and telephone service, per month.

WALLACE. I can have my mail sent here and my calls received here.

WOMAN. Exactly. That's right.

WALLACE. $15 a month.

WOMAN. Right. The only thing that's required is that you fill out a form from the Post Office that permits us to act as agents and accept mail for you.

WALLACE. Understood.

This is where the experiment began, a building at 200 West 57th Street, in New York City. That is the home of Accurate Secretarial Service. The firm provides a business address for small enterprises that don't want to rent their own offices. We signed a standard Post Office form permitting delivery of mail through an agent. We filled in the name of our non-existent company, Transitair Systems, and the nature of the business, systems consultants.

WOMAN. And would you also like some business cards?

WALLACE. Uh huh.

WOMAN. Just letterheads. That's 20, that's 24.15 for the letterheads.

WALLACE. So Transitair Systems was in business, an office, a telephone number, and a letterhead. What we wanted to find out was this: Is it possible for a small, unknown firm having nothing to do with credit to obtain supposedly confidential credit ratings? How easy is it to crack the files of local credit bureaus around the country?

There are more than 2100 local credit bureaus in the United States. They collect and file information on the finances of persons living in their localities, information obtained from a variety of sources, from banks, department stores, employers, court records, to name a few. The local bureaus are joined together in a national organization. They exchange information among themselves and sell that information to clients, those clients being firms that are considering granting credit. According to industry spokesmen, that information is not available to outsiders.

John Spafford, Executive Director of Associated Credit Bureaus of America, talked with Reporter Norman Glubok.

GLUBOK. Could anyone who's interested buy a credit report on anybody?

SPAFFORD. No, sir, they could not. First of all, as I mentioned earlier, they have to be a bona fide creditor, and by that I mean they have to be in the business of extending credit to individual consumers. They go make an application to become a member of the local credit bureau. The local credit bureau will investigate them to find out that they are in the business of extending credit, and if they find they meet the qualifications of that bureau, they will sign a contract with that individual credit granter. And then, and only then, do they have access to credit information in the files of that bureau.

GLUBOK. Then in your opinion a person down here in Houston couldn't write to Chicago, for example, and ask for information about some Chicagoan—would he receive that information?

SPAFFORD. No, he would not. He would not.

WALLACE. Transitair Systems, of course, had nothing to do with granting credit, because in fact it did no business at all. But we sent off letters to 20 credit bureaus around the country, bureaus picked at random from an industry directory. In each case, we asked for a credit report on an individual, a name picked, again at random, from the local telephone book. We said we were considering granting credit to that person. Under the industry guidelines we should have been told to contact our local New York credit bureau, which could then have checked out our credentials.

That isn't exactly the way it happened. Out of that mailing of 20 letters, we received, without further question, full credit reports on ten individuals. We received them directly from credit bureaus in Norwalk, Connecticut, in Corbin, Kentucky, Huntington, West Virginia, Belvedere, Illinois, Fort Smith, Arkansas, Greenville, Mississippi, Bismarck, North Dakota, Blytheville, Arkansas, and Bowling Green, Kentucky.

Two other local bureaus offered to send information if we would sign a contract with them. Three others reported they had no file on the individual requested. Four did not reply. Only two of the 20 referred us to our local credit bureau, the procedure ostensibly required by the industry code. So on that first mailing of 20 letters, we batted an even .500, in spite of assurances that it could not be done.

GLUBOK. And in your opinion it's not easy for people who are not entitled to information to get it?

SPAFFORD. It's impossible.

WALLACE. Perhaps you'd like to see what a credit report looks like. This is a composite. We typed up a report using entries from several of the reports that we received, and of course we changed the names and addresses so as not to identify the subjects.

The top half of the form gives general information, name, address, employment, income, size of family, that kind of thing. But the bottom half gets down to the crux of the matter, credit history. This column on the left shows the kind of credit involved, B for bank loan, F for finance company, D for department store, and so on. The form shows the highest amount of credit involved in each transaction, the amount remaining, the amount past due, if any. But perhaps the most significant column is over here at the right, terms of sale and usual manner of payment. Here, for example, I stands for installment payments, $129 per payment, and the last number, one, is a code. It means the subject usually pays within 30 days. That's pretty good. But here, a code number, two, 30 to 60 days. Down here, O stands for open account, and the code number, three, payments more than 60 days but not more than 90 days late. You'll notice the higher the code number the higher the credit risk, so this worst number of all, nine, is usually reserved for deadbeats. This man would have a hard time getting credit.

Then there is a section called public record. Here we show a collection agency record, a couple of lawsuits, and the fact that the subject was divorced and remarried. Up here, in small type, is a warning that the information is confidential. But in one case, the report from Greenville, Mississippi, there was an additional warning. It says right there in red ink under no circumstances should the subject be allowed to see or have possession or knowledge of this report or a copy of it.

We decided to try one more mailing, but to make it a little more difficult. There were three differences this time. First, we no longer stated that we were thinking of granting credit. We simply asked for a full credit report with no explanation why. Second, we no longer chose individuals at random. Instead, we chose persons who had complained to congressional investigators about their credit problems. And third, although we didn't know it at the time, the industry had just issued new, tougher guidelines. They state that local credit bureaus must require contracts with clients in which the client certifies that inquiries will be made only for purposes of granting credit. This time we sent out 28 letters, and, as expected, we had a tougher time. Only one-fourth of the credit bureaus sent us reports directly. This one came from Boston, Mass., this one from Alma, Michigan, Fond du Lac, Wisconsin, Rice Lake, Wisconsin, Austin, Texas, Dallas, Texas, and this one came from Peoria, Illinois. The Peoria report had another of those special warnings attached. "Strictly confidential," it said, "don't subject yourself to libel suits."

But there were some bright spots. This time 12 credit bureaus referred us to the New York bureaus, and one flatly refused to help us at all. Five did not reply, but three others said that they would help us if we'd fill out application forms and sign contracts. In one case we decided to see what would happen. The credit bureau of Dalton, Georgia, asked us to sign a written contract affirming that we are intending to grant credit and agreeing to keep the information confidential. We did so. The letter also asked us to advise what type of company we were. We replied, "We are a systems company." We mailed that off and within a few days received the credit report that we'd requested. It would seem that signing a written contract is not much of a safeguard; all the client has to do is lie. But seven of the 28 bureaus provided us with credit reports without even that precaution.

GLUBOK. What about your members who violate your rules, who give out information to people who are not entitled to it? Do you have any penalties?

SPAFFORD. We have some 30-odd membership qualifications and requirements, and any member who is found to be violating these and is, does not correct the violation, their membership is subject to cancellation, and we do cancel them on occasion.

GLUBOK. About how many members have you cancelled over the years?

SPAFFORD. Over the years I couldn't tell you; I would say it might average ten to 15 a year.

GLUBOK. Out of 2,200.

SPAFFORD. Uh huh.

WALLACE. We found more violations than that just by mailing out 48 letters. Perhaps things will be better as the industry's new guidelines receive more attention. One would certainly hope that things will be better. In the meantime, Transitair Systems has been quietly phased out of the credit business. Mike Wallace, CBS News, New York.

CRONKITE. And that's the way it is, Monday, March 17th, 1969. This is Walter Cronkite, CBS News. Good night.

ANNOUNCER. Direct from our newsroom in New York, in color, this has been the CBS Evening News with Walter Cronkite.

THE COMPTROLLER GENERAL'S REPORT TO CONGRESS ON HIS REVIEW OF ECONOMIC OPPORTUNITY PROGRAMS

Mr. PROUTY. Mr. President, I sponsored the 1967 amendment to the Economic Opportunity Act which required the Comptroller General of the United States to conduct a comprehensive review of the poverty programs. On Tuesday, March 18, Comptroller General Staats issued this report.

A problem that concerns me as much today as it did in 1967, Mr. President, is that relating to the legislative oversight function of all our committees. The Labor and Public Welfare Committee alone authorizes billions of dollars in expenditures for each fiscal year. Despite the dedication of all members of our committee and the able and conscientious work performed by members of the committee staff, it is a physical impossibility to adequately and properly discharge our legislative oversight function in the many areas of our jurisdiction.

Two years ago I emphasized that the first and guiding principle to be met must be to determine the impact of each of the poverty programs in providing economic security for a poor person and his family. I said then that we must always ask "To what extent are the needs of the poor being met?" because of my conviction that the value of any particular program can only be demonstrated by the contribution it makes to the education, employability and income of individual participants.

The extensive hearings conducted by our committee here and in the field, Mr. President, did not provide the answers to these questions. Accordingly, I offered the amendment on the floor of the Senate which was adopted to direct the General Accounting Office to conduct an independent investigation in order to furnish us with the facts surrounding these programs and an evaluation as to their effectiveness.

It was and is inconceivable to me how Congress could be asked to legislate intelligently on this multibillion-dollar poverty legislation without having the facts relating to administration and results of the program available to us. My amendment, therefore, was designed primarily to obtain facts necessary to permit Congress to evaluate the effectiveness of these programs, rather than to merely provide a fiscal audit of OEO's programs.

I congratulate the Comptroller General and the members of the General Accounting Office who worked on this project for having put together a report to Congress containing a clear, precise, and balanced factual account of programs operated by the Office of Economic Opportunity.

In my opinion, this report will result in our being able to put many matters in clear perspective as they relate to those members of our society who are living in poverty. For example, funds from all Federal programs being used to combat poverty will amount to over $24 billion in fiscal 1969 and over $27 billion in fiscal 1970, although the funds made available to the Office of Economic Opportunity will amount to less than $2 billion for each of these years. In this regard I think we should also note that there are currently 10 Federal departments and agencies involved in administering these programs and that probably close to $20 billion additional is spent annually to combat poverty by innumerable State, local, and private agencies.

Thus these facts already point up the broad spectrum of poverty assistance and the fact that this country's attempts to help its less fortunate citizens go far beyond the jurisdiction of the Office of Economic Opportunity. A major conclusion which I think perhaps may be drawn from this is that we should take a new look at how we intend to combat poverty in this country with the hope of coming up with an overall approach which would combine such programs as welfare and social security as parts of an integrated plan.

I intend to study this report carefully, Mr. President. While I may not agree with all the recommendations made in this report, I believe that the Comptroller General has performed a distinct service for members of our committee and for all Members of Congress by making these facts available to us at a time when we are about to consider legislation extending and possibly modifying the Economic Opportunity Act.

COMMENDATION OF INTERNAL SECURITY SUBCOMMITTEE

Mr. EASTLAND. Mr. President, in connection with the consideration by the Senate of Senate Resolution 46, I ask unanimous consent to have printed in the RECORD, the text of a resolution sent to me by Mr. Harold E. Stringer, director of the legislative commission of the American Legion. The resolution, approved by the American Legion at its national convention in New Orleans last September, is commendatory of the Senate Internal Security Subcommittee, which would be financed during the year ahead with funds to be provided under the terms of Senate Resolution 46.

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

[Approved at the 15th annual national convention of the American Legion, New Orleans, La., September 10, 11, 12, 1968]

S. RES. 59

Subject: Commend Senate and House Committees in exposing Communist Conspiracy within the United States

Whereas, The House Committee on Un-American Activities and the Senate Subcommittee on Internal Security have effectively investigated and exposed the tactics, methods and objectives of the Communist Party of the United States for the purpose of recommending remedial legislation to the Congress of the United States; and

Whereas, The aforesaid Committees have enlightened the American people as to the great danger of the Communist conspiracy; now, therefore, be it

Resolved, By The American Legion in National Convention assembled in New Orleans, Louisiana, September 10, 11, 12, 1968, that it hereby commends these Committees and urges that no Congressional action or legislation be undertaken that would destroy the present organizational structure or make-up of these vital investigative bodies; and be it further

Resolved, That it petition the Congress to appropriate sufficient funds to enable these Committees to extend and expand their activities.

SEVEN KEYS TO THE ROCKY MOUNTAINS

Mr. ALLOTT. Mr. President, I invite the attention of Senators to a new book entitled "Seven Keys to the Rocky Mountains," written by Richard M. Pearl, professor of geology at Colorado College, Colorado Springs, Colo.

The book describes the mountain world of both the old West and the new. The seven keys refer to the geologic foundation or the land, the geologic framework or water and air, the fields and forests, the animal life, the original settlers of the regions, today's inhabitants and finally, the future of the Rocky Mountain area. Included in the Rocky Mountain area are the Rockies in New Mexico, Colorado, Wyoming, Montana, Idaho, Utah, and Arizona, plus a large part of Nevada and small corners of South Dakota, Washington, and California.

It is the first modern regional publication of this nature to appear in a quarter of a century.

I recommend this book. It is an outstanding piece of work, and Professor Pearl is to be commended.

EMMA LAZARUS FEDERATION RATIFICATION OF GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, for 20 long years the human rights convention outlawing the crime of genocide has been before the Senate. We have conveniently forgotten the enormity of the crimes that have been committed against entire peoples in the historic past and relegated this treaty to the dustbin.

Fortunately the conscience of the people of the United States has not been so easily stilled. The latest indication of strong support for U.S. ratification of the genocide convention has come from the Emma Lazarus Federation of Jewish Women's Clubs in a letter to the members of the Senate Foreign Relations Committee dated March 18. This letter refers to a petition bearing more than 60,000 signatures—an earnest indication of the deep approbation given by Americans to the genocide convention.

I would like to quote a few representative statements from the letter for the information of Senators:

We have always unreservedly and with pride identified ourselves with the Bill of Rights of our American Constitution. The Bill of Rights, now just, a few years from its 200th anniversary, served as a legal model and moral inspiration for the Universal Declaration of Human Rights—which in turn led to twenty major human rights conventions adopted by the United Nations over the past twenty years.

Yet, throughout these two decades, we have, but two exceptions (the Conventions dealing with slavery and refugees) not moved to guarantee the noble goals of the United Nations Universal Declaration, reflecting the very rights which our thirteen colonies fought for two centuries ago, in establishing this country and its revolutionary freedoms.

Chief Justice Earl Warren said recently "We have failed ourselves. We as a nation should have been the *first* to ratify the Genocide Convention and the Race Discrimination Convention." Yet it is conceivable that we may well be among the *last* of the member nations of the United Nations to ratify the Genocide Convention which was signed and sent to the Senate by President Harry S. Truman, nearly twenty years ago.

As Jewish women, we especially feel that it is our profound obligation to call upon our nation to inscribe its name to the Genocide Convention.

The memory of six million Jews and the millions of other peoples who were victims of the Hitler Holocaust demands that we join the rest of humanity in outlawing this most heinous of crimes. This was the crime which the third United Nations General Assembly outlawed unanimously in Paris, December 9, 1948.

President Truman signed the recommendation of Ambassador Warren Austin, his representative to the United Nations, that the United States ratify the Genocide Convention. Since that time some eighty countries have ratified the Genocide Convention (even countries not belonging to the United Nations have signed it). The Genocide Convention has the largest number of ratifications of any international Treaty.

Mr. President, these paragraphs speak for themselves. I hope that they will play a part in persuading the Foreign Relations Committee to report the genocide convention to the Senate, where I am sure that it would receive early approval.

THE PRESIDENT'S ABM DECISION

Mr. FONG. Mr. President, the Cleveland Press newspaper on March 15 ran an editorial analyzing President Nixon's decision on the anti-ballistic-missile system, citing the dilemma in which nuclear-age man finds himself. The editorial concluded the President's course "is as prudent a choice as he could make."

At the same time, the editor recognized that the controversy over the ABM is not over and that there will be a great debate in Congress this year.

While the President's bobtailed ABM proposal appears reasonable and consistent with our Nation's security, I plan to continue to study all the pros and cons on this major issue, which has such great import for the future and such widespread ramifications.

Mr. President, I ask unanimous consent that the text of the editorial be printed in the RECORD.

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

PRUDENT CHOICE ON ABM

President Nixon's decision to proceed with an Anti-Ballistic Missile system is a historic event. The ABM issue involves so many complicated and controversial technical, strategic, financial and even moral implications that they could not possibly be covered in his accompanying statement or a 30-minute news conference given to other subjects as well.

So, a great debate will follow. Conducted on a high plane, it can answer some unanswered questions, fill in some gaps of knowledge and make the final congressional disposition of the President's proposal solidly based.

As Mr. Nixon said, his uppermost aim is to assure the security of the United States against nuclear threats now seen and those not yet real, but possible. He made a point of seeking to avoid a provocation toward our fellow super power, Russia. He advocated an initially limited ABM deployment, not a grand one, and he pledged to proceed by stages determined by annual review. He obviously considered all the options and, with his aides, is prepared to advocate and defend his case.

The debate probably will not be just about the ABM at 12 missile sites by 1975 or a six to seven-billion-dollar outlay. It will involve such matters as competition among rival politicians and, deeper than that, widespread public concerns about the overhanging threats of nuclear war, rising military spending, ever-increasing taxes, the needs of our cities, domestic problems and national security. In short, it will be an emotion-heated debate about the state of the nation and of the world, as well as a discussion about a particular weapon.

The starting point ought to be the question: How well will the ABM work? The testimony of many scientists is that it will work against an accidental or small and simple nuclear attack. There are doubts whether any present ABM system can handle an enemy barrage of missiles massively complicated by decoys, balloons, radar-confusing "chaff," electronic countermeasures and nuclear blast "blackouts." To date, the Pentagon has said these "penetration aids" in U.S. hands can overwhelm Russia's ABM system around Moscow.

As a defense against Communist China, President Nixon's "safeguard system" presumes Peking will achieve and consider using a limited force of unsophisticated intercontinental ballistic missiles. This is possible, though such an attack would result in history's first national suicide.

As a defense against a single missile accidental attack, the ABM most probably would be welcome insurance. The question is: Would it be worth the cost, not only in money, but in the probability, based on the past history of the nuclear arms race, of another spiral of other monsters?

It is the possibility of this sort of thing that shocks us into recognition of the horrendous posture the human race, ourselves included, has twisted itself into. In advocating an ABM system President Nixon is acting in good conscience. He is not rattling rockets. But we still have the question: Will it work? Do we need it? Is this the way up and out of the nuclear pit, or does it get us all in deeper?

On balance of evidence now before us, the President's course is as prudent a choice as he could take.

RESOLUTION OF THE RHODE ISLAND GENERAL ASSEMBLY ON REGULATION OF DRUG ADVERTISEMENTS ON TELEVISION

Mr. PELL. Mr. President, I invite the attention of the Senate to a resolution adopted by the General Assembly of the State of Rhode Island, urging the Congress of the United States to enact legislation banning the airing of drug commercials on television when children's programs are being aired.

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

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

RESOLUTION H1453

Resolution memorializing Congress to regulate drug advertisements on television

Whereas, Some drug advertisement commercials seek to appeal to the public by portraying the medication as candy; and

Whereas, Children are oftentimes influenced by what they view on television; and

Whereas, Congress should enact proper legislation to omit such drug commercials when programs for the entertainment of children are being aired; now, therefore, be it

Resolved, That the state of Rhode Island through its general assembly, now requests the congress of the United States to enact such appropriate legislation to ban airing of drug commercials when children's programs are being aired; and be it further

Resolved, That the senators and representatives from Rhode Island in said congress be and they are hereby earnestly requested to use concerted effort to enact such appropriate legislation to protect children from harmful drug advertisement commercials; and the secretary of state is hereby authorized and directed to transmit duly certified copies of this resolution to the senators and representatives from Rhode Island in said congress.

COMPATIBILITY OF WASHINGTON AND BALTIMORE TRANSIT SYSTEMS

Mr. ALLOTT. Mr. President, recent press accounts in Washington and Baltimore have indicated that both county and State officials in Maryland agree that Baltimore should construct its rapid transit system so that it will be compatible with the system which will soon be underway in Washington.

This development is most encouraging. I have long questioned the advisability of these two major metropolitan areas, which are obviously converging, going their separate technological ways with respect to rapid transit.

As I noted in an address before the Third International Conference on Urban Transportation last year, the Congress does not wish to get into the position of dictating what kind of system a local community chooses to build. However, when Federal funds are granted for planning, or even construction of the system, we have the responsibility to see to it that the money is wisely used.

In the case of Baltimore, there was a question as to how wisely Federal funds would have been invested, had their announced plans become reality.

In that Pittsburgh speech, I noted:

In 1963, some $320,560 in 701 planning funds was granted to Baltimore for a transportation and land use study. After two years, a leading engineering firm recommended a combination rail rapid transit and express bus system for the Baltimore area.

Just recently, over four years later, the Federal Government has now approved a $900,000 technical study grant for prelimi-

nary engineering and feasibility of a rapid transit system for Baltimore. Rather than updating the earlier study, the new set of consultants elected to start from the beginning. The two studies now appear to be competitive rather than complementary. This is an example of Federal participation in two different studies for the same purpose. In addition, it is now indicated that the Baltimore study will recommend a system which will not be compatible with Washington's system. This is an important consideration in this situation, because as Megalopolis continues to develop, Washington and Baltimore will be part of the same metropolitan area. A whole new community, Columbia, is being planned roughly half way between Washington and Baltimore and will be oriented toward both cities. Conceivably branches from both systems may serve this area. Without telling communities what type of system to build, I think our Committee must consider such factors in examining the operations of the urban transit program.

Also last year, when the Department of Transportation appeared before the Transportation Appropriations Subcommittee of the Appropriations Committee, of which I am a member, I directed questions at DOT on the compatibility matter.

While the Federal officials were not as responsive as I had hoped on this matter, I am happy to see that the local officials, who in the long run must make the crucial decisions on rapid transit, have come to a commonsense conclusion and one which, I might add, I feel is most appropriate under the circumstances and is in accord with my long-expressed view on the subject.

I ask unanimous consent that two recent editorials published in the Washington Post and the Washington Star, which comment on this subject, be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Washington Star, Feb. 25, 1969]

REGIONAL CONFUSION

Several lines of the Washington area's proposed rail transit system strike north toward Baltimore. And parts of a somewhat similar rapid transit network now being planned for the Baltimore region likewise point to Washington. It is inevitable, of course, that one day the two will meet. The growth of population will take care of that.

While meeting is one thing, however, merging is another. The incredible fact is that as presently planned, a logical, foreseeable merger of the two systems would be impossible. For Baltimore has been planning to use smallish cars riding on rubber tires, while Washington's trains are to have steel wheels on standard railroad tracks.

All, however, is not lost. At an Annapolis hearing the other day, the political officials of Baltimore and its environs, backed up by Governor Mandel, unanimously urged the Maryland planners to make their 71-mile system "compatible" with Washington's. To fail to do so, said Baltimore County's executive, would be "irresponsible," if not an act of "rank stupidity." Said another: "We must plan for what we know is coming."

The logic of Maryland's adapting to Washington's system, rather than the other way around, rests on the fact that the Washington program is much further along—and Baltimore's suburban politicians deserve a loud hurrah for bowing to reason.

This is what political maturity is all about. And we see all too little of it.

[From the Washington Post, Feb. 21, 1969]

TRACKS TO AND THROUGH BALTIMORE

The officials planning a subway system for the Baltimore area have wisely decided to make their mechanical equipment compatible with that being developed for the Washington Metro. The two metropolitan areas are growing rapidly toward each other and every projection of future development indicates that before long they will merge into one long urban sprawl. When that happens, the transportation systems in the two cities ought to be able to work together so that jobs and housing will become even more interchangeable than they are now.

On the same day that some Maryland officials were urging this progressive step, however, others were threatening the Penn Central railroad with lawsuits if it goes through with proposals to run nonstop trains from Washington to New York City. The railroad is now making all the right noises in attempting to rebuild the passenger service it had almost given away to the airplanes and the buses. It would be the height of parochialism for Baltimore-oriented officials to attempt to block what promises to be a major step in shifting traffic back to the railroads. Baltimore stands to benefit as much as Washington by major improvements in rail transportation around the Eastern seaboard and if some trains that don't stop there are a part of a comprehensive package, Baltimoreans will just have to watch them go by.

PROLIFERATION OF STATE TAXATION RULES ON INTERSTATE BUSINESS

Mr. RIBICOFF. Mr. President, on March 10 the Wall Street Journal commented editorially on the problems of proliferating State taxation rules on interstate business. The editorial recognizes the need for broad, commonsense regulations to lighten the tremendous administrative burden borne by small and middlesized firms attempting to do business in more than one State.

Last month I introduced the Interstate Taxation Act (S. 916) which would provide Federal guidelines in this area. The bill would bring order out of a chaotic situation without disturbing the ability of States to tax firms which legitimately do business within their borders.

The Journal editorial provides a thoughtful commentary on the need for this legislation. I ask unanimous consent that it be printed in the RECORD.

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

A TAXING TAX PROBLEM

Neither the members of Congress nor the states seem to be able to agree on rules for state taxation of interstate business. As a result, the courts still have to handle the problem on a costly, case-by-case basis.

The latest case involved a North Carolina photography firm, Dunbar-Stanley Studios, Inc. Through an agreement with J. C. Penney Co., the concern sends photographers to take children's pictures at Penney stores throughout the country.

In Alabama, state officials decided Dunbar-Stanley was a "traveling photographer," subject to the state's levy of $5 a week for each city in which it took pictures. The state also imposes a tax on photographers with fixed-location studios in the state.

Dunbar-Stanley protested the tax. It reasoned that it should be exempt since it had no property or inventory in Alabama and its business there was solicited by Penney, not Dunbar-Stanley. But Alabama's highest court held that the levy was proper, and the U.S. Supreme Court unanimously agreed.

The Supreme Court stressed that the state tax was imposed on "photography in Alabama," an activity in which Dunbar-Stanley undeniably was engaged. We would add that an exemption for the North Carolina firm would give it an unfair competitive advantage over purely local photographers in Alabama.

Until the presently confused status of interstate taxation is clarified, however, such advantages (and disadvantages) will continue. The House did pass a bill in 1968 to spell out rules in the area, but the Senate failed to act on the legislation.

The states, for their part, have long been trying to draw up rules of their own, but so far less than one-third of them have agreed to the proposed compact. It would seem preferable for the states to solve their own problems, but if they can't Congress surely should act.

Besides permitting various inequities for businesses and states, the current confusion impedes expansion of multistate firms. The situation is so taxing for all concerned that it should be intolerable.

AMY PRATT ROMNEY HONORED

Mr. BENNETT. Mr. President, outstanding individuals are often the by-product of outstanding parents. One such parent, Mrs. Amy Pratt Romney, mother of Secretary of Housing and Urban Development, George Romney, is being honored this month by both the American Association of Retired Persons, and the Utah Council of Aging.

The story of the rise to prominence of my good friend, Secretary Romney, is well known to millions of Americans. I believe the background of his mother, who is national vice president of the AARP, will also be of general interest.

The following article from the March newsletter of the Utah Council on Aging tells of Mrs. Romney's many contributions to society. I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

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

MRS. AMY PRATT ROMNEY

Our salute this issue is to a grand lady who has donated much of her time and talents to the field of aging—Mrs. Amy Pratt Romney. Inasmuch as Mrs. Romney was born March 16, 1890, it seems most apropos that March 20th has been chosen by the American Association of Retired Persons to honor her at their regular Chapter meeting, and that we salute her too, during the month of March. Mrs. Romney is National Vice President of the AARP and an old friend of Dr. Ethel Percy Andrus, the founder of that organization.

Mrs. Romney was born on the Cliff Ranch in the State of Chihuahua, old Mexico. She was the seventh child of Helaman and Dora Wilcken Pratt.

Amy's father, Helaman Pratt, served as the president of the Mexico LDS Mission and died in 1909, prior to the Mexican Revolution in 1912. During this period in Mexico, Mrs. Romney taught school in Dublan Caloria, Mexico.

After moving to Salt Lake City in 1912, Mrs. Romney taught school several years in Davis County; later attending the Library

School in Chautauqua, New York. She came back to establish the first library in Kaysville, Utah. Following this, she spent five years as Assistant Librarian in the Agricultural College at Logan.

Following the death of her sister, Anna Pratt Romney, she married Anna's husband, Gaskell Romney, who had six boys and one girl. The members of this fine family are: four living children, twenty-six grandchildren, forty-nine great grandchildren and twenty-seven great-great grandchildren. Of her children, Mrs. Romney said, "all are wonderful, fine people; all having excellent and equal integrity."

Her son, George Romney, who is the former Governor of Michigan and now is Secretary of Housing and Urban Development in the Nixon Cabinet, "always knew what he wanted to do and did it," said Mrs. Romney.

EDITORIAL SUPPORTS DEPARTMENT OF PEACE

Mr. HARTKE. Mr. President, with Senator HATFIELD and more than a dozen other cosponsors, I introduced on February 7 a bill to create a new Cabinet department, a Department of Peace. It is a second version with what I believe is improvement on the similar bill I introduced last October as S. 4019. Like that one, the new bill, S. 953, was introduced in the House of Representatives by Congressman SEYMOUR HALPERN, of New York, who has approximately 60 cosponsors from among his colleagues.

Day after day, Mr. President, the unfolding of contemporary history—which is what the daily news of press and television encompasses—gives evidence of the useful role such a new department could assume. Its potential cannot be denied by anyone who studies the proposal thoughtfully, in my opinion. Certainly it should not be brushed aside, as President Nixon did so cavalierly at a recent press conference, with the remark that the Department of State and the Department of Defense can adequately serve us as a Department of Peace. Of course we are all interested in peace, and I am gratified at some of the efforts Mr. Nixon and the new administration are exerting in that direction. But the Hartke-Halpern bill, spelling out in 25 pages the substance of our thought, deserves the fullest of consideration. I have written Senator FULBRIGHT to urge that the Foreign Relations Committee, to whom the bill was referred on the chairman's suggestion by unanimous consent, hold early hearings on the proposition. I hope it will be possible for him to do so.

Recently the Terre Haute Tribune appraised the idea in its lead editorial. I ask unanimous consent, Mr. President, that this editorial from the February 17 edition of that paper, may appear in the RECORD.

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

DEPARTMENT OF PEACE

The old concept of a Cabinet-level Department of Peace has been dusted off and submitted to Congress in the form of a specific legislative proposal. The idea, which has been broached off and on since the earliest days of the Union, deserves to be considered. Some sort of counter-weight to the growing influence of the military-industrial-scientific complex in the formulation of policy is clearly needed. A Department of Peace might fill the need.

Several dozen members of the House of Representatives and 15 senators have joined in sponsoring a bill to create such a department. Under its aegis there would be an International Peace Institute to train Americans in promoting international peace. A congressional Joint Committee on Peace and International Cooperation also would be established. Furthermore, the bill would incorporate such existing agencies as the Peace Corps, the Arms Control and Disarmament Agency and the Agency for International Development in the new department.

It would be naive to expect great things of such a structural change in our government within a short time. We have been committed for so long to emphasis on "defense"—to the extent that 40 per cent of the national budget is thus earmarked—that a massive shifting of gears would be required. There would have to be a certain balancing of powers not only as between the Department of Defense and the proposed Department of Peace, but also in relation to the Department of State. Time would be needed for new working relationships to emerge.

Establishing of a Department of Peace would accomplish one thing of the greatest importance, however—it would substitute a unified program for the present rather haphazard and poorly coordinated effort to achieve lasting world peace. It would tend to give our foreign policy, if not precisely a new direction, at least new impetus in the direction of creating international conditions favorable to peace.

A PROGRAM FOR LOWER INCOME HOMEOWNERSHIP

Mr. PERCY. Mr. President, I would like to share with you and my distinguished colleagues the import of a newly available study concerned with finding solutions to the housing crisis facing this Nation. Entitled "Lower Income Home Ownership Through Urban Rehabilitation: A New Venture for Private Business," this study documents a test program conducted by the National Gypsum Co., of Buffalo, N.Y.

Mr. Colon Brown, chairman and chief executive officer of the company, accurately identifies a basic problem facing the housing industry. In the introduction to the study, he states that while many corporations, including his own, are currently "investigating new systems and techniques which may in time produce low-cost housing, these approaches are some distance away and the need is now."

Mr. Brown and the National Gypsum Co. believe that something has to be done immediately to alleviate, at least in part, this pressing need:

We felt—

Says Mr. Brown—

if we could conceive of at least one practical approach to the problem, perhaps the groundwork might be laid for other private business interests to follow our lead and benefit from our experience.

After extensive research into existing programs and efforts, Mr. Brown says that National Gypsum decided to investigate "low-income ownership through the rehabilitation of the millions of deteriorated one- and two-family homes scattered throughout our Nation's cities." According to the 1960 census figures, there are in innercity areas more than 3,500,000 such houses that are still structurally sound.

It was apparent from the outset—

Says Mr. Brown—

that no one corporation, no matter how large, could meet the challenge on the large scale required to effect results. Rather, it would require the effort of private enterprise on the local level.

So, with two successful and able businessmen in Columbus, Ohio, National Gypsum formed TownHomes, an affiliate corporation, and began a program designed to test their ideas on the hard realities of dollars and cents.

Under the TownHomes banner, Mr. Lee Skilken, a local builder, and Mr. Lawrence Schaffer, a local realtor, began acquiring, rehabilitating and merchandising these "new" homes.

According to the study:

The project placed constant emphasis . . . on creating safe, sanitary, comfortable, environmental pleasantness which will have immediate consumer appeal. Foremost among the improvements TownHomes requires of itself are:

1. Completely new heating systems.
2. New plumbing wherever and whenever needed.
3. Up-to-date electrical systems to accommodate modern appliances (meaning, in most instances, completely new wiring and fixtures throughout the homes).
4. The refurbishing of walls, ceiling, floors, roofs, siding, porches and sidewalks and thorough decorating throughout, including the additions and replacements of hardware, wall coverings, floorings and paint.
5. Completely modern kitchens with all-new and more cabinets than required.
6. Completely rejuvenated, modern bathrooms including ceramic tiling, sink vanity tops, and combination tub and shower units.

If this complete rehabilitation treatment of a home sounds like it would automatically make the selling price out of the range of any low-income group, the following brief statistics will be enlightening.

One of the houses TownHomes acquired was a 2,000 square foot, eight-room house of frame construction and wood shingle exterior. There are four large rooms downstairs, three bedrooms and a sitting room on the second floor and an attic. The exterior was a shambles and required repainting, repair on the roof, new sidewalks, and new supports and shoring in several places. The interior was in no better condition and the kitchen had been gutted by fire.

TownHomes acquired the house for $2,153.75 total and invested $7,029.26 in rehabilitating it. The house sold for $11,900. Terms of the sale were a downpayment of $400 and monthly payments, including insurance, taxes, and such of $86. According to the study:

The average rent paid for six to seven room living quarters (in this Columbus neighborhood) was $102.00 per month, and some rents were as high as $120.00.

The results of this initial phase of the Columbus project have been very encouraging to all concerned. TownHomes is continuing its activity and is scheduling other urban rehabilitation projects totaling approximately $1,500,000 within the next 12 to 15 months.

There is a word of caution, however, and it comes from Mr. Brown.

It should be understood—

He readily admits—

that the experience documented in this manual in no way presumes either a single or final answer to meeting the Nation's ever-growing shortage of low-cost housing.

Nonetheless, he does express the hope that "many of the readers of this report will be encouraged to begin local programs of their own."

Indeed, the facts and figures presented in this fine study indicate that private enterprise can profitably participate in the solutions of one of our Nation's most pressing crises. In presenting a great challenge to businessmen to help their less fortunate fellow citizens, this program offers a vast opportunity for American business to do what it is best at doing: Solving problems quickly, economically, and profitably.

The National Gypsum Co., Town-Homes, Inc., and members of the Columbus community who participated in this project deserve our commendation and sincere best wishes for continued success in the future.

STANTON P. SENDER

Mr. MAGNUSON. Mr. President, no matter how we might try to fool ourselves, the work product of the Senate and especially of our committees can never reach the high quality and high standards to which we aspire without a gifted and deeply knowledgeable staff. Such men are never easy to find and when they leave us, the loss to the Senate as an institution is a significant one. Such a man and such a loss is Stanton P. Sender, who served us as transportation counsel on the Committee on Commerce for the last 2 years and as a member of the committee staff since 1963.

Of course, to those of us who worked with and relied upon Stan, his leaving comes not only as a professional loss but as an end to a close daily working relationship. Stan goes to Sears, Roebuck as transportation counsel, and we envy Sears their gain. Personally, I am glad to see Stan remain in Washington, where we and the staff can seek him out for counsel.

I ask unanimous consent that an article published in the Daily Traffic World, reporting Stan's move, be printed in the RECORD.

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

SENDER, TRANSPORT COUNSEL FOR SENATE COMMERCE UNIT, TO JOIN SEARS ROEBUCK

Stanton P. Sender, transportation counsel for the Senate commerce committee for the last two years and a member of the committee staff since 1963, has resigned his post to accept appointment as transportation counsel for Sears, Roebuck and Co., with headquarters in Washington, D.C.

Mr. Sender, long regarded in the industry as one of the top experts on transportation law and legislation, played a key role in consideration and final drafting of the high-speed ground transportation act which led to the recently inaugurated Metroliner rail project in the Northeast Corridor, and of such other laws as the illegal motor carriage act and legislation to combat freight car shortages.

Senator Magnuson (D-Wash.), chairman of the commerce committee and Mr. Sender's boss, loaned his top staff counsel to the government operations committee several years ago to assist in the preparation and enactment of the necessary legislation to establish the Department of Transportation.

In a letter to Mr. Sender, in which he accepted Mr. Sender's resignation, Chairman Magnuson stated:

"It is with sharp regret that I receive your letter of February 5 resigning from the committee on commerce. You have served well all the members of the committee. But in my role as chairman, I have particularly had a chance to work closely with you, and I know your mastery and your vision in the field of transportation.

"I also know that you have been looking for additional challenges. I am glad that the opportunity you have taken is one that is a natural follow-through of your work here.

"Speaking on behalf of the committee, we will all miss you and I hope you will stay in personal contact with me in the years to come."

Prior to joining the commerce committee staff in 1963, Mr. Sender had served as a trial attorney in the office of the general counsel of the Interstate Commerce Commission. Previously, he had served as counsel to the Washington State Utilities and Transportation Commission.

Mr. Sender, whose resignation is effective February 28, is a graduate of Harvard College and Harvard Law School. He has been admitted to practice before the United States Supreme Court, the Washington State Bar, the Interstate Commerce Commission. He is a member of the Federal Bar Association.

THE ABM SYSTEM

Mr. TOWER. Mr. President, the Youngstown Vindicator of March 15 contains a thoughtful editorial on President Nixon's decision to deploy a modified anti-ballistic-missile system. So that all Senators might have the opportunity to read the column, I ask unanimous consent that it be printed in the RECORD.

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

[From the Youngstown (Ohio) Vindicator, Mar. 15, 1969]

MR. NIXON'S MODIFIED ABM

From the viewpoint of winning friends and influencing people it would have made little or no difference whether President Nixon had said either Yes or No to the anti-ballistic missile system.

President Nixon didn't quibble in making known his views yesterday on the ABM system. He could have done nothing at all or he could have placed the responsibility in other hands. It is to his credit that he chose to make the decision himself even though it probably will not prove popular with the anti-ABM scientists and others who have offered negative opinions in the last few weeks.

Since taking office, President Nixon has avoided sharp controversy but neither he nor anyone else can expect this kind of political dream world to continue indefinitely.

Mr. Nixon obviously has not made his decision on the basis of snap judgment. He has taken into account virtually every viewpoint, consulted advocates both for and against and has weighed the costs and the political consequences. He could have ended the suspense and turned the responsibility over to someone else. But he didn't. He chose to make it a "command" decision. He didn't really have to make a decision now because it could be a year or more before a single missile could be produced and deployed.

The President now is on record as advocating a "substantially modified" anti-ballistic missile system, unmistakably defensive. To protect U.S. land-based retaliatory forces against direct attack; to defend the American people against any nuclear attack by either the Soviet Union or the Communist Chinese; and to safeguard against any accidental missile firings from any source. The cost would be $6 billion to $7 billion.

Unless all signs fail, the President will face heated criticism from the so-called peace groups and particularly those liberals forming around the peace movement to make war on other weapons systems and the Pentagon budget in particular. They undoubtedly will challenge both the Pentagon and the para-military industry, hoping at the same time to embarrass the Nixon administration and lay the ground-work for a liberal and Democratic comeback in 1972. In other words, they will strive to make political hay while the sun shines.

The matter of domestic needs will be emphasized and no one is more aware of such needs than Mr. Nixon and undoubtedly he has weighed the ABM against all other national needs, at home and abroad.

In his news conference yesterday, Mr. Nixon said, "I am deeply sympathetic with the concerns of private citizens and members of Congress that we do only that which is necessary for our national security. This is why I am recommending a minimum program for our security. It is my duty as President to make certain that we do no less."

It would be foolhardy to place dependence on treaties or negotiations with the Soviet Union, or the Red Chinese for that matter. Treaties or agreements, where vital issues are concerned, mean nothing to the rulers in the Kremlin who respect power above principle.

Mr. Nixon, whatever either his friends or foes decide to say about his decision, has done what he believes is best for the American people and he has acted without undue concern for Soviet reaction, and with minimum regard for political effect.

GOV. RALPH M. PAIEWONSKY, OF THE VIRGIN ISLANDS, A SUCCESSFUL PUBLIC SERVANT

Mr. JACKSON. Mr. President, when a dedicated public servant leaves the Government after years of highly successful service, the event should not pass unnoted, and therefore I invite the attention of Congress to the departure from office of the Honorable Ralph M. Paiewonsky as Governor of the Virgin Islands.

Governor Paiewonsky was appointed by President Kennedy in the early days of the New Frontier. He was a native Virgin Islander, the son of an immigrant from the Baltic who arrived in the Virgin Islands when they were under Danish rule and who himself made substantial contributions to the economy of the community.

Ralph had been a successful businessman and had served for a number of years as head of the local legislature—then the highest elective office in the Virgin Islands. He also served on a national scale as Democratic National Committeeman from the Virgin Islands.

In March 1961, the Committee on Interior and Insular Affairs held comprehensive public hearings on Ralph's nomination by President Kennedy, and a number of Virgin Islanders from all walks of life and social and economic conditions supported the appointment. The nomination was reported favorably to the Senate and he was confirmed later that month.

Thus, Governor Paiewonsky has served

as the chief executive officer in the Virgin Islands longer than any Governor since the islands came under the American flag in 1917, by purchase from Denmark. His nearly 8 years in office have been marked by very substantial economic, social, and political progress. The statistics of the advances made under his leadership are highly impressive:

When he assumed office, the population of the territory was approximately 32,000. Today it is about 62,000—almost double. During the same period, per capita income in the islands has increased from about $1,000 annually to about $2,200 annually. Bank deposits have increased from about $40 million to about $150 million. Annual government expenditures for public purposes have increased from $17 million to over $70 million.

Tourism is the major industry of the Virgin Islands, and during the years of the Paiewonsky administration tourists visiting the territory increased from about 200,000 to over a million each year. Annual revenues from tourism rose from $30 million to over $100 million. In addition to the phenomenal growth of the tourist industry, these years also saw the establishment of new industries in the islands. A multimillion dollar aluminum processing plant, and a major oil refining installation were built on St. Croix, and light industries such as watch assembly and textiles became important elements in the Virgin Islands economy.

Economic progress and the population boom brought with them, of course, many new, complex problems. Vastly increased educational needs, housing needs, medical needs, public works needs, and social service needs were all to be met. Governor Paiewonsky rose to these social challenges with the same vigor and imagination that he applied to the economic problems.

One of the earliest acts of his administration was the establishment of the College of the Virgin Islands, making higher education available at home for the first time to Virgin Islanders who could not travel to the mainland for this purpose. The Governor and his family have made very substantial contributions to the college. The public school population of the Virgin Islands more than doubled during the years he was Governor, and new school rooms and school buildings were constructed to meet the demand. At the same time, the quality of the education given in the schools has been upgraded, with the help of stateside educational experts.

Housing programs have been designed to serve all economic levels of the community, with emphasis on homes for sale to individual owners. The financing of many of these projects has been unique and imaginative, and could serve as a model for many other communities. Medical facilities of the territory have also been enlarged and improved. Recently the hospitals of the Virgin Islands became fully accredited for the first time, as a result of the upgrading which Governor Paiewonsky was instrumental in bringing about.

Politically, a new era of political life can be said to have begun in the Virgin Islands during his administration. Although appointed by President Kennedy and retained in office by President Johnson, Governor Paiewonsky was a leader in bringing about greater autonomy for the islands. Laws giving the Virgin Islands Legislature the right to apportion itself, subject only to the usual constitutional safeguards, and to set its own sessions, salaries and expenses were passed by Congress at his urging. He vigorously pressed for the right of his people to choose their own Governor, and in 1970 the Virgin Islands will hold their first gubernatorial election in nearly 500 years of recorded history.

Mr. President, in the economic, social, and political fields, the accomplishments of Ralph Paiewonsky will be written large upon the history of the Virgin Islands. We salute him now, as he leaves office, for a job well done. He leaves office at this time as a result of political fortunes over which neither he nor the Virgin Islands people have had any control. As a result of his efforts, this is the last time that the territory will have such an experience. From 1970 onward, the Governor of the Virgin Islands will be a man chosen by the people of the Virgin Islands. Ralph Paiewonsky is not a man who will cease to concern himself with the problems of the Virgin Islands simply because he no longer carries the responsibilities of the governorship. He has stated and it is surely true, that he will continue to be concerned with the problems, goals and aspirations of his people, and that he will continue to speak out on the issues. When the people of the Virgin Islands finally speak out next year to name their own choice for a leader, we should not be surprised if we again hear the name of Ralph M. Paiewonsky.

Mr. President, I ask unanimous consent that the resolution of the popularly elected legislature of the Virgin Islands, passed March 3, 1969, be printed in the RECORD.

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

RESOLUTION TO COMMEND AND HONOR RALPH M. PAIEWONSKY, A DEVOTED PUBLIC SERVANT, A PROGRESSIVE GOVERNOR AND AN OUTSTANDING VIRGIN ISLANDER

Proposed by Committee of the Whole.

Bearing in mind the recent resignation of Governor Ralph M. Paiewonsky after nearly eight years of tireless service as the Chief Executive Officer of the Virgin Islands; and

Noting that the name Ralph M. Paiewonsky has become synonomous with prosperity for these Islands; and

Recalling proudly his service and leadership during a momentous period in the history of these Virgin Islands, let us recount eight years of solid accomplishments, which have included better homes, more jobs, increased health and social services, vastly improved education for our children and a better life and higher standard of living for all our people; and

Predicting that the programs of progress initiated by Governor Paiewonsky will prove to be the foundation for the continued social and economic prosperity of the Virgin Islands; and

Knowing that Governor Paiewonsky will continue to work for and on behalf of all of the people of the Virgin Islands to insure the continued development of the programs of progress initiated during his tenure in office: Now, therefore, be it

Resolved by the Legislature of the Virgin Islands:

That through this Resolution, the Legislature—

1. Expresses its sincere gratitude on behalf of all Virgin Islanders to Ralph M. Paiewonsky for his leadership and tireless efforts to insure a better life for all people of the Virgin Islands.

2. Proudly hails the unprecedented record of social, economic and political progress achieved during the administration of Governor Paiewonsky.

3. Commends the Board of Trustees of the College of the Virgin Islands in voting to name its new library in honor of Ralph M. Paiewonsky whose vigorous and enthusiastic support made the College a reality.

4. Directs the President of the Legislature to present a framed copy of this Resolution to Governor Paiewonsky during the dedication ceremonies of the Ralph M. Paiewonsky Library at the College of the Virgin Islands.

5. Finally, speaking with one voice on behalf of all of the people of the Virgin Islands, thank you Governor Paiewonsky for a job well done; and we salute a great Governor, a man of his people, a true Virgin Islander.

INSPECTION OF IMPORTED FOODSTUFFS

Mr. SAXBE. Mr. President, the importation of foodstuffs into this country is increasing regularly. This creates two potential hazards: First, the possibility of unwholesome, contaminated or disease-carrying products being offered to the consumer, and second, the unfair competition to the domestic producer and processor from foreign suppliers operating under standards of health and sanitation far less stringent that those in this country and inspection services that may be only nominal.

The Consumer and Marketing Service Division of the U.S. Department of Agriculture claims that it is monitoring the inspection service in 1,250 packinghouses scattered over 40 foreign countries with 13 veterinarians employed by the USDA. It feels that the 13 veterinarians overseeing approximately 100 plants each, scattered over a wide geographical area, do this job well enough to permit the products to move freely in interstate commerce in the United States. If this is true, in my opinion, we had better take a long, hard look at the type of supervision they propose for State inspection in the United States where the product produced in these plants is limited to intrastate movement.

Presently, there are circumstances under which foodstuffs may enter this country with nothing more than a State Department certification that the health, sanitation, and inspection requirements under which it was produced is equal to those of the United States.

There are also instances of varying standards. For example, South American beef may enter this country only as a cooked, processed product because of animal health conditions there. This creates the possibility that individual carcasses may be used in these products and sold in this country for human consumption that would not be permitted in pet food if domestically produced.

Conditions such as these must be corrected not only to protect the health and welfare of American consumers, but also to insure the maintenance of an ade-

quate domestic producing and processing industry. Therefore, I would recommend the following:

First. The investigation, evaluation and certification of the laws, regulations, standards, and inspection of the exporting country should be the sole responsibility of the same Federal agency that has this responsibility over the domestic supply. The same rules, regulations, and standards of identity must apply in both instances. Consumer and Marketing Service should use the same procedures and criteria in evaluating the meat and poultry inspection service of a foreign country that they use in certifying a State service "at least equal to" Federal inspection under the Wholesome Meat Act of 1967. Penalties for violation and condemnations should apply equally.

Second. A system of product inspection, sampling, and analysis should be used at port of entry adequate to insure not only the absolute wholesomeness of the product, but also to provide a sound basis for judgment of the effectiveness of the conditions of health, sanitation, and inspection under which it was produced.

Third. The cost of these services should be assessed to the exporting country as it is their responsibility to insure the adequacy of inspection service and the wholesomeness of their product.

A UNIQUE AND UNPRECEDENTED AUDIT OF THE OEO

Mr. NELSON. Mr. President, with the strong support of three consecutive Presidents of the United States, the Nation is waging a war on poverty. This is a difficult assignment, which puts our economic system and our vast system of local, State, and Federal Government to the supreme test.

In order to make impact on poverty, which has continued to hold millions of Americans in its grip despite the general affluence of this Nation, Congress created a special agency in 1964 and called it the Office of Economic Opportunity.

Last year Congress specifically directed the Comptroller General to make a broad review of the war on poverty and to report back to the Congress with recommendations on how this effort could be improved.

Congress received the Comptroller General's report this week. It contains not only the Comptroller General's evaluations but also the comments of the Office of Economic Opportunity itself which cooperated fully in the audit.

This audit by the General Accounting Office can be a valuable tool for use by the Congress in strengthening the war on poverty.

We are making some progress. As the OEO points out in its comments on the audit, more than 11 million Americans have climbed above the poverty level since the war on poverty began in 1964. Economic expansion has been an important factor in that climb. But the fact is that people have been climbing above the poverty level for the past 4 years at a rate 2½ times faster than ever before.

I am pleased to note that the House Committee on Education and Labor will begin to hold hearings next week on the continuation of the war on poverty. I am pleased that the new administration has asked that the present program be continued pending completion of the administration's long-range proposals for future improvements.

I ask unanimous consent to have printed in the RECORD a number of items relating to the Comptroller General's audit of the OEO.

First of all, my own comment on the audit, dated March 19; second, the OEO response to chapter 2 of the GAO report; third, the four pages of "principal recommendations" made by the Comptroller General's audit; and fourth, a letter to me from W. P. Kelly, Director of the Job Corps program, dated February 27, 1969, which outlines the specific work which has been done by Job Corps trainees.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

COMMENT BY SENATOR NELSON ON GAO AUDIT OF OEO

(NOTE.—Senator NELSON is chairman of the Senate Subcommittee on Employment, Manpower, and Poverty.)

The Comptroller General points out that the audit of OEO was "unique and unprecedented," because Congress directed him to go far beyond a mere financial audit. He was instructed to make a sweeping judgment as to whether OEO was enabling this nation to lift its poor citizens out of poverty—even though, as the Comptroller General himself says in the audit, it is very difficult to assess "accomplishments that cannot be measured in terms of dollars expended, miles of road built, or pieces of mail delivered."

In weighing the Comptroller General's audit, it is important to remember its "unique and unprecedented" nature. Few public programs have been subjected to this kind of scrutiny. What if the Comptroller General audited our vast array of agricultural programs, not to see if all the dollars were accounted for but to see whether the real interests of the American family farmer were being served? What if he audited our state and local prison systems to see if they are helping in the real fight against crime? What if he audited our educational programs to see if they were producing truly educated, responsible citizens? I think everyone can imagine the highly critical reports which might emerge if we subjected other programs to this same kind of "unique and unprecedented" scrutiny.

In this challenging assignment, the Comptroller General and his staff have done a highly professional job, providing Congress with invaluable data to use in the sweeping review of the poverty program which we intend to conduct this year.

Some enemies of the war on poverty apparently had hoped that this report would justify a surrender of this under-financed, late-starting effort to help millions of Americans escape from poverty. It does no such thing.

It simply tells the White House that fighting poverty is such a big task that it must be supervised by the President and that the fight must be coordinated throughout the vast Federal bureaucracy. It tells the Congress that programs cannot function if appropriations are withheld or seriously delayed. It tells both OEO and the many agencies—Federal, state and local—with which it works that meticulous record keeping and evaluation are vital if the poverty program is to achieve its objectives.

The heart of the Comptroller General's report is four pages of "principal recommendations." With the possible exception of the very general language regarding Job Corps camps, these recommendations are constructive, forward looking suggestions aimed at strengthening the program. Congress and the Executive Branch should consider these recommendations carefully, and quickly implement those which will make the programs more effective.

As the Kerner Commission, the highly respected Urban Coalition, and many other concerned organizations have already told us, the scandal of poverty is creating an increasingly serious crisis in America's cities and some of its forgotten rural areas. The Comptroller General's audit of OEO shows that we have made some commendable progress in facing up to this long-neglected crisis, but that we have just begun the fight. This audit should bring a new sense of urgency to the Congress and the Executive Branch, and any concerned citizen reading it could only conclude that our government must immediately get on with the job.

OEO RESPONSE TO CHAPTER 2 OF THE GAO REPORT

The Office of Economic Opportunity responds to the 15-month study of its programs by the General Accounting Office with a certain degree of ambivalence.

On the one hand, we appreciate the great amount of work and time that has gone into the preparation of the report. Essentially, Chapter 2 seeks to present a calm, objective discussion of a complex problem. Many of its criticisms and recommendations have merit, and we are in concurrence with GAO that remedies are in order. Throughout the study, GAO has been able to count on the cooperation of OEO officials and staff in supplying full and complete information. We believe we have benefitted from the need to respond to the questions of GAO's investigators and contractors.

On the other hand, however, we find ourselves somewhat restricted in responding to but a single chapter of the document. While we had an opportunity to review an initial draft of the remaining chapters, we have not seen them in their revised and final form. Therefore, we do not know the extent to which revisions and suggestions given the GAO by this agency are incorporated in the final document.

GAO's Summary Chapter 2 defines the context within which the study was conducted in these words: "Our reviews properly and inevitably focuses on problems, shortcomings, and recommended improvements." The GAO thus confined itself largely to areas of deficiencies, and while it lists many of the factors that contributed to the agency's problems, the overall result is necessarily on the negative side.

It is with this aspect of GAO's focus that we have our greatest difficulty in viewing the report as a definitive study and evaluation of the antipoverty program. By concentrating on "problems, shortcomings and recommended improvements," the report largely omits the accomplishments of OEO programs over the past 4½ years. As a result, it lacks a balance that we feel is important for the objective reader.

Furthermore, we are not convinced that all the conclusions reached by GAO properly flow from the relatively small sample of each of the OEO programs studied in depth. A more comprehensive study, based on a larger sample, may well have modified or altered criticisms and recommendations.

In its section called "overall perspective," GAO lists a large number of conditions which have contributed to the agency's difficulties in carrying out its mission. We can only concur in and embellish this catalogue of vicissitudes. For example, the reference to the delays and uncertainties in obtaining Con-

gressional authorizations and appropriations only touches the surface of the problems this situation induces. For the fiscal year beginning July 1, 1967, OEO did not receive its authorization until December and its appropriation until January 1968, after more than half its operating year had passed. Community Action Agencies, particularly, have suffered from these funding problems which must contribute, in large measure, to the GAO's conclusion that community action has achieved its ends "in lesser measure than was reasonable to expect in relation to the magnitude of the funds expended."

Actually, since 1966, no local community action program has been given sufficient money to expand appreciably beyond its first-year levels of operation. Since these local programs were initiated in the belief that they were "pilot" efforts designed to expand to an operational "war on poverty," it seems remarkable that OEO was able to keep interest and enthusiasm alive, to stimulate the quest for other sources of funding, to enlist the energies and resources of private enterprise and public and private agencies, and to maintain as well as we have the faith and participation of the poor.

While the course we have followed has been largely uncharted, while we acknowledge our mistakes and accept criticism, it is the positive which we feel must be given at least equal emphasis.

We have deep pride and satisfaction from much that OEO has accomplished. There are the indisputable community action achievements of institutional change, the enlistment of the largest peacetime army of volunteers in history, the mobilization of community resources, and the pioneering involvement of the private sector in social welfare programs. Head Start, Upward Bound, Foster Grandparents, Legal Services and Neighborhood Health Centers were created and developed by OEO.

We find great significance in the stationing of U.S. Employment Service personnel in ghetto offices; in the location of welfare workers in OEO's neighborhood centers; in the more than 50 law schools which have incorporated courses on poverty law into their curriculum; in the "participation of the poor" principle adopted by almost every Federal agency concerned with domestic programs; in the increasing proportion of United Fund efforts that are directed toward the poor; in the adoption by the military services of Job Corps-developed techniques for educating hardcore youth, and in the public school systems which are utilizing Head Start practices of employing non-professionals as classroom aides.

It is an incontestable achievement that 500,000 Americans have served as volunteers to Head Start; that 50,000 volunteers work in community action agencies; that 30,000 persons serve without compensation on CAA boards; that 20,000 volunteers actively work with Job Corps enrollees; that 45,000 volunteers have dedicated their time and energies to other antipoverty programs.

It is also worthy of mention that more than 500,000 people in 389 counties were eligible for OEO Emergency Food Programs in 1968; that multi-purpose neighborhood centers have cared for the diverse needs of 3½ million poor people; that Neighborhood Health Centers have a capacity to give free and full health care to one million residents of impoverished neighborhoods; and that Legal Services Programs have brought justice to over one million people who otherwise would not have known it.

It is noteworthy that OEO has brought together for discussion and decision-making, all segments of each of the communities it serves—groups which in many instances had never before engaged in dialogue—much less united action.

Now, at every program level the poor are deeply involved and participating in a broad spectrum of activities. They comprise one-third of all CAA boards. Eighty thousand are employed in CAP programs on a year-round basis with another 80,000 during the summer. Seventy percent of all Head Start programs utilize parents as staff members. (We do not understand GAO's criticism in this regard.) And the poor even comprise the membership of one of OEO's national advisory committees. Four million dollars in grants are currently earmarked for training residents for participation in the Model Cities programs. And through the impetus of the OEO's "new careers" approach, more than 100,000 poor people are now employed in public service capacities in schools, hospitals, recreation and conservation programs.

OEO's relationships with public officials, not always smooth, nevertheless have achieved a significant degree of understanding and accommodation. In 1968, when local officials had the opportunity by law to take over the operation of Community Action Agencies, fewer than two percent exercised their option to restructure the CAAs in their communities as public agencies.

Many recommendations for improvements in the performance of all OEO programs—CAP, Job Corps, VISTA and the delegated manpower programs—are constructive and appear valid. Within the limitations of available staff and resources OEO has itself recognized its shortcomings and conducted ongoing self-improvement programs to make its efforts more effective and more susceptible to audit, analysis and evaluation.

OEO believes, however, that GAO's question of whether the Job Corps is "sufficiently achieving the purposes for which it was created" might not be asked if there was a greater understanding of the program's mission and accomplishments. The purpose of the Job Corps is to help the hardest core youth receive the education, training and motivation necessary for employment and constructive citizenship. Considering that the young men and women eligible for the Job Corps have been for much of their lives 100 percent dropouts, the score of 70 percent placed in jobs, school or military service would certainly seem a sufficient achievement.

The GAO report considers the problems of coordination. We certainly agree that the hoped-for degree of coordination among the large number of Federal agencies and programs affecting the poor has not been achieved, nor as the report states, can it "under the existing organizational machinery." The validity of this statement, however, should not obscure the significant advances that *have* been made in coordination and cooperation. By virtue of its role as an innovator and operator of programs, and as a funding and policy source of programs administered by other Federal departments, OEO has broken new coordination ground through example and persuasion. Agencies and departments at all levels of government have devoted an increased share of their resources to the poor and have altered their administrative procedures to dovetail with that objective. In many specific instances such as hardcore training and employment programs, neighborhood centers, health centers, and Indian and migrant programs, resources have been combined and strong interagency cooperation has been developed.

Additionally, OEO was the first agency at the Federal level to develop, set up and live by a system of interagency delegation agreements. These agreements have involved such programs as Neighborhood Youth Corps (Labor), Rural Loan Program (Agriculture), Work Experience (HEW), Adult Basic Education (HEW) and Economic Loans (SBA). And through its "check-point" procedure of program signoff, OEO has successfully established cooperation between local officials which otherwise would not have taken place.

None of these efforts has worked perfectly. But a significant start has been made. As a result of its experience, OEO has long advocated a recommendation in the GAO report for the establishment of a separate high level unit in the Executive Office of the President to handle overall coordination and planning of antipoverty efforts. GAO correctly notes that the Economic Opportunity Council, with which OEO was to "share" coordination responsibilities, has not existed for the past 15 months.

Finally, we would comment on the accelerated speed with which the poor are coming out of poverty. While we have agreed that there is a lack of criteria with which to determine "success," we believe the ultimate criterion is the contribution of the programs to the net decrease in the number of those in poverty.

Since 1964, as GAO mentions, more than 11 million Americans have come out of poverty. While GAO recognizes an "important" contribution from the social programs, it nevertheless attributes the reduction in large part to a healthy and expanding economy. We agree that economic expansion has played a big part in this reduction. However, the rate of economic growth has not accelerated sufficiently to account for the fact that since the inception of OEO, Americans have come out of poverty at a rate 2½ times faster than ever before. It cannot account for the fact that nonwhite Americans are emerging in numbers a thousand percent greater than the average for the years prior to 1964. OEO believes that much of this progress is due to the specific programs it has instituted, the climate of concern it has generated, the additional resources it has called forth, the opportunities it has provided, the influence it has had on other agencies and the mobilization of private individuals and businesses that it has spearheaded.

The foregoing discussion has been, necessarily, a brief comment on a summary. Consequently, it makes no attempt to address to many specifics which will be contained in the overall GAO report. We anticipate that questions regarding specific conclusions and recommendations contained elsewhere in the report will be directed to OEO by Members of Congress and others. We will, of course, attempt to respond to any such inquiries as fully and completely as possible.

Meanwhile, OEO will continue its own close study of the recommendations in the report, seeking to respond positively to all those which it finds valid and which are within its power to implement.

Until poverty is eliminated in this Nation—a goal which we believe has been proved obtainable—there can be no letup in dedication or in effects to perform the task more efficiently and effectively. As long as there is an Office of Economic Opportunity, we will continue to improve our contribution toward that objective.

PRINCIPAL RECOMMENDATIONS

We believe that, to provide more effective means for achieving the objectives of the Economic Opportunity Act, revisions are needed in the programs and organization through which the effort to eliminate poverty has been outlined in the act. Accordingly, we offer the following recommendations.

PROGRAMS

Community Action, chapter 4

1. Community Action Agencies and OEO should institute efforts to:

a. Improve the planning of local projects.

b. Generate greater cooperation among local public and private agencies.

c. Stimulate more active participation by the poor.

d. Develop means by which the effectiveness of programs can be evaluated and require periodic evaluations to be made.

e. Strengthen the capability of the neighborhood centers to carry out their functions

of identifying residents in need of assistance in the target areas and of following up on referrals made to other units or agencies for rendering needed services.

2. OEO should consider including income among the eligibility requirements for those component programs, such as education and manpower, which are directed to individuals or families and involve a significant unit cost and for which income is not now an eligibility requirement.

3. OEO should give greater emphasis to research and pilot projects that offer promise of alleviation of poverty in rural areas and should encourage Community Action Agencies in rural areas to broaden the range of activities that will contribute to economic development.

4. The Congress should consider whether additional means are necessary and desirable to assist residents of rural areas that cannot build the economic base necessary for self-sufficiency, to meet their basic needs.

Manpower, chapter 5

5. The Secretary of Labor should take further steps to ensure that:

a. Full use is made of the existing facilities and capabilities of the State employment security agencies in connection with CEP operations.

b. CEP operations are coordinated fully with the JOBS program.

6. The Congress should consider whether the Job Corps program, particularly at the conservation centers, is sufficiently achieving the purposes for which it was created to justify its retention at present levels.

7. The Congress should consider:

a. Redefining and clarifying the purposes and intended objectives of the NYC in-school and summer work and training programs authorized for students in section 123(a)(1) of the Economic Opportunity Act of 1964, as amended.

b. Establishing specific and realistic goals for programs authorized and relative priorities for the attainment of such established goals.

8. The Congress should consider merging the NYC out-of-school program, currently authorized in section 123(a)(2) for persons 16 and over, with the MDTA program.

9. The Secretary of Labor, to make the WIN program effective, should give close and continuing attention to the problem of enrollee absenteeism, and ascertain the causes of early terminations and absenteeism and how these causes may be alleviated or eliminated through additional services, modification of program content, or other means.

Health, chapter 6

10. The Director, OEO, through his cognizant program office, should define the circumstances under which health centers may finance costs of hospitalization, establish more appropriate and equitable criteria to be used in determining the eligibility of applicants for medical care, and in accordance with grant conditions require centers to claim reimbursement from third parties.

11. Increased attention should be given by both the Director of OEO and the Secretary of HEW to the coordination of the agencies' health efforts and the development of uniform standards for evaluating health projects and programs, including family-planning programs, both during the development phase and on a long-range basis.

Education, chapter 7

12. The Director, OEO, should direct and assist local Head Start officials to make further efforts to involve more parents of Head Start children in the program in order to enhance the opportunity for developing the close relationship between parents and their children that is so vital to the child's social and educational growth.

13. The Director, OEO, should improve procedures for the recruitment and selection of participants in the Upward Bound program.

14. The Director, OEO, should require, as prerequisites to funding locally initiated education programs:

a. Determinations as to whether the program will conflict with existing programs directed to the poor and whether it could be financed with other than OEO funds.

b. The identification of available resources and facilities which could be used in the program to reduce the expenditure of limited OEO funds.

c. The identification of complementary education programs through which further educational assistance could be afforded to OEO program graduates.

Other programs, chapter 8

15. The Director, OEO, should:

a. More clearly define program objectives and major goals to the Legal Services project directors and instruct them on the methodology of engaging in activities directed toward economic development and law reform.

b. Make efforts to develop and implement measures of the extent to which Legal Services projects are achieving national program priorities and objectives.

16. To improve procedures leading to the assignment of selected applicants to the VISTA regional training centers, the Director, OEO, should give consideration to the feasibility of requiring that applicants be interviewed and given aptitude tests before they are considered eligible for VISTA training.

17. The Director, OEO, should require, with respect to the Migrant and Seasonal Farmworkers program, that:

a. Systematic employability plans be prepared whereby participants' handicaps can be identified at the time of enrollment so that an appropriate curriculum may be developed to meet such needs.

b. Participants' progress in the program be periodically reviewed.

c. Data on participants' postprogram experience be maintained.

18. The Administrator, Farmers Home Administration, Department of Agriculture, should:

a. Conduct a study primarily aimed at:

1. Establishing minimum standards with respect to the amount of supervisory assistance that should be given borrowers under the Economic Opportunity Loan Program in order to ensure that they receive adequate guidance.

2. Determining, consistent with the foregoing standards, the quantity and types of supervision needed, and the loan activity level which can be sustained within the supervisory capabilities available.

b. Revise its instructions as to loan eligibility to require appropriate consideration of net assets and the recording of the circumstances considered to justify the making of loans to applicants whose income and/or assets exceed specified amounts.

Coordination and organization, chapters 9 and 10

19. A new office should be established in the Executive Office of the President to take over the planning, coordination, and evaluation functions now vested by the act in the Economic Opportunity Council and OEO.

20. OEO should be continued as an independent operating agency outside the Executive Office of the President, with responsibility for administering the Community Action Program and certain other closely related programs.

21. Funding and administration of certain programs now funded by OEO should be transferred to agencies which administer programs that have closely related objectives.

22. The proposed new office in the Executive Office of the President should have responsibility for ensuring coordination of activities of local Cities Demonstration Agencies and the Community Action Agencies. If this new office is not established, consideration should be given to placing this responsibility under the Secretary of Housing and Urban Development.

23. The Congress should direct that a report be submitted on longer term actions required to coordinate and to maximize the use of community action and citizen participation efforts in federally assisted antipoverty programs.

The evaluation function, chapter 11

24. The recommended new office in the Executive Office of the President should further develop the evaluation function with respect to antipoverty programs.

General, chapter 12

25. The responsible Federal agencies should give particular attention to providing for more frequent and comprehensive audits of all antipoverty programs.

OFFICE OF ECONOMIC OPPORTUNITY,
Washington, D.C., February 27, 1969.

HON. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Congratulations on your recent appointment as Chairman of the Subcommittee on Employment and Manpower. Your record in the area of problems of the disadvantaged youth makes you an ideal choice.

As you may know, aside from giving thousands of young men and women the opportunity for substantial jobs and individual human renewal, the Job Corps has done more than its share in making our nation a more decent place to live. For example, in Fiscal Year 1967 and 1968 over 4,000 Job Corps youths spent 406,710 hours in emergency service. Job Corpsmen have also performed conservation work worth $66,755,142. These contributions include:

a. Emergency Service: 333,300 hours suppressing fires, 34,126 hours on search and rescue missions, 11,300 hours on tornado cleanup, 10,816 hours on flood cleanup, 4,800 hours on pine beetle eradication, 10,000 hours gathering dead fish from our shores, 768 hours on lake cleanup, 800 hours on duck rescue from oil washed to our shores, and 800 hours on duck burial.

b. Public camping and picnic facilities—27,265 family units (5 people per unit) including:

	Each
Picnic shelters	432
Comfort stations	133
Toilets	717
Stoves	9,329
Tables	17,351
Boat ramps	58
Water systems (drinking, cooking, etc.)	43

c. Public land access: Roads and hiking trails (3,707.8 miles) including: roads, 2,471.9 miles; road bridges, 72 each; trails (includes 1 used by the blind), 1,235.9 miles; trail bridges, 28 each; and parking areas, 26.5 acres.

d. Wildlife habitat establishment and improvement: Game, fish and fowl, 39,524 acres.

e. Public land improvement and development: Tree plantings, watershed structures, livestock range improvement (59,422 acres) including: Pipeline, 173 miles; water supply systems, 84 each; stock water tanks, 126 each; fencing, 2,671 miles; cattle guards, 1.487 each; timber stand improvements, 25,065 acres; and seeding, planting, vegetation control, 34,357 acres (approximately 1.6 million trees).

f. Public service facilities and administrative structures, 3,543,616 square ft.

g. Fire suppression, 2,315 man-months.

h. Fire break trails, 675 miles.

These young men have willingly and with a sense of pride performed these tasks because they, too, care not only for their personal environment but for the environment of their fellow citizens throughout our land. And this is the Job Corps story—building and training concerned young men and women who want to help themselves develop into productive and respectable citizens and who want to help others make this country a better place to live for all of us.

If I can be of any assistance to you, please let me know.

With every best wish,

Sincerely,

W. P. KELLY,
Director, Job Corps.

COMPENSATION OF RAILROAD EMPLOYEES

Mr. MONTOYA. Mr. President, I ask unanimous consent to have printed in the RECORD a memorial introduced in the New Mexico House of Representatives which has been meeting in its 29th legislature, first session, "Requesting the Congress of the United States to require railroads to treat military service of its employees as compensated service in computing earned vacation time and pay."

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

HOUSE MEMORIAL 16

A memorial requesting the Congress of the United States to require railroads to treat military service of its employees as compensated service in computing earned vacation time and pay

Whereas, employees who are called to serve their country in the armed forces risk their lives, health and economic status and defer employment of the amenities of family and social life to protect and secure for the people of this country an orderly and organized society within which to engage in industry, commerce and business; and

Whereas, an orderly and organized society affords property, business, commerce and industry the protection and security without which gainful occupation would be impossible; and

Whereas, employees who remain in private employment automatically earn vacation time and pay; and

Whereas, under collective bargaining agreements between railroads and their employees, employees qualify for vacation time and pay only by rendering compensated service; and

Whereas, railroads do not treat military service as compensated service in computing earned vacation time and pay; and

Whereas, collective bargaining agreements between railroads and their employees supersede state law under the Railway Labor Act; and

Whereas, in the Military Selective Service Act of 1967, the Congress of the United States intended to preserve for returning veterans the rights and benefits that would have automatically accrued to them had they remained in private employment; and

Whereas, railroad employees called to serve their country in the armed forces should not be penalized for involuntarily leaving their employment to serve their employers in a different capacity; and

Whereas, the congress of the United States representing the people of this country has assisted the development of railroads through land grants and subsidies and has protected railroads from conflicting state interference through federal regulation;

Now, therefore, be it resolved by the House of Representatives of the State of New Mexico that the congress of the United States is asked to amend the Military Selective Service Act of 1967 to specifically require railroads to treat military service as compensated service in computing earned vacation time and pay; and

Be it further resolved that copies of this memorial be transmitted to the leadership of the congress of the United States, to the members of New Mexico's delegation to the congress of the United States and to the Brotherhood of Railroad Trainmen.

U.S. FOREIGN POLICY—ADDRESS BY EUGENE ROSTOW

Mr. RIBICOFF. Mr. President, Prof. Eugene Rostow, formerly Under Secretary of State for Political Affairs, recently spoke in San Francisco on a number of foreign policy issues facing this country.

His speech is thoughtful and timely. Professor Rostow combines experience, knowledge, and intelligence into a thought-provoking essay on our Nation's role in world affairs.

I ask unanimous consent that Professor Rostow's speech be printed in the RECORD.

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

THE BATTLE OF THE AMERICAN MIND

(Address before the annual convention of the National Association of Secondary School Principals March 1, 1969, San Francisco, Calif., by Eugene V. Rostow, Sterling Professor of Law and Public Affairs, Yale University, formerly Under Secretary of State for Political Affairs (1966–69))

It is right that an association of educators include a speech on foreign policy in the program of its convention. In a democracy, and especially in our country, an opinion about foreign policy is among the most urgent responsibilities of every citizen. To make that opinion sober and informed is above all a problem of education, and particularly of American education.

The challenge of education for responsible citizenship in foreign policy is not an easy one for our dispersed educational system. The elective principle permits many students to emerge from high school and college with rudimentary training, or none at all, in the hard questions of power and peace. The absence of a sense of history, and of its weight in human affairs, is, in my view, the greatest weakness of American education and of the American outlook towards foreign policy. We tend to be sensitive to our own history, but constantly surprised that others cannot write on a clean slate.

Until a much larger part of our people become familiar with the nature of the problem of peace, American opinion on foreign affairs will continue to be vulnerable to slogans of illusion and wishful thinking.

I therefore recommend, with all the earnestness at my command, that the issue become a matter of active concern among you. I am certain that if you devote yourselves to the problem, you will find solutions compatible with the free spirit which is the genius of our educational system.

For the first lesson of my recent experience in the State Department, and the main theme of the book I have written about it,* is that the most important battle for peace in this nightmare world has to be fought and won in the mind of America.

There is no hope for peace without patient, steady, American leadership in the great effort which the nation has pursued since 1945 to establish a new system of order in the world—a frame for world politics. The system we have sought to establish is rooted in the Charter of the United Nations; it is tolerant of diversity among social systems, and dedicated to assuring the opportunity for progress to all nations, each in its own way, free of the fear of conquest or coercion. Only in such a world, a reasonably stable world of wide horizons, disciplined to accept the idea of peace, can the United States expect to remain an open, democratic society, dedicated to the ideals of its own social code.

This is our national interest in world politics—an interest in establishing a system of order within which we could pursue our democratic destiny. That interest does not require us to be the universal policemen of the world. We need not intervene in every conflict, nor try to right every wrong. We are not embarked on an ideological crusade, to remake the world in the American image. But we have been concerned, and we must be concerned, to intervene with force if necessary when the balance of world power is threatened.

American leadership in this quest for peace cannot be sustained, and will not be credible, both to our friends and to those who would be our adversaries, until the American people come finally to accept the facts of life in the twentieth century, and abandon their recurrent yearnings to escape into the isolation of our past.

All peoples face an endless conflict between the present and the past, between reason and memory, between reality and hope. For us, the contest is peculiarly important, and peculiarly difficult.

It is important because the power and influence of the United States is, and must continue to be, the cornerstone of any conceivable program of peace.

And it is difficult because our national outlook towards the outside world was decisively shaped by the experience of more than a century before 1914, when we lived in a condition of safety guaranteed by the British fleet. Our collective unconscious is dominated by that fact. But in an age of ballistic missiles, our two broad oceans are less than moats. Britain and France are no longer in a position to conduct the orchestra of world affairs. They are regional powers, not world powers. And a new Europe, which could join us as an influence for harmony in world affairs, has not yet been born. Nor has Japan fully completed its re-entry into world affairs as our associate in all the tasks of peace and progress.

We accept these facts with our minds. But we still feel as immune from danger as we did in the days of sail.

From 1815 to 1914, the United States lived safely within a world-wide system of order maintained by the nations of Europe. It was not always a just order. We viewed it with hostility and suspicion, as evidence of the prevalence of evil in the Old World from which we had happily escaped to the freedom and virtue of the New. But it was a system of order nonetheless, which permitted us to devote our principal energies to the conquest of the American continent, and the consolidation of the Union.

This experience had a tenacious grip on our outlook. Most of us still feel that it represents the rightful order of nature, the condition to which we should soon return.

We have never lacked men with a deeper perception of world politics. But in the nineteenth century, they never dominated American opinion. Almost by instinct, we began quite early in our history to reach for a place in the wider world. Commodore Perry was sent on his famous mission to Japan. And, at the turn of the century, President Theodore Roosevelt and his friends tried to alert the nation to the coming changes in the magnetic field of world politics. The balance of power was changing, he observed, and with it, the problem of peace. Russia, China, Japan and the United States had new dimension. Policy took on more threatening overtones. As for Empire, it was clear sixty years ago, at the zenith of its power, that it could not survive indefinitely, nor indeed very long.

The majority opinion dismissed President Theodore Roosevelt as a romantic, a dreamer, and a bit of a jingo as well. But he prodded many Americans to think.

*"Law, Power, and the Pursuit of Peace," University of Nebraska and Harper & Row (1968).

His efforts did not come soon enough, however, nor were they followed up strongly enough, to persuade America to change its policy in time—in time, that is, to prevent the First and Second World Wars. These were the catastrophes which led to all the other unspeakable events of this brutal century. They weakened the fabric of social and political life, and the taboos and restraints that define civilization. We participated briefly in the final stages of the First War, but without fully realizing what was at stake. As President Johnson recently commented, "Our slogans rallied the nation to fight tyranny and make the world safe for democracy. But we were really fighting to protect a national interest most Americans at the time did not understand—our interest in the balance of power." And in the years of suicidal blindness between the Wars, we withdrew from responsible participation in world politics, and neglected our vital national interest in its course.

We have debated these issues at intervals since 1918. One round concerned our membership in the League of Nations, and it influenced the election of 1920. Another turned on the threat of Hitler and his alliances to our security, thirty years ago. A third was addressed to President Truman's policies in Europe and Asia. Last year witnessed an intensive and turbulent stage of this debate, directed to Viet-Nam. It reached its climax in the release of a national election.

With the election behind us, it should be possible again for men and women of differing views to examine these difficult problems dispassionately, and in an atmosphere of mutual respect. It is of great importance to the nation that we do so in every home and forum of the nation. For we shall face hard choices in foreign policy in the months and years ahead. Manifestly, it is vital that the nation's foreign policy have its source in an informed public opinion, and that it be understood, and supported, by the largest possible majority of the American people.

II

The old system of peace, on which the safety of the nation depended for so long, had begun to crumble in 1914. It had gone irrevocably by 1945. In the euphoria of victory, we turned to contemplate a task for Hercules—to help create a new constitution for world politics, to replace one which was in ruins around us. Man and human society had survived the War, more or less, in knots and aggregations. But the links among the groupings of men were weakened, and many were cut. We were further away than ever from the ideal of a single world community, based on a shared code of shared values, and accepted rules as to the limits of rivalry.

The stupidity, madness and evil of the generation between 1914 and 1945 did much more than wreck a political system. It profoundly affected the minds of men. Since the heady days of the Enlightenment, at the end of the nineteenth century, civilized man had believed in reason, and in reasonable and automatic processes of science and natural law, which assured the general peace, and the progress of mankind towards justice and virtue. No man can hold such views today. We know now, and know in our bones, that there is no guarantee of progress, no silent law of natural harmony at work, to govern the course of history. We cannot remind ourselves often enough that the two wars of this century were unnecessary, as Churchill has argued so correctly, and that wise and foresighted policy could have prevented them. But men are fallible, and foolish. They often hesitate when they should act, and act when they should hesitate. And their folly can release the most evil impulses of our nature, and turn us into Calibans, and to use a word we avoid in this psychotic age, or worse. Some men are evil. Hitler's mad career had more impact on the course of history than all the books and legions of Marx. What has been lost in this century, as a critic has recently remarked, is "not so much a belief in the Christian heaven above the skies" as confidence in the inevitability of "a republic of heaven upon earth." This Faith in the benevolence of reason, science and progress, he wrote, "held the field from the French Revolution at least until the First World War and, with many, until Hiroshima." Today we cannot be sure that even titanic leaders, governors in the stamp of Churchill—if we could find them—could guarantee a decent future for man on earth, although we have no choice but to try.

III

At the end of the War, in 1945, the American nation confronted "a world without a frame." The European concert, which had helped guide the course of world politics for more than a century, had vanished, leaving hardly a rack behind. Europe and Japan were prostrate, exhausted by war, defeat and occupation, and in some instances, by the disturbing realization as well that their societies were capable of cruelty and tyranny. The nations of Europe were beginning their retreat from Empire, a slow and trying process, full of trouble. And the great centers of Communist power, the Soviet Union and later China, began to push outward in the name both of national and of ideological ambition.

The first goal of our post-war foreign policy was to continue our wartime relationship with the Soviet Union. On that basis, we sought to organize a universal community of nations through the United Nations. To that end, on several occasions we offered post-war reconstruction aid to the Soviet Union and the nations of Eastern Europe. We offered to put the atomic weapon under international control. And, for some years, we hesitated to react when the Soviet Union violated the promises it made at Yalta and Potsdam of free elections, and free choices, for the people of Eastern Europe.

But we finally had to accept the fact that the Soviet Union had other ideas. It paralyzed the United Nations as a peace-keeping agency. And it began to push outward in Europe and the Middle East, and later in Korea. It was in response to these pressures that President Truman established the broad lines of the foreign policy we have followed ever since. He promulgated the Truman Doctrine, which in effect told the Soviet Union, "thus far, but no farther." Then President Truman and President Eisenhower organized regional security arrangements, consistent with the United Nations Charter, to help stabilize Europe, Asia and the Middle East. In Western Europe, NATO was formed, and the Marshall Plan proved a dazzling success. We encouraged the movement of European unity, and the re-entry of Germany and Japan into the world community. Through the Point Four program, we established a model for aid to the developing nations which has now become a great international effort. And we participated actively in a series of steps which restored the convertibility of currencies, reduced barriers to trade, and created an active and unified free world economy, the foundation for the extraordinary economic recovery and growth of the free world since 1945.

While President Truman was the focal point for vehement criticism during his tenure in Office, the basic lines of his foreign policy have until recently been generally accepted by American and world opinion as prudent steps, necessary to make possible the recovery of Europe and Japan, and the beginnings of development in the Third World. His stand, costly as it was, arrested a slide towards chaos that could easily have engulfed the world in a new and bitter war. It provided a shield behind which we and our friends tried to establish stable and progressive regional coalitions, strong enough to deter and withstand external pressure.

But there is controversy in the country today as to whether the approach of the last twenty years is still necessary and desirable, and whether changes in the situation since the late Forties require or permit basic changes in the nature and structure of our relationship with the Soviet Union and China, and with Europe, Japan, and the other nations of the free world. This stirring of opinion was heightened by Viet-Nam, but it is not confined to the rightness or wrongness of our course in Viet-Nam. Men ask why we have troops in Japan, Korea and Germany, and why we should care about the possibilities of war in the Middle East, the Asian Sub-Continent, Africa, or the center of Europe. They oppose aid legislation and severely restrict aid programs, out of fear that aid will lead to involvements that could lead in turn to more Koreas and more Viet-Nams.

I want to comment briefly on some of these controversies today, in the perspective of my recent experience in government. The view of the world from the State Department is not very different from that of any other citizen. Except for a few details of information, it differs in only one way: In government, one is bound by an Iron Law of responsibility. One cannot escape from the implacable choices of reality by complaining about mistakes made ten years earlier, or making eloquent speeches about Utopian solutions that are not available.

IV

First, let me say a word about the subjects being discussed on President Nixon's trip to Europe. They are an excellent illustration for the main themes of this talk: the necessity for better education on the problems of peace, and the inescapable character of reality.

Our relationship with Western Europe is manifestly central to our hopes for peace. We have a vital national interest in the independence of Europe. In almost every realm—in trade and monetary affairs, technology, education, security arrangements—Europe is our indispensable partner. But the nature of our relationship with Europe should be more sharply defined.

President Johnson recently remarked that "the maintenance of peace requires the continued knitting together of the three great power centers of the Free World: Western Europe, Japan, and the United States. Here are the reservoirs of strength and skill on which our hopes for order and prosperity depend. If these three work together to deter aggression and to promote peaceful advance, I believe that sooner or later China and the Soviet Union will decide to accept our patient offers of peaceful cooperation. But if we fail to weld our present cooperation into a true coalition, the future will become dangerously uncertain."

I believe that President Nixon shares this judgment and its policy implications. Indeed, his European trip is a symbol of his desire to deepen and strengthen our methods of consultation with our European partners. As he said this week in his speech to the North Atlantic Council, "In its original purpose, NATO has been a resounding success. Europe and America, the Old World and the New working together, have proven that the dream of collective security can be made a reality . . . As NATO enters its third decade, I see for it an opportunity to be more than it has been before: a bulwark of peace, an architect of new means of partnership, and an invigorated forum for new ideas and new technologies to enrich the lives of our peoples."

Much has been done in this direction. But much remains to be done. As often happens, the common cliches obscure the issues. It is a commonplace that the United States has "neglected" Europe in recent years because of Viet-Nam. But the United States has not "neglected" Europe. Europe has been the most active and in many ways the most productive theatre of our diplomacy. The Ken-

nedy Round; the reform of the International Monetary Fund and of NATO; NATO's new program of political initiatives; the Non-Proliferation Treaty and the problem of NATO force levels and their financing; consultations about the Middle East and Africa—these are a few of the issues which have required sustained consideration and agreement between Europe and ourselves before reaching fruition.

Of course, many forward steps that might have been taken have been delayed or rejected. But these decisions do not represent the will of the United States. It was not the United States, or its distraction because of Viet-Nam, that has prevented British, Danish, Norwegian and Irish membership in the Common Market or the development of the Common Market as a European political entity. It was not an American decision that killed the European Defense Community and the project of a European caucus in NATO. It was not American positions that have held up agreement on force levels in Europe, and on methods of financing their balance of payments costs.

These are intensely difficult problems, with political and emotional overtones. Many go deep into history. It is no wonder that they do not yield to a magic wand. Some European governments face a confused and divided public opinion on questions of defense. In several, there are large Communist parties. In all, there is a minority opinion, as there is here, which takes the view that detente is upon us, and that defense is no longer necessary. And in one instance, a government has made it both a principle and a policy to differ with the United States and its allies on as many subjects as possible, to demonstrate its independence.

It is no wonder that on many, many issues, our Allies in Europe can move only slowly, or not at all.

It is, however, worth calling attention to one set of recent NATO decisions which should facilitate President Nixon's mission, and make it possible to move forward toward his high purposes.

In 1966 and 1967, the United States and its Allies reached unanimous agreement on the future tasks of the North Atlantic Alliance as a continuing factor for a durable world peace. This decision rests on a year-long study of the future of the Alliance which was thoroughly considered by all the governments. The report and resolution embodying these decisions are generally indentified with the name of M. Pierre Harmel, the brilliant and perceptive Foreign Minister of Belgium, who was a leader in this effort. The Allies decided that detente was a condition to be sought, not assumed, and that the NATO defense system had to be maintained and strengthened, until it could be reduced through agreement with the Soviet Union and the countries of Eastern Europe. The Allies resolved to convert the Alliance into an instrument for considered political initiatives in the interest of peace, in addition to its function as a defense arrangement. They decided to intensify and improve their procedures of political consultation on a wide range of issues. They also decided that the Alliance, or some of its members, should seek to harmonize policy on Mediterranean problems, and other problems which affect the security of the Allies, but stretch beyond the area covered by the Treaty.

These basic and far-reaching decisions provide the background for President Nixon's important and welcome pledge in Brussels on Monday to consult with our Allies, in the interest of unity, before and during any negotiations with the Soviet Union on matters which directly affect them, and indeed on the full range of our common concerns.

One result of the Harmel Study and Resolution was the proposal NATO made publicly last June to initiate talks with the Soviet Union and the countries of Eastern Europe on the possibility of balanced and mutual force reductions in Europe. From such talks, we have said, no topic would be excluded. The Soviet invasion of Czechoslovakia set back the hopes represented by this proposal. But they cannot alter our purpose. Those proposals represent the only road to peace. They have been the steady aim of American policy since 1945.

Other approaches are in the air about the pattern and policies of the Alliance. Some Americans complain that Europe does too little, and that we should bring our troops home, forcing Europe to unite, and take care of its own defense. Some Europeans complain in turn about American dominance, or hegemony. On the other hand, they also contend that since the defense of Europe depends upon the American nuclear weapons, and since the United States, in their view, hardly favors European nuclear power, this is no reason for Europe to follow the politically difficult and unpopular course of increasing its conventional military effort. It is almost equally difficult for Americans to understand the brutal logic of nuclear deterrence—that American nuclear power could hardly be expected to deter on a mail-order basis; that in an age of nuclear balance, no one would wish to see the President of the United States without any choices but the nuclear choice in the event of new turbulence in Europe or the Mediterranean; and that American nuclear weapons abroad have to be protected by American troops.

The equally bleak fact is that hostilities in Eastern Europe could release forces whose outcome no man can control or predict. The United States has a profound national interest in the course of such events. It must do everything in its power to prevent such occurrences, and to participate with its allies in policies to control them.

These are among the reasons why British Defense Minister Healy, and other Europeans, have sought confirmation from President Nixon that in this critical regard American policy will remain firm.

Thus, one by one, beyond the mutual irritations implicit in the situation, men find the alternatives to our present pattern of Atlantic relationships unconvincing. No European entity could soon acquire the nuclear capacity to deter the huge Soviet arsenal. No one wants the formation of Europe to destroy the unitary world economy twenty years of patient work has built. Only trans-Atlantic cooperation can solve technological and educational problems, and build a sound foundation of knowledge for the future. It is therefore reassuring that President Nixon's remarks in Brussels on February 24 echo, almost word for word, one section of President Johnson's speech of October 7, 1966.

We are left with the traditional prescription about making haste slowly. But that rule, sage as it is, does not, and cannot, mean immobility. Our Atlantic institutions do need strengthening, and they do need change. The nature of many problems requires some reforms—in the field of monetary policy, for example, where in my judgment existing patterns of cooperation should become institutional. Nothing less can concert and harmonize policy and contain dangerous pressures towards protectionism and fragmentation. And other steps are required in the political life of NATO to achieve equal responsibility in the relationship between Europe and America. The procedures and the precedents exist, if there is enough will to use them. The Allies have passed formal resolutions, expressing their determination to consult each other intensively and at a high level in the making of policy. It is time to put those resolutions to work, so that here too, cooperation will become a matter of institutional strength.

But we must not expect magic results from President Nixon's useful trip. It dramatizes the vital American interest in the independence and integrity of Western Europe, and in its development as our partner in the quest for peace. It should permit the President to give impetus to the Atlantic dialogue. But it will take a long time before Allied political policy is fully harmonized. For the cross-currents of the nuclear problem, and attraction of pursuing contradictory policies for the sake of contradiction, will mean that progress towards strengthening the Atlantic Community will, at best, be slow.

But the forces of unity are very great. And their pressure on events is real. The next few years may see important opportunities for progress in this direction: in monetary policy, where a prompt consolidation of reserves would be desirable and useful; in developing habits of political cooperation in accordance with the recommendations of the Harmel Resolution; in moving through the Organization for Economic Cooperation and Development towards a much tighter and more disciplined trading system for all the countries who belong to O.E.C.D., and their regional systems.

V

I might conclude with another case to illustrate my argument: The Middle East. Like our relationship with Europe, the Middle Eastern crisis is a tangled skein of history, of feelings, of fears, and of rivalries. It is even more intractable, and even more immune to Utopian solutions, than the organization of the Atlantic Community.

With the erosion and then the disappearance of British and French positions in the Mediterranean and the Near East after 1945, the United States faced a series of challenges to its national interest. We have deep ties to many of the Middle Eastern states. With the Soviet Union, we played a positive and responsible role in the establishment of Israel.

The resources to the Middile East are vital to the world economy. And in hostile hands, its space could threaten the security of Europe, of Africa, of Iran and the Asian Sub-Continent. It is no wonder that we, and some of our Allies, have repeatedly pledged our support to the political independence and territorial integrity of all the states of the region, and that in 1957, and again in 1961, Congress authorized active programs of military and economic assistance to nations in the area, and authorized the use of force as well to assist any nation or group of nations requesting assistance against "armed aggression from any country controlled by international Communism."

I shall not burden you today with reviewing the Arab-Israeli conflict and its ramifications. But I might offer a few comments on the present stage of the effort to achieve peace.

You will recall that after months of skirmishing, the Security Council of the United Nations passed a unanimous Resolution on November 22, 1967, calling on the parties to reach an agreement which would definitely settle the Arab-Israeli controversy, and establish conditions of just and lasting peace in the area. That agreement, the Security Council said, should establish secure and recognized boundaries between Israel and its neighbors, to replace the armistice demarcation lines established in 1949, and the cease-fire lines of June, 1967. The Israeli armed forces should withdraw to such lines. The agreement should also establish guarantees for maritime rights in the Suez Canal and the Strait of Tiran, embody a fair settlement of the refugee problem, and assure the right of every nation in the region to live in security and peace. It was provided that the Secretary General should appoint a representative to consult with the parties, and assist them in reaching the agreement required by the Resolution.

For more than fifteen weary months, the Secretary General's personal representative, Ambassador Gustav Jarring, has sought to bring about an agreement of the parties in

accordance with the principles and provisions of the Resolution. The United States has tried in every way open to it to facilitate this result, by seeking to preserve those elements of the situation indispensable to the possibility of peace, and by urging all the parties to the conflict to more towards meaningful negotiations. While we have differed with all the parties on one or another aspect of the problem, the basic obstacle to peace has been the continuance and intensification of terrorist activities, supported or condoned by some Arab governments, and the policy embodied in the Khartoum formula—"no negotiations, no recognition, no peace."

Terrorist activities violate the cease-fire resolutions, and international law. They are designed to prevent peace, and force another war. There is a risk, though not a great one, that they could succeed.

So far as negotiations are concerned, the government of the United Arab Republic bears primary responsibility at this time for the stalemate in the Jarring Mission. It says it is ready to implement the Security Council Resolution "as a package deal" in all its parts. But thus far, at least, it has not made clear its willingness to implement the provision of the Resolution requiring it to make an agreement establishing peace, nor is acceptance of any practical procedure for reaching such an agreement with Irsael. We must keep in mind that the Security Council Resolution is not self-executing. It requires the parties to take responsibility for peace, and to solve a number of problems in connection with peace: demilitarization and other security arrangements; agreement on secure and recognized borders; guarantees of maritime rights; and the refugee problem.

The hope of the government of the U.A.R., frequently and openly stated, is that the United States will undertake to repeat the procedure it followed in 1957—of negotiating with Israel in behalf of Egypt, so that an Israeli withdrawal could be obtained without peace. It failed to persuade President Johnson to follow this course. I have no doubt it is now trying its proposals on President Nixon.

American opinion needs no warning against this trap. We acted as Egypt's broker once, only to find that it violated every provision of the understanding it reached with us, with Israel, and with the whole international community, stage by stage, until it closed the Strait of Tiran in May, 1967. This time, the United States has said, there must be peace—a definitive end to twenty years of warfare which has become a burden to world peace. And the parties must take public responsibility for the agreement establishing a condition of peace.

The purpose of American policy in the Middle East has been to protect important—indeed vital—long-range interests of the United States and of its Allies. So far as the parties are concerned, it has been a fair and even-handed policy. We agree with Israel that circumstances require peace. But we do not believe that the absence of peace is in the Arab interest, or that any state—any member of the United Nations—has a legitimate interest in claiming the right to destroy another. To insist on peace is not to oppose the rightful interests of any Arab state. Nor is it a position contrary to Arab interests to insist that every member of the United Nations accept and fulfill the provisions of the unanimous Security Council Resolution of November 22, 1967. On many other problems—territorial changes, refugees, Jerusalem, and the like—we have taken stands which we believe would protect the interests and dignity of all the parties, and permit them to make a just and balanced peace.

Such a peace is possible, I am convinced, if the parties want peace. The next few weeks should show whether peace will come pursuant to the Resolution of November 22. I am confident the United States will not repeat the error it made in 1957, in negotiating a settlement which failed to end conditions of hostility in the area, and establish peace.

VI

I have said nothing about Viet-Nam in this talk, for there is little to add at this tense moment, as we watch the bitter fighting in the area, and hope for good news from Paris and Saigon. Here, too, I have no doubt, President Nixon is being tested, and much turns on the outcome, in South East Asia and elsewhere.

In the perspective of my argument today, we should view these problems—in Europe, in the Middle East, and in Viet-Nam—as aspects of a single process—our efforts, and that of our friends, to strengthen and consolidate a system of peace. Collapse on any front could endanger all. Such stability as the world has known for twenty years rests on the deterrent power of American commitments, backed by the staunch patience of the American people.

We have pursued a steady course in foreign affairs for more than twenty years. Political philosophers have thought that such continuity in foreign policy was impossible for the volatile public opinion of a democracy. Despite its costs, and the mistakes that have been made, much has been achieved.

There are risks ahead. The Soviets and the Chinese have not yet accepted the logic of coexistence. And conflict can still be triggered by the irresponsible rulers of small states. But the greatest risk of general war could come from an American return to isolation:—a pulling back from Europe and Asia that could precipitate far worse troubles than those which followed our withdrawal from Korea in 1949. For war comes with panic when the world seems to be slipping its moorings. Strong isolationist voices are heard in the country preaching such a course.

For that disease, the best cure is the quiet and thorough study of the problem of peace in our schools, in our universities, and in every forum of the nation where policy is debated.

Hence, my appeal to you today.

ALL OF WISCONSIN CAN BE PROUD

Mr. NELSON. Mr. President, a remarkable woman has taken over the governmental helm of Israel, and I am confident that under Mrs. Golda Meir's leadership great strides will be made toward solving the complex problems of her country.

Mrs. Meir ranks among the outstanding public servants of Israel, having served in various capacities throughout her long career. With a sense of pride, many Wisconsinites watched Mrs. Meir emerge as one of the truly outstanding world figures. She emigrated to Milwaukee when she was 8, grew up there and graduated from the Teachers' Training College in 1917. For several years thereafter, Mrs. Meir taught school in Milwaukee and was active in local Jewish affairs.

Compelled by her desire to see a home created for the Jewish people, she left Milwaukee in 1921 and moved to Palestine to begin working on her dream. In 1948 the years of sweat and tears bore fruit and the sovereign state of Israel became a reality.

Although difficult decisions face Premier Meir, I am sure that the Israeli nation will be carefully guided under her wise counsel.

I wish Premier Golda Meir success in her challenging new role and hope that the future will bring a lasting peace to the Middle East.

An article tracing Mrs. Meir's life in America recently appeared in the Milwaukee Journal. I ask unanimous consent that it be printed in the RECORD.

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

MRS. MEIR'S LIFE HERE TRACED

(By Robert W. Wells)

When Israel's new premier was a girl, she shared two rooms with her parents and younger sister, worked for 20 cents per hour at the library and led the life of an immigrant's daughter in pre-World War I Milwaukee.

The premier is now Mrs. Golda Meir, who has been chosen to lead her nation in a period of crisis. Then she was Goldie Mabowehz, who came to Milwaukee from her native Russia in 1906 when she was 8 years old. She remained here during most of the next 14 years, formative ones for the distinguished career which followed her departure in 1920.

After she became a world figure, Milwaukee proudly identified Mrs. Meir as its own, but surprising little has been recorded about her time here—and much of that, it seems, has been inaccurate.

She is often identified as a former Milwaukee schoolteacher and is regarded as one of the most distinguished graduates of what is now the University of Wisconsin—Milwaukee. But a check of records and the recollections of her old friends here indicate that she never taught in the public schools and she did not graduate from what was then Milwaukee Normal school.

Mrs. Meir was born May 3, 1898, in Kiev, of Jewish parents. Her father, Malehz Mabowehz, a carpenter, soon moved his family to Pinsk. It was there, when she was 4 years old, that she participated in her first protest.

Forty-five Russian Jews had been massacred. Various Jewish communities in the czar's realm declared a day of fasting to mourn the dead. Children of her age were exempt, but Goldie insisted on joining in the fast.

In an era of pogroms and discrimination, many of those in Russian ghettos fled to America. There is some indication that Mabowehz came to Milwaukee first, sending for his family later.

Goldie was one of eight children, but by the time the family migrated the five sons had died. Only the three daughters were left—an older girl, who soon married and moved to Denver, Goldie and a younger sister, Clara.

In 1907, Mabowehz was operating a small grocery store at 615 W. Walnut st., then the main business street of a predominantly Jewish neighborhood which included the area between 4th, 10th, Vliet and Walnut sts.

Two years later, the city directory identifies Mabowehz as a grocer at 623 W. Walnut and his first name, which had been Malehz, is now given as Morris.

FAMILY MOVES

By 1913, the family had moved to 748 10th st., where it operated a delicatessen called Miller and Mabowehz. Goldie was included in the 1914 city directory, when she was 16, and was reported to be in sales work. The family address was then listed as 750 10th st.

Two years later, the directory indicates, she was clerking at Schuster's. She, her parents and Clara were still living in the two rooms behind the small grocery store on 10th st.

The sales and clerking jobs were presumably part time because Miss Mabowehz was also going to school. She had gone to the 9th Street elementary school and attended North Division and a high school in Denver, where she visited her older sister, before enrolling at Milwaukee Normal in October, 1916.

REMEMBERS GOLDIE

Isadore Tuchman, 80, of 3774 N. Sherman blvd., a retired vice-president of the Consolidated Waste Paper Co., was then one of a number of young Milwaukeans participating in the Labor Zionist movement. When Goldie came back from Denver, he recalled, she was not interested in Zionism but was chairman of a women's organization to fight tuberculosis.

"We had a Hebrew school on Sundays at Lincoln House, which was across from the 9th Street school," Tuchman said. "I met her at a lecture and we felt that this girl, who was going to teachers' college and knew a little about Judaism, could do a lot of good with the children.

"She spoke nice Yiddish, which you don't see much in this country."

Tuchman persuaded Miss Mabowehz to become one of about a dozen volunteer teachers at the school, which met for several hours on Sunday mornings and later on Saturday afternoons. It was, he said, a cultural school, concentrating on preserving the Jewish heritage for children of immigrants.

HAD SELF-CONFIDENCE

When he first met her, Tuchman said, Goldie had a great deal of self-confidence and "was sure she was much above the average girl," but actually she knew very little.

"In that environment, with a group of laymen who were interested in Jewish culture and the Jewish faith, there's where she grew up," he said.

Records of Miss Mabowehz's career at UWM's predecessor are scanty. A document signed by Richard E. Krug, their principal of North Division, recommended her for admission to Milwaukee Normal on Oct. 5, 1916. She apparently stayed only until Mar. 15, 1917, when she took a job with the Milwaukee public library as a library assistant. A notation dated Feb. 3, 1917, indicated that she was then in college but would be free to take the job on Mar. 15.

It was then possible to be certified to teach in a rural school after only one school year at Milwaukee Normal. But the records indicate Miss Mabowehz was enrolled in the "primary grammar" division, a two year course of study.

COMPLETED TWO SEMESTERS

Semesters were then only 12 weeks, so it seems likely that she completed two such semesters before leaving school for the library job. One of her old friends recalled that in those days married women were not allowed to teach and Goldie's mother opposed her choice of teaching as a profession for fear this would mean she would not marry.

While she was in Denver, the Milwaukee girl had met Morris Myerson—the name has sometimes been spelled Meyerson. Goldie's maiden name is sometimes spelled Mabowitz, but the Myerson and Mabowehz spellings were used in Milwaukee city directories.

Myerson first appears in the 1919 directory, when he was listed as a sign writer for Aultman, Inc., 458 Jefferson st.

MARRIED IN 1917

Myerson and Miss Mabowehz were married here in 1917.

"He was a first class man," Tuchman said.

By then, Goldie was a leader of the local Labor Zionists, who were part of a worldwide movement which envisioned a Jewish homeland in what was then called Palestine. Street corner meetings were held on Walnut st., with the young woman among those making speeches.

Her biographers have said that Mabowehz, who was then working as a carpenter for the Milwaukee road, objected at first to his daughter's speech-making. He went to one of the street corner rallies to order her to stop.

But his daughter was so persuasive that he changed his mind.

"What a tongue," he said, proudly. "What a spirit."

Tuchman remembers attending meetings at Mabowehz home, with young Labor Zionists crowding into the two rooms to talk of weighty matters.

ALL WERE POOR

"There was no washroom in the House and no electricity—just gas lights," Tuchman said. "All of us were poor. Mabowehz was making 20 or 25c an hour and his work wasn't steady.

"There weren't jobs enough in the city of Milwaukee. People would be peddlers or would go out with a cart and pick up rags. I myself was working 60 hours a week at 15c an hour—$9 a week, that was very good.

"We would have meetings at the Mabowehz house two or three times a week. The father, mother and two daughters grew up with us. Mabowehz was poor as far as money's concerned but he was a smart man.

"In those two little rooms, we talked about all the world's troubles."

Tuchman said that the Labor Zionists often backed the Milwaukee Socialists, who elected Emil Seidel and later Daniel W. Hoan to the mayoralty and sent Victor Berger to congress.

"We were working with them," he said, "but they never recognized us as a Socialist movement."

MAJOR INFLUENCE

Later, he said, Berger sometimes addressed the Labor Zionists. Eugene V. Debs, the Socialist candidate for president, also spoke here in an era when Milwaukee's Socialists were a major influence on public affairs.

The future Israeli premier heard Debs and Berger speak and shared some of their ideas. It seems possible that a movement which has become history in Milwaukee may have had some influence on the leader of a nation that did not exist when Berger regarded the Labor Zionists as unworthy of much notice.

After Myerson and Miss Mabowehz were married in 1917, they made plans to go to Palestine. There is a story—Tuchman had heard it but cannot vouch for its truth—that before Goldie would marry Morris he had to promise to go there.

PLEDGED SUPPORT

It was in 1917 that Arthur James Balfour, British foreign secretary, pledged British support for a Jewish homeland in Palestine, then under British control.

Tuchman and Mrs. Myerson were named as the Milwaukee delegates to a Labor Zionist convention in Philadelphia. After that, the young woman began traveling around the country making speeches. She made a national tour to raise money for a newspaper the organization was starting.

It was in 1920, Tuchman said, when the Myersons and several other young Labor Zionists left Milwaukee for what was later to become Israel.

"Before they left, some friends of ours had a wedding," he said. "At night, they had a party for close friends. There were a couple of dozen of us, including Mrs. Meir. We were dancing together and having a good time—that was nearly 50 years ago, and we were young.

"When we parted after the party, we said good-by. They were leaving soon for Palestine. We didn't expect ever to see each other again."

It didn't turn out that way, of course. The Myersons joined a kibbutz, an agricultural cooperative settlement, and for a time the future premier from Milwaukee was in charge of raising chickens. Later, she held numerous government posts, traveling widely.

She visited Milwaukee numerous times, often staying with Tuchman and his wife. He said the Israeli navy got its start in his house. Mrs. Meir bought the first two ships from Canada while she was staying there.

Myerson died some years ago. After she became foreign minister, his wife Hebraicized her name—at first to Mayer, than to Golda Meir.

"She is a very remarkable person," Tuchman said. "She is not only the prime minister of Israel. She knows America. She loves America.

"She won't get stuck up because she's prime minister. She's a plain woman who still remembers her friends."

LENNOX, S. DAK., WINS NATIONAL CLEAN-UP AWARD

Mr. MUNDT. Mr. President, having reached the age where we are confronted daily with the many problems of our great urban centers, it is refreshing to note achievements of small towns which remain the "backbone of American society."

I am proud to call attention to the outstanding achievements of Lennox, S. Dak., a town of 1,400 people in the southeastern part of my State which has again called attention to the All-American small town. Few cities of any size in the United States can boast a more impressive record than Lennox, which recently won its fifth award in 6 years in the National Clean-Up Contest. Lennox was the smallest town to receive a trophy award at the 1969 National Congress on Beautification, which was held at the Statler Hilton Hotel in Washington last month.

I congratulate the citizens of Lennox who have proved to all of us that unity and hard work behind a common cause can reap great results regardless of size. Every citizen of Lennox was an active participant in the campaign to keep their town among the cleanest in America. This kind of spirit deserves the attention of all of us who are interested in replacing decay with progress in the urban areas of this country.

I ask unanimous consent to have printed in the RECORD several newspaper articles noting the achievement of the people of Lennox.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Sioux City Journal, Feb. 24, 1969]

LENNOX, S. DAK., TO RECEIVE NATIONAL CLEAN-UP AWARD

(By Marianne Courey)

LENNOX, S. DAK.—Whatever the formula or knack for remaining among the top trophy award winners in the National Clean-Up Contest each year, this southeastern South Dakota Community has certainly kept South Dakota in the select list in great style during the last six years.

Few cities of any size can boast a more impressive record—five awards in six years—for being among the trophy winners in this nationwide competition, of which the National Clean Up-Paint Up-Fix Up Bureau in Washington, D.C. is sponsor.

Listed at 1,353 in the 1960 census, Lennox will be the smallest in population receiving a trophy award at the 1969 National Congress on Beautification at the Statler Hilton Hotel in Washington on Tuesday.

It will highlight the three-day event (Sunday through Tuesday), according to R. H. (Dick) Hackendahl, director of the national bureau in Washington.

In a recent telephine conversation Mr. Hackendahl advised Lennox Mayor Fred Courey the city of Lennox's entry was one of 181 submitted in its category—cities up to 25,000 in population.

Judging in the national contest is based on the year-round campaigns, showing projects and activities, participation and results in community beautification, property improvements, youth activities and miscellaneous (including promotional). In addition to the pride and progressiveness of individuals, Mayor Courey attributes much of the Lennox success to interested city officials and personnel, the great number of Lennox organizations, groups and churches that are active and retain interest, and the splendid support of Lennox business and professional men.

In conjunction with his recent board position with Mikota Opportunities Inc.—area industrial and economic development group—and the Southeastern South Dakota Community Action Agency, Inc., Mayor Courey sent out letters to board members, mayors and town board presidents and chairmen of other civic groups such as chambers of commerce and development corporations, encouraging participation in area and nationwide competition.

In commenting at one time on the establishment of the area industrial and economic development organizations, Mikota Opportunities, Inc., National Director Hackendahl said, "This area-wide approach is becoming very common throughout the United States as individual cities and towns recognize that in order to grow and prosper they must look at themselves as a part of a total area. Certainly I would think one of the first steps that his organization can undertake is to develop a civic improvement and beautification program in every city and town that is represented . . ."

In extending his congratulations earlier, Hackendahl said, "I am sure that you are most excited with this national recognition, particularly in view of the fact that the competition was keener this year than ever before.

"A beautifully engraved trophy will be presented to your city's representative at an elaborate Awards Ceremony."

"As a trophy winner, your city will be in competition for the National Award of Excellence—the Trigg Trophy—which is the highest honor any city can receive for clean up, beautification and civil improvement. The recipient of this award will be announced as the concluding highlight of our Awards Ceremony on Tuesday.

"On behalf of the Bureau and our judging panel, again, our most sincere congratulations," he concluded.

While the National Clean Up-Paint Up-Fix Up Bureau had its inception in 1912, the February conferences and awards presentations were started in 1964. Mayor Courey has attended each of these annual events except 1967, receiving Lennox's award on three occasions while Tony Groebner, then Lennox Commercial Club president, receiving the trophy in February a year ago.

[From the Sioux Fall Argus-Leader, Feb. 3, 1969]

LENNOX ACHIEVES SPLENDID RECORD

The alert and wholesome community of Lennox has occasion again to be bursting with pride.

The reason is its designation for the fifth time in the past six years as one of the top ten among the trophy winners in the national Clean Up, Paint Up and Fix Up campaign in cities of less than 25,000 population.

To enter this select company of communities once is in itself a notable event. To do so five times in six years is an extraordinary achievement.

The top winner is to be selected in late February. If Lennox wins, it will be a great honor. Even if it doesn't, its cup of joy should be overflowing in the recognition already achieved.

An honor such as this just doesn't come about because of good luck. It is the result primarily of a desire on the part of the people to have a pleasant, beautiful and clean community. That's the kind of a community the people of Lennox want and that's the kind they have. We're proud to be their neighbor and we share with them the satisfaction that accrues from this national distinction.

[From the Lennox Independent]

LEGISLATURE PASSES "LENNOX" RESOLUTION

Wendell Leafstedt, who serves Lincoln and Union counties in the South Dakota Senate, recently introduced a resolution in that legislative body calling attention to the fact that the city of Lennox was again selected as one of ten trophy winners among cities of under 25,000 population in the annual National Clean Up Contest.

The concurrent resolution was read and passed by both houses of the state legislature and a copy of it was forwarded to Lennox city officials.

In remarks pertaining to the resolution, Mr. Leafstedt made the following observations:

"In this contest Lennox was the smallest city in the finals of this national contest. Also, I want to add they have been among the winners in this contest for five of the past six years. It is a city with a population of 1400 located 20 miles southwest of Sioux Falls being five miles west of Interstate 29.

"Some of the principal achievements which helped them to win this award are continuing program of hard surfacing streets, new street lighting fixtures, rebuilding and beautification of a new $85,000 golf course, a new Post Office building to be built soon. They have a modern large nursing home and are making plans for a new low-rent housing unit of 30 units as a home for elderly citizens. They have spent more than $800,000 in the past few years in city improvements and beautification of their city.

"This week the Mayor of Lennox, Mr. Fred Courey, is in Washington where they will award the trophy for the overall winner from the final 30 contestants and we hope Lennox will receive further recognition there.

"The fact that Lennox is the smallest city to win this award is all the more reason that we should recognize their winning of the award. Gentlemen, I feel that we should join in congratulations to the city of Lennox for bringing national recognition to South Dakota."

STATEMENTS MADE BEFORE SUBCOMMITTEE ON INTERNATIONAL ORGANIZATION AND DISARMAMENT AFFAIRS

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD statements made by eminent Americans before the Subcommittee on International Organization and Disarmament Affairs.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY PROF. HANS A. BETHE AT THE HEARINGS BEFORE THE COMMITTEE ON FOREIGN RELATIONS OF THE UNITED STATES SENATE, SUBCOMMITTEE ON INTERNATIONAL ORGANIZATION AND DISARMAMENT AFFAIRS, MARCH 6, 1969

I have no criticism of the components of the Sentinel System as they were presented in the testimony from the Defense Department. In fact, I believe they are well designed, and I assume that they will work as designed. Nor am I troubled by the safety aspects of the nuclear weapons deployed in the system.

I am worried about the possibilities of penetrating the system, and I want to quote former Defense Secretary McNamara:

"It is important to understand that none of the ABM systems at the present or foreseeable state of the art would provide an impenetrable shield over the United States . . . Let me make it very clear that the (cost) in itself is not the problem: the penetrability of the proposed shield is the problem."

1. BALLOONS

I shall discuss the penetration aids which the offense can use with their ICBM.

The first such aids are balloons. They can be made very thin, e.g. of mylar, and thus can be made to weigh only one or a few pounds. The outside surface has to be coated with metal, such as aluminum, but the coating need not be very perfect. The coating is to make the balloon reflect the radar waves so that the balloon appears to the radar like a reentry vehicle. If the shape of the object makes a difference to the radar the R V itself could be surrounded by a balloon after the missile completes the ascent.

The balloons would all be folded in small packages while the missile goes up through the atmosphere and would then be released and inflated. If they are simply released, they will follow the same trajectory as the reentry vehicle. To provide confusion for the radar, it is necessary to disperse the balloons so that they make well separated targets for the radar. The Chinese would have to learn this technique, but they could do so by using their medium range ballistic missile for launching the balloons.

Balloons have a somewhat bad name among missile experts because it is rather difficult to put them accurately on a specific trajectory to hit a specific target. This however would not be necessary in the case of Sentinel. The doctrine of Sentinel as far as I understand, is to protect the entire country and this means intercepting any threatening object. This would mean that any balloon, no matter what trajectory it follows must be considered a target by Sentinel, and a Spartan missile must be sent against it. This would soon exhaust the supply of Spartan missiles. In fact, one could imagine the Chinese making an attack in which they only send over balloons, no warheads. The balloons would draw the Sentinel fire, exhaust the Spartan batteries and could then be followed by the real attack with warheads.

This possibility forces us immediately to retreat from the doctrine of protecting the whole country. We then may choose to protect only cities and their suburbs. As soon as we do this however, the Chinese could send over reentry vehicles with live warheads, directed to places some tens of miles west of cities. When these explode on the ground, the prevailing winds would carry the radioactivity into the city, at least in many cases.

2. BETTER DECOYS

The offense can make decoys more sophisticated than balloons. They might consist of a sturdy frame, and some wires carefully arranged to give the same radar cross section as the R V. This requires some skill, and the radar cross section must be carefully investigated. But this again can be done in the laboratory, and does not need to wait for the Chinese ICBM capability. Decoys can again be made to weigh a few pounds and still to penetrate some distance into the atmosphere.

3. CHAFF

A particularly effective means of penetrating ABM defenses is chaff. This consists of very thin metal wires cut to a length of about half a wave length of the radar. But the exact length is not important, a chaff wire will also be effective against shorter wave lengths. For instance, one may think of copper wire 1 mil in diameter: 100 million such wires, cut to work against UHF radar, will weigh only 400 pounds. This can easily be

carried by the ICBM. The only problem is the dispersal of these chaff wires, and this is indeed a tricky one. But if a country learns to disperse chaff, it can make a cloud of chaff hundreds of miles long, spread along the trajectory of the ICBM. This chaff cloud will simply look black to the radar, and any R V or decoy can be concealed within it. If the defense wishes to hit the R V above the atmosphere, they must send a considerable number of antimissiles against the cloud.

4. ECM

It is possible to design vehicles which emit radio waves of about the same frequency as defense radar, which will then jam that radar.

5. BLACKOUT

This is my favorite penetration aid. The ABM system involves the explosion of high yield nuclear weapons at high altitude. Any such explosion ionizes the atmosphere, that is it tears the electrons of the air atoms away from the rest of the atom. These electrons are powerful reflectors of radio waves. In fact the ionosphere which is permanently around the earth, and is responsible for radio propagation around the world, consists of of just such electrons torn off from atoms by sunlight. An atomic explosion would produce a much higher concentration of electrons, and would thus reflect radio waves of much higher frequency than the ionosphere. This gives radar blackout for a certain length of time after the explosion as has been observed in our high altitude nuclear weapons tests.

We know something about this blackout from the actual tests performed. A lot of additional information has been obtained by theoretical calculations since 1962. A megaton explosion at high altitude will cause blackout of UHF waves which are to be used in the PAR radar, for several minutes. This blackout will not cover the whole sky, but it may easily cover an area of 100 miles diameter or more. There are two blackout regions; one arises from the "fireball", i.e. the air that was originally heated by the nuclear explosion: this usually rises to quite high altitude, 100 miles or more. The second is due to the beta rays which are emitted by the radioactive fission fragments left over from the explosion. This beta ray blackout is concentrated at altitudes from 30 to 40 miles. Blacking out a region of 100 miles diameter at this altitude covers a large part of the sky.

Blackout can be caused by the explosions of our own Spartan. For this reason, the amount of fission in the Spartan warhead is kept to a minimum. Also a doctrine can be developed where and when to fire the Spartans so as to cause minimum blackout troubles. In addition the enemy however may purposely explode weapons at high altitudes over our radar. He will of course employ *maximum* fission yield as to cause maximum blackout. Behind the shield of such a "precursor blackout" he may then send any further missiles which our radar cannot see. Of course this is done at the expense of some of his warheads.

The enemy can further increase the effectiveness of blackout by sending his missiles on a trajectory which reenters the atmosphere at a low angle. This costs him more energy, so that it reduces the payload of his missiles, but it makes his RVs visible to our radar only much later than if he used the normal trajectory, and it thus helps penetration even in the absence of blackout.

6. POSSIBLE CHINESE DEVELOPMENTS

What are the Chinese likely to do about ICBM? Our Intelligence had predicted a Chinese ICBM test for late 1967. It obviously has been postponed at least 1½ years. When it will actually happen I cannot predict. Nor can I predict when they will be able to deploy an ICBM system. The estimates of the Defense Department seem to me reasonable.

If we deploy Sentinel this may have various effects on the Chinese ICBM plans. They may give up ICBM altogether but his is not very much like their normal behavior. They may build ICBM in a straight-forward manner without developing pen aids. In this case Sentinel will be effective against the Chinese ICBM until they have quite substantial numbers. As a third alternative, they may develop pen aids at the same time as they develop the ICBM itself, and may be ready with pen aids very soon after the first deployment of ICBM.

It seems to me entirely logical for them to do so. Moreover their history in atomic weapons development makes such a course likely. You will remember that they tested their first H-bomb only two years after their first A-bomb. I interpret this as meaning that they must have done a lot of theoretical work on the H-bomb before their first A-bomb was ever exploded. You can do a lot of theoretical work and laboratory work before you have the industrial capacity to put the hardware into the field. In the last 20 years, we have gone mostly the other way, testing hardware very quickly, but during the war, at Los Alamos, we were forced to use the method which I think the Chinese have used. The Chinese are clearly weak industrially but they are quite strong in brain power. It seems to me entirely credible that they would develop one or more systems of penetration aids in the laboratory before they have an ICBM operational capability.

In this case, Sentinel ability to stop a Chinese missile attack will only last for a short time after the first Chinese ICBM deployment. They need to deploy only a small number of ICBM to penetrate our defenses. Studies of this problem have been made which I believe to be essentially correct.

It is for your committee to judge whether a few years of protection against the Chinese missile attack is worth the price of the Sentinel System. In forming that judgment you will certainly take into account that any Chinese ICBM attack on this country in the foreseeable future would be totally suicidal, without accomplishing much of military value against the United States. We have, and we shall continue to have, overwhelming strategic superiority over Communist China. China has not shown any suicidal tendencies in its military policy toward other nations. They may have suicidal tendencies in the conduct of their internal politics but this is a different matter altogether.

Our great superiority over China is predicated upon the political separation of China from the Soviet Union. It is difficult to predict whether this separation will persist, and you are obviously more competent to judge the prospects of the United States to do everything in our power to preserve this split in the Communist world. This is a diplomatic problem, not a military one. It does not seem to me that Sentinel is a useful instrument for this purpose.

7. ARMS RACE AND RUSSIAN REACTION

If we accept the hypothesis that the Chinese will deploy their ICBM system in the most effective manner compatible with their limited resources, the question will arise what our reaction should be. If we deploy the Sentinel system we shall probably be tempted to improve it in quality and to increase the number of our anti-missiles so as to keep up with the developing Chinese threat. I believe that it would be possible for us to engage in such a race, and to stay ahead of the Chinese ICBM capability for a long time. This would probably be costly but would certainly be within our financial capability.

However, in the course of this race, our ABM system would be built up to a point where it would appear threatening to the Soviet Union. We must remember that any prudent defense planner will tend to be conservative. When we race the Chinese, we will make a high estimate of the prospective number of their missiles and of their capability in pen aids, and we shall therefore tend to deploy 3 to 5 times as many antimissiles as are actually needed. The Soviets, seeing this, will in turn overestimate our building plans, as well as the capability of our ABM. To preserve their assured destruction capability they will then build again 3 to 5 times as many ICBMs as are actually necessary to penetrate our defenses. In this manner a relatively minor Chinese missile buildup may easily lead to a Soviet buildup of ten times that number. This in turn will cause us to respond in kind with an increase of our ICBM force.

In saying this I assume that the Russians do not feel threatened by the Sentinel plan as now conceived. Whether this is actually the case remains to be seen.

8. ABM TO DEFEND MINUTEMAN

A completely different concept of ABM is to deploy it around Minuteman silos, and at command and control centers. This application has gone in and out of Defense Department planning. I am in favor of such a scheme.

My main reason is that such deployment would stabilize the situation rather than the opposite. You are all familiar with the theory of the stable deterrent in which both the Soviet Union and the United States can absorb an initial attack by the other, and are still able to retaliate. Thereby the chance of such an initial attack is greatly diminished, certainly as long as neither party wishes to commit suicide. In this framework, and I do not know any reasonable substitute for this framework, it is vital to preserve our retaliatory capability. This is well assured at present. But if the MIRV concept can be developed to its ultimate conclusion, and if the MIRV can be aimed with very great accuracy, our land-based missiles may some time in the future be in jeopardy. For such an eventuality ABM defending our Minuteman silos would be a very sensible countermove. It is not the only one possible.

I believe that the Sprint missile and the MSR are good components for defense of our Minuteman silos and of command and control centers. Perhaps the Department of Defense would want to modify them somewhat for this specific purpose. It is not clear to me that the rest of the Sentinel system is needed for this type of ABM deployment. Absence of the rest of the system, and deployment of ABM only around our strategic forces, would give the Russians better assurance that we are not seeking to deny them their second strike capability.

STATEMENT BY J. P. RUINA, MASSACHUSETTS INSTITUTE OF TECHNOLOGY, CAMBRIDGE, MASS., BEFORE THE SUBCOMMITTEE ON INTERNATIONAL ORGANIZATION AND DISARMAMENT AFFAIRS, SENATE COMMITTEE ON FOREIGN AFFAIRS, MARCH 6, 1969

Mr. Chairman and Senators: I welcome this opportunity to state my personal views today to the Senate Subcommittee on Disarmament. My views in no way reflect views held at M.I.T. or any of its laboratories where there is a spectrum of opinion on this issue.

I have been involved in one way or another in the concerns about large defensive systems since I worked as a civilian in the Department of Defense from 1959–1963. For most of that time, I was Director of the Advanced Research Projects Agency, an agency which had as one of its major responsibilities research and exploratory development of BMD. The actual development of Nike-Zeus, Nike-X, and Sentinel was, however, not the responsibility of ARPA but was assigned to the Army. Since 1963, I have followed closely the technical developments in this field.

The national debate on Sentinel is the first example I know of a military system becoming a matter of intense public debate, not confined to small groups of experts or advocates of a special cause. I think it is signifi-

cant that we have such a public discussion, it speaks well for the democratic process. I suppose that up to now the highly technical and classified nature of key issues involved in military systems precluded public involvement. But, also, because almost all military programs were given high national priority, they received little critical questioning by Congress or the press. However, we are fortunate that within the executive branch and within the Office of the Secretary of Defense, military programs are carefully examined and reviewed for technical feasibility, necessity, and costs—and indeed many programs which initially seemed attractive were curtailed after study. But I think that it is healthy to have questions of defense enter the public arena whenever possible and be judged in relation to other national issues and commitments. I think that on the matter of Sentinel we can have meaningful public discussion without involving ourselves with classified information.

However, public scrutiny brings with it certain pitfalls. Issues can look black or white and are sometimes simplified beyond useful recognition in order to influence public opinion or to assure broad comprehension of sometimes very complex technical and strategic questions. Also, in the passion of debate, evil motives are attributed to both sides; and it becomes increasingly difficult to sort out the significant issues.

Advocates of Sentinel deployment are not part of a military-industrial conspiracy. Critics are not necessarily advocating unilateral disarmament of the United States. Expressing skepticism about need for a specific military system is not disloyal. Honest differences of opinion exist on the technical and strategic nature of the Sentinel system and its effectiveness.

I am also deeply disturbed that the argument about Sentinel has resulted in objections from some quarters to any efforts in Ballistic Missile Defense—even research to help us gain knowledge about the technical issues involved. How can we make decisions about our own system and how can we assess what is going on in other countries without a deep immersion in all aspects of the technology? I believe that it is mistaken to view research, development, and evaluation as necessarily escalating the arms race. It is true that all of these are preliminary to development of any military system, but they are, also, preliminary to wise consideration of arms limitation.

One reason why it is possible to consider withholding Sentinel deployment (and for that matter the thick Nike-X deployment) and limiting our offensive forces, is that as a result of our intense R&D program we are very knowledgeable about the technology involved in both the penetration and defense fields.

When intercontinental ballistic missiles were first developed in the mid-50s, they were considered by the public as the ultimate weapon against which there was no defense. However, after examining the technical situation, the Army developed a ballistic missile defense system called Nike-Zeus.

The system concept for Nike-Zeus was similar to that of Nike-Ajax and Nike-Hercules—two successful air defense weapons. The basic unit of the Nike-Zeus was a battery consisting of radars, interceptor missiles, and computers all located in the vicinity of the area to be protected. Many such batteries were to be deployed around the United States, mainly to defend cities.

Nike-Zeus represented a magnificent piece of engineering, fully exploiting the technology of the day. It successfully met the challenge of being able to intercept and destroy an incoming re-entry vehicle. But the challenge to a ballistic missile defense system is more than being able to "hit a bullet with a bullet." A technologically sophisticated opponent like the Soviet Union could, and almost certainly would, develop a variety of penetration aids to confuse the system, increase the size of his force to saturate the system, or aim his missiles so that the nuclear explosion occurs outside the range of Nike-Zeus, thereby destroying population centers by nuclear fallout. So that in spite of the fact that Nike-Zeus was an engineering tour-de-force, its high cost and low effectiveness made it unattractive for deployment.

In the early 1960's technology had progressed to the point where a greatly improved system could be developed. The Army discontinued further development on Nike-Zeus and started on Nike-X, a system utilizing the same basic system concept as Nike-Zeus but with vastly improved radars, intercepting, missiles, and computers. The result was again a remarkable engineering development. The full Nike-X is intended to handle a far larger and more complex attack than Nike-Zeus.

However, as defense system technology improved, the technology of the offense also progressed. Again because of the high cost of the system and our estimates of the relative ease with which the Soviets could penetrate the system, the Government has not deployed Nike-X. It is interesting, however, that a new argument entered the debate on Nike-X deployment; namely, that since any ballistic missile defense system that we or the Soviets are capable of building can be penetrated, it was almost certain that the opposing side would build his strategic offensive forces to have assurance of this capability. Deploying ballistic missile defense on either side therefore would escalate the arms race, encourage possible miscalculations, increase arms cost, and yet provide neither country with any additional military security.

Sentinel—the system that has been authorized for deployment to protect us against a possible Chinese ICBM attack, is a by-product of Nike-X. It uses some of the components of Nike–X, but it uses them sparsely—thus it is a "thin" system. It is thin in the number of components it uses; it is thin in cost (relative to Nike–X); and it is thin in capability. But the missile force it is designed to protect against; i.e., the Chinese threat, is presumed to be thinner still.

I think it should be made very clear that deploying Sentinel against the Chinese may have some merit, but I believe that there is universal agreement that deploying it to protect our population against a possible Soviet attack makes no sense at all.

Other reasons given for deploying Sentinel are that it can offer some protection of Minutemen sites against Soviet attack and that it can protect us against an accidental Soviet or Chinese missile launch. I would, however, like to spend the rest of my time on the main reason given for deployment—population protection against a Chinese nuclear armed intercontinental ballistic missile force.

At this point in time we do not need a ballistic missile defense system against China—they do not have any intercontinental ballistic missiles. There is general agreement that eventually the Chinese will have the capability of penetrating Sentinel with relative ease. It may be anywhere from 3–10 years (depending on who judges) from the time that the Chinese have a deployed nuclear force to the time that they can discount the existence of Sentinel. Of course this judgment includes a judgment of the intensity of the likely Chinese efforts. Let us examine the usefulness of Sentinel in this interim period.

The system is designed to provide area defense; that is, about 15 batteries can protect all of the United States and not only specific geographic areas within the country. It can do this because it utilizes a long-range Spartan interceptor missile, capable of intercepting attacking ballistic missiles hundreds of miles away. But the system suffers one great disadvantage, it cannot effectively use the earth's atmosphere to help sort and classify incoming objectives. The result is that it is relatively easy for an opponent to deceive, exhaust, or otherwise penetrate the Sentinel system, and I believe Dr. Bethe, a witness here today, will elaborate on this major problem of the system.

This is not to say that the Chinese after they get a reasonable missile force, will have an easy time neutralizing Sentinel. For them to design missiles which have high confidence of nullifying Sentinel would require a very extensive development and testing program. This is far more difficult than achieving low or medium confidence of penetration.

If you accept this assessment of the capabilities of Sentinel, then the judgment you must make is whether the depolyment of the system gives sufficient advantage in our dealings with the Chinese to warrant the cost of the system. For example, during a transitional period in Chinese missile deployment they might be able to launch 40 missiles, perhaps with crude untested penetration aids. Because of the existenec of Sentinel, it might be possible to protect ourselves against all but five—with, of course, some probability that more or fewer might penetrate. What differences might this make for U.S. policy and security if damage denial cannot be counted on.

Another possible reason for Sentinel is that during its period of effectiveness, it would offer a kind of "damage limiting" insurance in the chance that the Chinese do attack the United States with intercontinental ballistic missiles. But the probability of a Chinese attack, which would be suicidal considering the size of our missile force, must be weighed together with the degree of protection offered and its cost.

You will also want to consider very carefully the implications of any U.S. deployment of ballistic missile defenses for the viability of a future agreement controlling the arms race in general. The current ballistic missile defense system around Moscow is sufficiently minor in its capabilities so that it will not significantly unsettle the calculations of conservative U.S. planners. But were the Soviet Union to insist on deploying a system equivalent to Sentinel, U.S. agreement on an offensive weapon limitation would be more difficult to attain. Thus the risks of deferring a U.S. system with a significant number of interceptors should be weighed against the complications that deployment might pose for our arms negotiators.

Finally it should be noted that the authorized Sentinel system is intended to defend against ICBMs but this is not the only way the Chinese can deliver nuclear weapons on U.S. targets. Low flying aircraft, submarine, or ship launched ballistic or cruise missiles may be in the Chinese inventory in the next decade. An effective defense for one kind of weapon provides incentive for the offense to develop other strategic systems which may have easier entre. If ballistic missile defense has merit, it must be considered in the context of a balanced defense.

I have tried to outline what I think are some of the key issues involved in Sentinel deployment. I hope that my views are helpful to you in your deliberations.

I will be happy to try to answer any questions you may have. Thank you.

STATEMENT OF GERARD C. SMITH, DIRECTOR, U.S. ARMS CONTROL AND DISARMAMENT AGENCY, BEFORE THE SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS AND DISARMAMENT AFFAIRS OF THE SENATE FOREIGN RELATIONS COMMITTEE, MARCH 6, 1969

Mr. Chairman and Members of the Committee: As the newly appointed Director of the Arms Control Agency, I am impressed with the soundness of the premise in the Arms Control and Disarmament Act which provides that "arms control and disarmament

policy, being an important aspect of foreign policy, must be consistent with national security policy as a whole". Also under that Act, the Agency has a mandate to study both "the arms control and disarmament implications of foreign and national security policies of the United States", and "the national security and foreign policy implications of arms control and disarmament proposals"

Today's hearings clearly involve such considerations, and I would like to contribute what I can to clarification of such of the issues involved in the ABM decision as relate to arms control, and particularly to the proposed talks on strategic arms limitations.

Perhaps it would be helpful at the outset to review exchanges with the USSR that have taken place with regard to such talks.

The initiative for the strategic arms limitation talks originated in late 1966 with several informal exchanges between senior U.S. officials and Ambassador Dobrynin in Washington. Formal exchanges began in early 1967 and, as you recall, President Johnson, at his press conference on March 2, 1967, announced that he had received a reply from Chairman Kosygin to his letter of January 27 confirming "the willingness of the Soviet Government to discuss means of limiting the arms race in offensive and defensive nuclear missiles". Both the President and Secretary McNamara raised this subject during the Glassboro meetings in June 1967.

On July 1, 1968, President Johnson and Chairman Kosygin issued similar statements indicating agreement to discuss "the limitation and eventual reduction of both offensive strategic nuclear weapons delivery systems and systems of defense against ballistic missiles". The USSR had informed us shortly before the Czech invasion that it was prepared to begin talks between special representatives. The Czech invasion delayed the opening of these talks. The Soviets have continued to show strong interest in pursuing this subject, as evidenced by the Tass article on Inauguration Day indicating their willingness and readiness to begin talks.

President Nixon indicated at his press conference last Tuesday that, although he thinks that both the interests of the United States and the Soviet Union would not be served by simply going down the road on strategic arms talks without, at the same time, making progress on resolving political differences, he did not intend to leave the impression that we say to the Soviet Union that, unless they do this, we will not have talks on strategic arms. The Executive Branch is reviewing on a priority basis the overall U.S. strategic force posture, including both offensive and defensive systems. This review includes arms control considerations. And I would like to say that my Agency, among others, is actively engaged in this review and in preparation for talks, and that I have devoted a good part of my time to this subject since taking office.

It is important to note that these negotiations would relate to both offensive and defensive systems, and not just to ABMs. This is so because of the inter-action of the two. The Soviets are not interested in talking *only* about ABMs.

The objective is to prevent an escalation of the arms race. Such escalation takes place when one side reacts to a move by the other. Thus, for example, if we were to deploy a "thick" ABM system, the Soviets might well react by increasing their offensive capabilities in order to penetrate it. But if we could reach a satisfactory agreement, putting limitations on both offensive and defensive strategic systems, we might avoid this action-reaction phenomenon, which would entail a great expenditure of effort and resources without any net gain to U.S. security.

At this point I might comment briefly on foreign attitudes toward ABM deployment and the proposed strategic arms limitation talks. These attitudes were ascertained prior to the President's recent trip to Europe.

Informed opinion abroad, and particularly in Europe, views the ABM problem as one primarily affecting the U.S. and USSR. There is a general feeling, shared by all our allies, that U.S.-Soviet negotiations involving ABMs as well as offensive systems, would be desirable. Our allies want us to consult with them regarding progress of any such negotiations and we have assured them we shall do so.

Let me turn now to the question of ABMs. Under the budget cycle, the new Administration has to make its decision with respect to fiscal 1970. This review should be completed in the near future. My Agency is participating in the review, and in the deliberations of the National Security Council. Before the review is completed, it would be inappropriate for me to comment on it. What I can say is that arms control considerations are being given serious attention.

I assume that you are primarily interested in hearing from me today about the possible impact on the strategic arms limitation talks of any decision which might be made on the U.S. ABM program as a result of this review. For the reasons I have indicated, I must confine myself to general observations.

Let us assume, as one possible example, resumption of the Sentinel deployment program along the lines recommended by the previous Administration. This program was announced in September 1967 after the U.S. had advised its allies and the Soviet Union. As stated at that time, the basic purpose of the Sentinel deployment was primarily to limit possible damage from minor strategic threats. Great effort was made to prevent this decision from being misconstrued and becoming a stepping stone to a new upward spiral in the strategic arms race between the U.S. and the U.S.S.R. I would think that a decision to resume some such deployment at this time would not prejudice the prospects for strategic arms limitation talks.

We cannot, of course, know what the Soviet reaction was to this previous Sentinel decision since we don't know in sufficient detail what motivates Soviet programming. U.S. ABM programming is only one of many factors which influences their strategic plans. It should be noted that there was essentially little public Soviet reaction to the original Sentinel announcement. However, since the 1967 ABM decision the Soviets have continued to expand their strategic offensive systems, probably to be confident of maintaining their deterrent, or "assured destruction", capability in light of the overall U.S. threat. Furthermore, as former Secretary Clifford pointed out in his presentation of the fiscal 1970 budget, the U.S.S.R. is pushing vigorously ahead with an R & D program for an advanced ABM system, although their ABM deployment around Moscow is probably somewhat smaller than originally projected. Thus it is likely that a Soviet military reaction, if any, to a Sentinel-type deployment is probably already in train and should not be affected by my hypothetical example of a decision to proceed with that type of system.

In June 1968, the Soviets indicated that they were prepared to begin talks to limit both offensive and defensive strategic arms. This was some eighteen months after President Johnson had originally proposed them, and some nine months after the announced Sentinel deployment decision. This timing would not necessarily suggest a direct relationship between Sentinel and the talks. The Soviet agreement to talks followed closely on the U.N. Resolution endorsing the Non-Proliferation Treaty which includes a provision (Article VI) in which parties to the Treaty would undertake to pursue negotiations in good faith on effective measures relating to the cessation of the nuclear arms rate as well as other disarmament issues.

Since June 1968, the Soviets have been pressing for initiation of these talks, despite the fact that the U.S. was, until last month, proceeding with the full Sentinel program. On the other hand, there has been no slackening of the Soviet interest during the past month while the ABM deployment decision has been under review. In light of these factors, it would be my judgment that the assumed example to proceed with Sentinel would have little, if any, impact on the Soviet interest in negotiating strategic arms limitations.

It is my personal judgment that to proceed with a greatly enlarged, or so-called "thick", ABM system, would have a harmful effect on the outcome of strategic arms limitation talks. It would be looked on as an escalation of the strategic arms race started after the Soviets had agreed to proceed with the talks. They would probably wish at the very least to review their decision to go ahead and might decide to back out until such a time as they had deployed sufficient offensive forces to insure penetration of such a "thick" U.S. system.

The effect of actual ABM deployment on the outcome of the negotiations would depend on the scope and characteristics of the system, the timing of the negotiations, and the types of armaments which would be involved in any agreement. After all, it would be some years before any U.S. ABM system could be operational. It should not take many months of negotiation to determine if strategic arms limitations appear to be negotiable.

I hope the Committee will realize that present circumstances may make it somewhat difficult for me to answer some of your questions in a fully responsive way.

I am operating under three constraints. First, newness at the job—I have yet to receive my first paycheck. Second, I am a principal participant in the current Presidential review of the ABM matter and therefore under certain wraps. Third, I expect to have a role in strategic arms limitation negotiations which I believe are upcoming and as such should try not to telegraph our present thinking about negotiations to the Soviet Union. But I do appreciate the importance of better public understandings of this very important issue facing the United States and, subject to the above constraints, I will do my best to be a responsive witness.

Mr. Chairman, that completes my prepared statement. Thank you.

STATEMENT BY DANIEL J. FINK AT THE HEARINGS BEFORE THE COMMITTEE ON FOREIGN RELATIONS, SUBCOMMITTEE ON INTERNATIONAL ORGANIZATION AND DISARMAMENT AFFAIRS, U.S. SENATE, MARCH 6, 1969

Thank you Mr. Chairman. It is indeed a privilege for me to appear before your Committee on this very important topic of Ballistic Missile Defense. During the years 1964 through 1967, working first for Dr. Brown and then for Dr. Foster, I was the Deputy Director of Defense Research and Engineering, responsible, among other things, for our Ballistic Missile Defense Research and Development Program. It is my hope this morning that I can draw upon this experience, and about a year's reflection on the outside, during which time I have not been associated with the Program, to describe for you the U.S. BMD program and some of the decisions and rationale for evolving this program over the years, leading ultimately to the Sentinel decision in 1967.

Before initiating the description of our program, I believe a few general definitions are in order. All of the systems which we shall be discussing have two principal components: radars and interceptor missiles. The functions of the radars are to detect and acquire the incoming enemy ICBM warhead, to track this object with sufficient accuracy that we know where it is going and can thereby intercept it, to discriminate the real nu-

clear tipped re-entry vehicles from any other objects which may inadvertently or purposefully be accompanying it, and to track our own interceptor missile so that we know where it is is precisely located during its flight and can be guided accurately to intercept. The interceptor missile itself is the second component of our systems and its function is to carry and detonate a nuclear warhead close enough to the incoming enemy warhead to guarantee destruction of the enemy's weapon. All of the systems we have ever considered seriously deploying have been of this nature. Approximately four billion dollars of research and development have been devoted to these programs during the past thirteen years.

We have considered both terminal and area defense systems as well as combinations of the two, and I believe it would be useful to define these terms. A terminal defense system is one designed to protect an area a few tens of miles in diameter, quite representative of a metropolitan area. Looking at a map of a section of our country (Chart 1) the circles drawn around the various cities show the areas that would be defended if a defense site were located at each of these cities. A defense site, by the way, would normally consist of a radar and a set of interceptor missiles. An area defense system, on the other hand, is designed to provide defense by a single defense site over an area some hundreds of miles in diameter providing a defense "footprint" as shown on the right-hand side of the chart. It would take about a dozen or so area defense sites to provide some protection over the entire continental United States.

The U.S. Ballistic Missile Defense program got its real start in 1956 when the Nike Zeus system received its go-ahead. It is interesting to note that we started this defense system before any real offensive threat had yet appeared but with the clear recognition that an ICBM was feasible and if we could do it so could our potential enemies. The technical problems appeared extraordinarily formidable at the time and raised such questions as "can a bullet hit a bullet"? How does one intercept a missile coming at you at four miles per second with another one travelling at about one mile per second? The system took the form of the assemblage of components shown on Chart 2. Each defense site would have consisted of separate radars to do each of the various functions I previously described and a number of Zeus missiles to perform the intercepts. As an R&D system it was successful in the sense that by 1962 the first ICBM target launched from Vandenberg Air Force Base in California was intercepted by a Nike Zeus missile launched from the research and development site at Kwajalein atoll in the Marshall Islands. While successful in performing a number of such intercepts, the development process revealed, however, two fundamental limitations. First, the relatively slow speed of the Zeus missile made it necessary to commit an interceptor while the incoming offensive threat was quite far out. This meant that although it was a terminal defense it could not take advantage of the atmosphere to filter out even the lightest objects such as fragments of the booster.

Second, it used separate mechanically slewed radars, such as we're used to seeing around our airports, for each of the separate functions. Such radars take seconds to move their beams across the sky from object to object—a very long time considering the speed at which things would be happening. Since there could be many objects arriving, the system almost required a separate radar for each object aimed at a city. Thus a typical defense site might contain as many as thirty radars and could still be easily saturated. I think it is worth pointing out that while a negative development decision was made on technical grounds the development was extremely useful from an R&D standpoint. As a matter of fact, many of these radars are still used at Kwajalein atoll to test the efficacy of our own offensive missiles.

In the early 1960's several technological developments were occurring which showed promise of eliminating the deficiencies of the Nike Zeus system. First, a new type of radar called the phased array radar had been invented. With such a radar it is possible to generate many beams simultaneously and steer them electronically across the sky in a matter of microseconds, thereby permitting a single radar to handle a huge amount of traffic. Secondly, vastly improved data processing technology was becoming available and finally, a small very high acceleration missile called Sprint was conceived which, because of its speed, could withhold fire until the atmosphere filtered out most of the light objects. This technology was assembled into the Nike X system which was officially initiated in 1963. The Nike X system (Chart 3) would consist of a very large phased array radar called the Multi-function Array Radar (MAR) which could handle all the functions of acquisition, discrimination, and target and missile tracking. Because such a radar is very expensive it was to be supplemented with a simpler phased array radar called the Missile Site Radar or MSR to handle some of the more routine tasks. The primary interceptor was now the Sprint missile although Zeus was still retained to provide some defense in depth.

Throughout this period I would say that the primary objective of our BMD development program was to come up with a system that could provide major damage limiting capability against the Soviet Union. More than that, we were not designing a system against a threat existing at that time but, rather, we wished to be able to handle any penetration aid that we could conceive of as a means of defeating the system. The resultant NIKE-X system was one that the technicians could well be proud of, but yet it became increasingly clear that such a system would not be approved for deployment. The reasons were several-fold, but at least included the following: It was a very expensive terminal defense system which for a given amount of money could provide protection to some number of cities but leaving many totally unprotected, and it suffered the flaw of any terminal defense system—namely, that every piece contributes to the cost but the enemy can choose where to attack and only a small part of the system can be brought to bear to counter such an attack.

At the same time the threat that the U.S. was facing was changing in a number of ways. During the 1965–66 period the Soviet missile force was starting to grow at a rapid rate, giving us concern that not only could our cities be targets for attack but perhaps various elements of our strategic retaliatory force as well. At the same time the Chinese were making dramatic progress with their nuclear program and it appeared that they would embark on an ICBM effort. Clearly if one was to defend against the Chinese during a period in which their missile force might be small, one would not wish to defend a few sites very heavily but rather would wish to provide some protection over the entire country. As a result, the idea of spreading the defense over the country, leaving no free ride into undefended cities, took hold and the area defense concept evolved quite naturally.

Two new components were introduced into our development program to provide this capability: first, a long range interceptor missile, now called Spartan, which could fly several hundred miles carrying a nuclear warhead with a yield in the megaton range and thereby defend a rather considerable area; and, second, a new phased array acquisition radar that could pick out an attack essentially as far away as the radar horizon. For an ICBM this is over 1500 miles, which gives us some ten minutes to launch the Spartan—a very long time for today's computers. Let me illustrate how these components are put together to provide an area defense system. Chart 4 shows a profile of an area defense engagement. It can be seen that the acquisition radar now called PAR detects the incoming re-entry vehicle at a distance of about 1500 miles. It tracks this vehicle long enough to predict its trajectory, at which time a Spartan missile is launched and is guided to intercept by the Missile Site Radar. The Spartan/MSR combination provides an ability to defend an area several hundred miles in diameter, as I indicated on Chart I. To provide coverage over the entire U.S. we deploy a number of the PAR radars across the northern tier of the country to provide the total acquisition capability and a sufficient number of Spartan/MSR sites so that their overlapping coverage covers the entire U.S. A schematic of such a deployment is shown on Chart 5.

This now leads us to the Sentinel deployment decision made by Secretary McNamara in 1967. Chart 6 indicates how Sentinel evolved from its predecessors—Nike-Zeus and Nike-X. Specifically Sentinel consists of a few Perimeter Acquisition Radars as depicted in the previous chart. Since these radars are important to maintain the full area coverage they are provided extra protection by Sprint missiles located in their immediate vicinity. In addition, there are sufficient Spartan/MSR defense sites located around the country to provide total area coverage. I believe that sixteen such sites have been announced to date. This system was sized by a potential Chinese ICBM threat; namely, there were to be sufficient Spartan missiles to intercept a Chinese force of about seventy-five ICBM's that could be targeted any place across the country. In addition, an option was included to deploy additional Sprint's around our Minuteman ICBM sites if and when desired.

Let me further note a couple of other considerations that were brought to bear at the time of the Sentinel decision. First, a review was made of our total research and development program to ascertain whether there was any development on the horizon that could make a major shift in our defense technology, for example, the way the phased array replaced mechanical radars in going from Nike Zeus to Nike–X. No such possibility was foreseen in the immediate future. Second, we reviewed how we would handle an anticipated evolving Chinese threat. The decision was made not to follow in the tracks of Nike–X where we put every counter counter measure we could think of in the initial defense deployment to handle any conceivable penetration aid. Rather, Sentinel was designed to handle likely initial attempts at penetration; for example, the high yield warhead of the Spartan missile has an adequate kill volume to negate the deployment of penetration aids in the vicinity of the re-entry vehicle. Similarly were the radar characteristics developed. This is not to say that the Sentinel system as originally deployed could not be defeated, but rather we reviewed the entire stable of penetration aids that we could think of and were satisfied that we could upgrade the defense technologically to handle them if and when they appeared. We believed that we would know of the existence of such threats and only with a Sentinel system deployed in the field could our reaction time be short enough to incorporate the necessary product improvement.

Let me finally address the Sentinel system vis-a-vis the Soviet Union, since I know this is important to your considerations. The Spartan missiles in the Sentinel system could be launched to intercept ICBM's emanating from the Soviet Union as well as those from China, and, as a matter of fact, one of the stated objectives is to handle an accidental launch by the Soviet Union. What then might

the Soviet reaction be to such a deployment? Even if Sentinel worked perfectly there is simply not enough of it to threaten the Soviet deterrent. They could still exact tens of millions of U.S. fatalities. Because their force is now so large I believe their reaction, if any, would be in the form of penetration aids rather than in the addition of more and more destructive power.

On the other hand, mustn't they worry about a numerical growth in our defenses? In this regard, I can only say that unlike offense, which presumably works at any level, there is general agreement within the defense community that defenses cannot grow into larger and larger systems with any certainty of success at limiting fatalities to low levels. Thus there are strong technical arguments to limit the size of defense systems. Is there any value then to a light defense such as Sentinel facing a very large offense? One aspect of my concern is that the lack of any defense might encourage the outbreak of conflict. During the last few years the Soviet ICBM force has grown in numbers and presumably can become more accurate. Therefore, we must worry about all military applications of such force whether it be directed at our retaliatory forces, our missiles, our bombers, our command and control structure, or our ability to deploy forces overseas. Such attacks might become more attractive if we are totally unprotected. A light defense complicates this picture and could provide assurance that adequate forces survive as well as the time needed to protect our ability to retaliate. In this regard the defense could have a stabilizing influence of reducing the likelihood of such wars.

Gentlemen, that completes my description of the evolution of our Ballistic Missile Defense program. I should be very pleased to answer any of your questions.

YOUTH CAMP SAFETY

Mr. DODD. Mr. President, recently I cosponsored S. 809, the Youth Camp Safety Act, the purpose of which is to protect and safeguard the health and well-being of the youth of our Nation attending camps by establishing Federal standards and Federal assistance to the States in developing programs for implementing safety standards for these youth camps.

The identical bill was introduced in the 90th Congress; however, it did not reach the Senate floor for a vote. I am optimistic that this will not be the case in the 91st Congress for this bill is urgently needed not only to protect the young campers but also to provide assurance to parents and interested citizens that youth camps meet minimum safety standards.

Until such time as the bill becomes law, the parents of young campers must rely upon their own initiative in order to determine the safety standard of a particular camp.

An excellent article entitled "Choosing a Summer Camp," published in the March issue of the Washingtonian magazine, undoubtedly will prove to be a valuable aid to many of them. It details several tips and guides which will serve as a necessary temporary protection until the "Youth Camp Safety Act" becomes law.

I ask unanimous consent that the article be printed in the RECORD.

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

CHOOSING A SUMMER CAMP

(By Truman Temple)

The consumer revolt of the 1960's against defective cars, hazardous drugs, and hidden interest charges has an unlikely new target this spring: summer camps.

Led by Senator Abraham A. Ribicoff of Connecticut and Representative Dominick V. Daniels of New Jersey, Congress is showing interest in a flurry of camping bills that would hand new investigatory powers to the Department of Health, Education, and Welfare and open the subject to full public gaze.

Hearings conducted last year by Congressman Daniels armed the legislators with some powerful statistics. Among them:

Although camps have been in business for a century and will be attended this year by six million children, only a few states have comprehensive health and safety regulations governing them. Many states approach the subject in haphazard fashion, satisfied if the camp food and waters are pure.

In nineteen states there are no camp regulations at all.

The American Camping Association (ACA), which endorses the legislation, does require inspections of its accredited camps—but it represents less than twenty-eight percent of the nation's 11,200 camps.

The hearings last year unearthed a couple of genuine horror stories. In one, a fifteen-year-old boy was drowned when his YMCA camp counselor led a canoe expedition down a river made extra hazardous by pulpwood logs. The camp was located in upstate New York, the river in Maine. According to testimony, the counselor had not been on the river before. In another case, four children and a counselor were killed and fifteen injured when a flatbed truck in which they were riding (driven by a counselor) somersaulted on a California expressway.

Some camping groups are issuing material aimed at "keeping government out of camping," but as the *New York Times* editorialized last year, camping has become nationwide and a serious need exists for national safety standards.

Kids also need camps more than ever. Those nights under the stars offer a never-forgotten experience to the youngster who all year is surrounded by the city's fumes and concrete. So while waiting for Congress to clean up the bad camps, what is a parent to do? And how can he find good ones?

Industry sources generally agree that if a camp is accredited by the ACA or the smaller Association of Private Camps, it's a good sign. These associations maintain standards. In the ACA's case, more than 100 items are checked by inspectors to make sure, for example, that campers aren't herded into cramped quarters or supervised by underage counselors.

But authorities stress that parents should not be satisfied with just an association listing. They urge a personal investigation, including an interview with the camp's director. Not only can parents get a better idea of facilities, but intuition comes into play. The mood and atmosphere of a camp often is the reflection of a director's personality.

Mrs. Wilma Miles, a veteran camp inspector, has high praise, for example, for one sailing camp in Maine called Frye's Leap, located on an island in Lake Sebago. "I had a feeling of peace when I visited it," she observes. "Things were well-regulated, but it also was a happy camp." Not the least of this organization's assets is the fact that its director, Joseph B. Earnhardt, is a physician. (I was pleased to hear Mrs. Miles' judgment; I had sent my own sons there and found it reassuring to have a doctor in charge.)

Another useful approach is to read the camp directories. The ACA publishes an annual Directory of Accredited Camps, obtainable from the Capitol Section in Washington (telephone 362–7534) for $1.70. Also recommended is the *Parents' Guide to Summer Camps* by Charlotte M. Shapiro and Lore Jarmul, published in 1968 by Harper & Row at $6.95, which gives detailed information, including fees, for more than 400 camps in New England and Middle Atlantic states.

These directories are particularly valuable for the Negro family, for they list the interracial camps. The Shapiro-Jarmul book also gives something of the philosophy of the camp directors.

Mrs. Miles, whose wit can be as sharp as that of Alice Roosevelt Longworth, once expressed her irritation with a well-known sailing camp in North Carolina that proclaimed across the cover of its brochure that it was for white children only. Noting that many Washington families found this offensive, she asked the camp director why he flaunted his racism.

"Well, this is the way we feel," he said.

"But do you have to advertise it?" she asked. "When someone asks you on the street how you feel, do you reply, 'Fine—except for my hemorrhoids'?"

History has not recorded his reply.

A number of camps specialize in certain activities such as horseback riding, music instruction, foreign languages, and so forth. But neither Mrs. Miles nor a colleague, Mrs. Ruth Seward, a camp advisor for thirteen years with the Jarvis School Bureau in Washington, are enthusiastic about so-called obesity camps specializing in taking weight off children.

"I'm a nutritionist," Mrs. Miles declares, "and if these camps are any good they're horribly expensive. Maybe one out of eight youngsters will follow through on the dieting after returning home. If you have gobs of money, okay. But if there isn't at least one psychiatrist and one doctor plus nurses in attendance, it's not worth it. Any good lively camp program with no in-between meals is just as good—and cheaper."

Mrs. Seward also warns of the overly-permissive camp, where the reins are not only slack but sometimes nonexistent "Kids *want* direction," she emphasizes "They think they don't, but the average youngster really doesn't enjoy lolling around all summer."

Price and social status, incidentally, are not foolproof indexes of a camp's excellence. Mrs. Miles relates that she once visited a foreign-language camp patronized by prestigious families and found the place filled with tension. "Everything was perfection," she relates. "The girls danced ballet in tutus, rode in red coats, and the camp imported its riding instructors from England. But the kids were nervous, screaming, and bumping into each other. There was a list of twenty-five things you had to accomplish in water skiing. The management really rode the help—and this is one thing to look for. It communicates the strain to the children." Another reason why the alert parent should visit a camp in person.

There are camps for every taste. For those interested in exposing their children to authentic woodsmanship plus liberal social experience, the five Farm and Wilderness Camps for various ages operated by Kenneth and Susan Webb near Rutland, Vermont, are distinctive. A quiet, steady Quaker philosophy permeates them. They are open to all races and creeds, and the Indian lore taught there is authentic.

Camp Pocono for boys, near Hawley, Pennsylvania, draws upon a somewhat more affluent clientele, with many youngsters from the Washington area, but the same Quaker philosophy is present. It is both international in scope and interracial. (Ralph Bunche's son went there.) The director, Chauncey Paxson, a former headmaster, has no less than forty-seven years' camp experience.

For girls, a typical well-rounded camp offering riding, waterfront activities, and dances with neighboring boys' camps is Camp Wyoda, near Ely, Vermont. It has been under the same family ownership since 1916,

and a co-director is Mrs. Cyril O. Bratley of Bethesda. More than fifty percent of the campers return each year, another good sign that parents should look for.

Among the music camps, some of the best-known are Indian Hill, a coed camp near Stockbridge, Massachusetts, offering serious instruction and visits to the famed Tanglewood performances; Amherst Summer Music Center, near Portland, Maine, also coed; and Camp Encore, near Bridgton, Maine, where boys can enjoy both sports and music. Such camps feature amphitheaters in the woods, pianos by the dozen, and that reassuring feeling for parents that the kid isn't losing the musical skills so laboriously acquired during the school year.

If the camps all survive the Ninety-first Congress—and I think the good ones will—parents should be able to breathe a little easier knowing that Junior is in good hands up there in Toad Hall.

SECRETARY OF DEFENSE ANNOUNCES REMOVAL OF RESTRICTIONS ON SPACE AVAILABLE TRAVEL

Mr. GOLDWATER. Mr. President, on Friday, March 14, Secretary of Defense Melvin R. Laird announced the removal of the restrictions on space available travel for military personnel on active duty and their dependents, as well as for retired military personnel and their dependents.

Secretary Laird's lifting of these restrictions will be a tremendous morale booster to military personnel since most space available travel has been denied them for more than a year. Former Secretary of Defense Robert McNamara had based his restrictions on the fact that this means of travel was detrimental to the U.S. balance of payments. However, Secretary Laird stated on Friday that a thorough review of all of the factors presented had shown that the impact on the morale throughout the Defense Department and on retired service personnel more than offsets the infinitesimal amount of balance of payments involved. Space available travel has been available to active and retired personnel for many years and Secretary Laird's action in restoring this privilege unquestionably indicates his deep concern and regard for the morale and welfare of our military personnel.

Mr. President, I ask unanimous consent that Secretary Laird's announcement be printed in the RECORD.

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

SECRETARY OF DEFENSE ANNOUNCES REMOVAL OF RESTRICTIONS ON SPACE AVAILABLE TRAVEL

Secretary of Defense Melvin R. Laird announced today that restrictions previously imposed by the Department of Defense on space available travel have been removed.

Travel overseas by active and retired servicemen—and their dependents—has been affected by the ban, which was imposed more than a year ago in an effort to help alleviate the country's balance of payments problems. In making the announcement, Secretary Laird said "I took this action after a thorough review of all the factors. The balance of payments expenditures involved were minute but the morale impact throughout the Department of Defense—and on retired service people—was widespread and substantial. Further, since such travel has been available to active and retired service people for many years, I believe its restoration is both reasonable and fair."

The policy change, which is effective now, will not cause any additional expenditures by the Department of Defense. The DOD transportation facilities concerned are being notified immediately, and that portion of the DOD directive which imposed the restriction is being amended to incorporate the new policy.

NATIONAL FUTURE HOMEMAKERS

Mr. NELSON. Mr. President, next week Future Homemakers of America in more than 12,000 communities will observe National FHA week. During this observance, all of America will have an opportunity to review the efforts of the 600,000 members of FHA in helping others improve their personal, family, and community lives.

This year FHA has chosen as its theme, "Focus on Positive Action," and many local chapters will be placing special emphasis on their local community projects and activities—such as assisting local Headstart programs, caring for the mentally retarded and handicapped, tutoring migrant and underprivileged children, and helping with the March of Dimes and UNICEF. Through projects like these, FHA members are showing what American youth can do in a positive way to promote the principles of good citizenship.

Founded in 1945 as a nonprofit organization supported financially by membership dues, FHA is cosponsored by the U.S. Office of Education and the American Home Economics Association. It strives to provide experiences that broaden the home economics program in the high school. All of its activities are youth oriented. National officers are elected and policies and goals are discussed and determined at annual meetings by the members themselves. In the State of Wisconsin alone there are 15,000 members of FHA, including the national vice president of the central region, Marilyn Drew, of Rice Lake. Beth Monson, of Hammond, Wis., is the president of the Wisconsin State FHA Association.

Their work is volunteer. Through their concerns, leadership and citizenship, they demonstrate clearly that youth does know, youth does care, and youth can do in a positive and constructive way.

AMBASSADOR BRUCE

Mr. MATHIAS. Mr. President, some men who have the good luck to be born into an illustrious family and who are granted by fortune the boon of a famous name spend their lives resting on the oars that have been thrust into their hands. When a man seizes the oars and uses them to advance the progress of his Nation and in the highest sense to enrich his own birthright, he not only justifies his own life, but he justifies the hope and expectations that have been entrusted to him. Such a man is David Bruce.

Ambassador Bruce has been called to sit with the statesmen of the world and to participate in events that govern the issue of war or peace and, in consequence, the issue of human survival. His preparation for the service was both thorough and typical.

His earlier public service included his membership in the Maryland House of Delegates and in many local and State activities. The spectrum of his career has comprehended nearly every form of full participation in the concerns and interests of his time.

As he returns from London, at the successful conclusion of another brilliant mission, we all welcome him with deep appreciation and genuine affection.

PARTIAL INCREASE IN MILK SUPPORT WILL NOT BE ENOUGH

Mr. NELSON. Mr. President, there are growing indications that the Nixon administration may propose only a partial increase in the present milk price support and will fail to restore it to 90 percent of parity, where former Agriculture Secretary Freeman set it a year ago. An action of this nature would shortchange the Nation's dairy farmers.

Last spring, 90 percent of parity was $4.28 per hundred pounds of milk, or about 9 cents per quart. But, with production costs increasing 6 percent or more over the past 12 months, the support price is now only 84 percent of parity and approximately 30 cents below the highest authorized figure.

The new milk price support must be announced by April 1, when the dairy marketing season begins. I hope that Secretary Hardin will set the price support at 90 percent of parity as former Secretary Freeman did a year ago.

With many dairy farmers entirely dependent upon the price support for the exact price they get for their milk, it would be a sham if the new administration failed to increase the price support to the full 90 percent of parity that Congress has authorized.

Every available economic indicator supports the need for the full restoration of the milk price support. Milk production and cow numbers are substantially down while both milk consumption and production costs are increasing. It appears that the failure to increase the price support at this time may lead to a milk shortage in the fall.

The U.S. Department of Agriculture usually bases its decisions for milk price supports on its projections of milk production for the next marketing year. But over the past 5 years the Department's preseason projections have been between 1 and 6 billion pounds too high every year.

These inaccurate projections have resulted in low price supports that have forced thousands of farmers out of dairying and have caused milk production to decline 10 billion pounds in the past 5 years.

LITHUANIAN FREEDOM

Mr. DODD. Mr. President, on February 9 it was my privilege to address a luncheon in Washington commemorating the 51st anniversary of Lithuania's declaration of independence. Among those with whom I shared the platform was the distinguished Chargé d'Affaires of Lithuania, Mr. Joseph Kajeckas.

Recently I had occasion to read through the text of Mr. Kajeckas' re-

marks. I was so impressed by them that I ask unanimous consent that they be printed in the RECORD. I invite attention in particular to Mr. Kajeckas' closing statement:

Today, all Lithuanians join with their friends in liberty in reiterating their determination: we will never give up; freedom will always triumph over slavery; we will win—we shall overcome!"

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

TRANSLATED EXCERPTS FROM A SPEECH IN LITHUANIAN DELIVERED BY JOSEPH KAJECKAS, CHARGE D'AFFAIRES OF LITHUANIA, AT THE WASHINGTON HOTEL, WASHINGTON, D.C., AT A COMMEMORATION ON FEBRUARY 9, 1969, OF THE 51ST ANNIVERSARY OF LITHUANIA'S DECLARATION OF INDEPENDENCE

We have gathered today to commemorate the 51st anniversary of the restoration of Lithuania's independence. Lithuania is not a nation that emerged only in the 20th century, but a state whose independent status was universally recognized as long ago as the age of King Mindaugas, over 700 years ago. And the political and ethnic status of the Lithuanian people stretches back into prehistory, even before the time of the Roman historian Tacitus, who mentions the ancestors of present-day Lithuanians in his writings. So we may indeed speak of the Declaration of Independence of February 16, 1918, as an Act that did not create a new state, but instrumentally restored independence to a nation that had for many hundreds of years cherished the ideals of freedom.

Through all the vicissitudes of the formation of modern Europe, the Lithuanian people never lost sight of their dream of preserving their national identity and political and territorial sovereignty, even during the dark days that ensued after Lithuania fell under Russian czarist domination in 1795. Generations of Lithuanians continued to struggle for a rebirth of freedom, and their efforts reached a crescendo in the late 19th century. The nationalist movement late in that century, adorned with the devotion and courage of countless thousands of Lithuanian patriots, was crowned with success by the Act of February 16, 1918. But even after the momentous Declaration of that date, which asserted Lithuania's independent status, Lithuanian patriots had to defend their new status against heavy odds. Victory was theirs—a tragically short-lived victory of only 22 years' duration.

Many brave and dedicated people contributed to that shining moment in the history of human freedom. One of them was Petras Klimas, who died several weeks ago, and who was a signatory of the 1918 Declaration of Independence. For long years afterwards, he contributed vitally to the progress of independent life in Lithuania, and, after the Soviet Union cruelly and barbarously seized Lithuania in 1940, he underwent untold sufferings for championing the just cause of his beloved homeland. Within the last several months, the Lithuanian-American community has also lost one of its most devoted leaders: J. Bachunas had given his whole life to Lithuania, and his countrymen all over the world had been inspired by his absolute devotion to the cause of once again restoring freedom to a suffering homeland.

These men, and many thousands who have shared their energy and their bravery, are now at rest. But their works live after them, just as the works of Mindaugas, of Gediminas, and of Vytautas live on.

To those who would say, "What chance can the captive nations possibly have?", I would answer—look at Hungary, look at Czechoslovakia, and look at the long history of Lithuanian resistance to the Soviet imposition of a totalitarian regime. To those who want to deal with "realities" I would suggest that the most constant reality with regard to the history of human beings is the drive *not* to be a pawn, not to be a slave, not to be a machine. The Magna Carta, the Boston Tea Party, the American Revolution, the French Revolution, the determination of West Berliners—all of history points to the fact that freedom buries its own undertakers. And if William Faulkner—and history—are correct, Man will not only endure; he will prevail. Those who try to dehumanize free and spontaneous modes of human political construction are destroyed by their own dehumanism. If you want to think back, not as far as the Athenians at Thermopylae but just a few years, remember that Khrushchev did it to Stalin, and history did it to Khrushchev. Nothing in history is stranger or more wonderful than what is often loosely called The Human Spirit—and that Spirit of full humanity is synonymous with freedom.

The Lithuanian people will not let their torch of freedom die; their courage and their will has been proven by the tests of centuries. In the present conflict, they are grateful to the friends of freedom, such as Senator Thomas Dodd, who is our featured speaker this morning. He has unrelentingly espoused the cause of Lithuania's just aspirations to regained independence, as have all American governments since that dark day in 1940 when the Soviet Union began to make the Baltic States into a heinously illegal paradigm of colonialist imperialism in the 20th century. The American people have always been among the staunchest champions of the liberty of others; President Nixon reiterated the American commitment to the ideals of liberty last year when he said, "No man can be fully free while his neighbor is not."

Today, all Lithuanians join with their friends of liberty in reiterating their determination: we will never give up; freedom will always triumph over slavery; we will win—we shall overcome!

SALT LAKE CITY BECKONS PARTNERS OF THE ALLIANCE

Mr. BENNETT. Mr. President, last week the Inter-American Coordinating Committee of the Partners of the Alliance, together with the committee chairmen who will preside over the six working sessions at the Fourth Inter-American Partners of the Alliance Conference in Salt Lake City, met in Washington, D.C.

The main purpose of the meetings last week was to develop working papers for each delegate prior to the sessions to be held in Utah and to insure that there will be no time lost at the meetings May 10–14 in Salt Lake City. It also guarantees that the focus of the Utah conference will be on specific projects and programs.

On Thursday of last week the entire group held a luncheon in the Presidential Room of the Capitol, and it was my pleasure to be able to welcome them to Washington and express the delight of the people of Utah that the partners conference is to be held in my State. I indicated that their meetings coincide with the centennial of the driving of the golden spike which completed the transcontinental railroad. I know that Utahans look forward to the presence of visitors from all over the hemisphere representing 74 partners committees and that they will find the celebration of the Golden Spike Centennial an added attraction in the capital city of Utah.

We are proud to be able to host private citizens from throughout the hemisphere who are giving freely of their time and talents to help improve relationships of understanding and friendship.

DISTRICT OF COLUMBIA HEADSTART CUT

Mr. BAYH. Mr. President, the recently announced cutback in OEO funding of the 1969 District of Columbia summer Headstart program, is not merely cutting the financing of a program, but is depriving 1,775 children of education and health facilities that they so desperately need.

For example, last year, the District Headstart program treated over 1,300 children for dental defects, and another 484 children were treated for major medical problems such as cardiac difficulty, skin disease, orthopedic problems, hernia and mental retardation.

We are not talking in abstract figures; we are talking about children who need medical attention, who need an extra lift in education so they can start on an even level with children who have had more advantages than they.

Only 3,225 children will be accommodated by the 1969 summer program compared with 5,000 children in 1968.

The cutback effects go even deeper. There are already 2,085 children of mothers who are on welfare who will be eligible for this summer's Headstart program. And there are, in addition, an estimated 6,000 to 8,000 eligible children who fall within the poverty category.

The cutback in OEO funds was attributed to an alleged shortage of summer Headstart funds and the "conviction that the program quality could be improved by focusing available resources."

The argument that funds could be better focused, evolved from a hasty 2-week evaluation of the District Headstart program last July and August by OEO. The survey's conclusions were administrative in nature and did not criticize the educational quality of District of Columbia Headstart. The District of Columbia Headstart program is administered by the District of Columbia Public Schools, a delegate agency of the United Planning Organization.

The United Planning Organization was not notified of the criticisms in this report until December 1968. And in January, OEO held a news conference announcing the cutback in the summer program without first giving UPO the chance to respond to the survey report.

The OEO report criticized UPO in four areas holding that UPO was not giving proper consideration to the Headstart standards of age, income, parental employment, and teacher qualification.

In regard to age, the District school system policy is that children must be 5 years old by December 31 to be eligible for school in September. OEO held one-third of the children did not meet the required standards. UPO pointed out that all children in their program met the general age requirements of the Headstart program, 4 to 6, and most were eligible to begin school in the fall. There were only a few cases where incomplete records had resulted in cases where chil-

dren did not meet the public school requirements for September enrollment.

The District school system judges the income level on the number of children in a family as opposed to the number of persons in the family as required by OEO guidelines. If the OEO standards were used very few would have not qualified and those who did not would have fallen within the 10-percent leeway provided for in OEO guidelines.

UPO agreed with the OEO criticism that they had not met with the standards for employing the children's parents within the program but felt this could easily be corrected.

In regard to teacher qualification, OEO held the majority of Headstart teachers did not have early childhood education qualifying certificates, but UPO pointed out that 240 of these teachers had participated in orientation and in-service training with the Headstart program since 1965 and were qualified by experience to teach in Headstart.

Headstart is not just concerned with the present; Headstart is concerned with the future. What it does today for the children of the District will determine the educational standard for the citizens of tomorrow. The least we can do is to maintain the 1968 Headstart funding level. We should be doing better.

THE AMERICAN POSITION IN VIETNAM PEACE TALKS

Mr. HATFIELD. Mr. President, Prof. George McTurnan Kahin, director of Cornell University's Southeast Asia program and coauthor of "The United States in Vietnam," recently sent me a paper outlining what he felt should be the basic components of the American position in the Vietnam peace talks.

I recommend Professor Kahin's views to Senators. His suggestions are rational and well thought out. But most important, they are based on the right premise: that an American military victory is not possible in the long run and that our objective should be a political settlement acceptable to all South Vietnamese. The United States cannot design this settlement any more successfully than we can fight their war for them.

Particularly unique is Dr. Kahin's proposal concerning the introduction of an international presence to help to insure the political settlement. His proposal recognizes the difficulty of inducing all sides to accept the presence of an international body on Vietnam soil and deals with this problem in a most creative way.

Mr. President, I ask unanimous consent that Professor Kahin's paper be printed in the RECORD.

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

BASIC COMPONENTS OF AN AMERICAN APPROACH TO A VIETNAM SETTLEMENT

PART I: THE ESSENTIAL FORMULA

A. The phased, incremental withdrawal from South Vietnam over a twelve months period of all U.S. forces (including the Korean, Australian, New Zealand and Thai allies) coupled with a withdrawal during this period of all remaining North Vietnamese troops.

B. Concurrently, a political accommodation to be worked out within one year between the major South Vietnamese factions, and to be undertaken by them *alone* without any outside interference.

C. Establishment of a cease-fire in as wide an area as possible as soon as feasible.

A and B should be carried out even if C cannot be executed immediately (i.e., these parts of a settlement should not be dependent upon achievement of a cease-fire, and even if a cease-fire once established should break down, efforts to achieve A and B would continue).

PART II: DESIRABLE, BUT NOT ESSENTIAL

Introduction of an international presence which would help ensure that the processes in Part I are effectively carried out. Part I need not be dependent upon Part II, but if II is undertaken soon after I is begun, it could help ensure more effective consummation of all three components of Part I. Any one of its several aspects could be useful in this respect. (Even if not adopted or accepted only in minor part, the proposal could be useful in the process of bargaining attending negotiations).

PART I: A AND B

Central to the American position is a reiteration of, but greater emphasis upon, the proposition of *self-determination* for all the South Vietnamese. This objective constitutes a common denominator in the public positions of each of the four parties, and it holds the prospect of honorable disengagement for both the United States and Hanoi.

The first two components of Part I (A and B) are unqualifiedly necessary and interdependent. The formula, which should be kept as simple as possible, provides for the concurrent, phased military disengagement from South Vietnam of Hanoi and the United States, while during this period the political elements indigenous to South Vietnam are expected to work out exclusively among themselves a political accommodation giving the broadest possible representation to the whole of the population. The modalities of this accommodation cannot be prescribed by either the United States or Hanoi. They must issue from Saigon and the NLF and also, as much as possible, from those numerous elements in the South which are currently denied any genuine political representation.

The present extreme polarization between the Saigon military leadership and the NLF in effect disenfranchises most of the South Vietnamese people, permitting them no voice in determining their own political destiny. Consequently, U.S. interests in securing a viable settlement and achieving any legitimate limitation of the NLF's role require that we endeavor to ensure scope for political representation of this presently voiceless majority.

The sanction for bringing Saigon to face up to the realities of accommodation would be the clearly visible ongoing, phased withdrawal of American forces. The departure of remaining North Vietnamese troops might produce a somewhat similar effect on the NLF leadership.

As they viewed the continuing departure of American and North Vietnamese troops, the Saigon military leadership and the NLF could be expected to become increasingly serious and pragmatic in their efforts to arrive at an accommodation roughly reflecting local political realities. The probability would be considerable that each of the present poles of leadership—Saigon and the NLF—would at an early stage endeavor to attract additional support so as to strengthen its bargaining position.

This process could be expected to set in motion political pressures in Saigon which might well bring about a change in leadership, producing an administration likely to be more representative than that of General Thieu and more inclined to countenance the kind of compromises necessary if a settlement in South Vietnam reflecting political reality is to be achieved.

PART I: C

Points A and B cannot be dependent upon a cease-fire in the South, because, irrespective of the good faith of Washington and Hanoi, both Saigon and the NLF would unilaterally have the capacity to disrupt the efforts of North Vietnam and the United States to set the terms of their disengagement. Although it is possible that an accord between Hanoi and Washington on the withdrawal of their troops would lead to a general cease-fire in the South, it is more likely that sporadic fighting would continue for a considerable time. Possibly fighting would continue between the diminishing forces of the United States and North Vietnam, but in much of South Vietnam it would almost certainly continue between Saigon and NLF military units at least until these two parties had made significant progress toward a political settlement.

Parallel with efforts to promote a country-wide cease-fire, the U.S. should support the consolidation of those de facto *local* cease-fire arrangements already worked out between a number of Saigon's military elements and the Vietcong in parts of the delta and some other areas of South Vietnam. The U.S. should encourage the spread of this pattern of de facto regional accommodation. Extension of such local cease-fire arrangements would serve to narrow the scope of ongoing military conflict in the South, thus supporting the overall objective of de-escalating the conflict. Insofar as concurrent attempts by Saigon and the NLF to reach an overall political accommodation were encountering success, a more suitable context would exist for local efforts to arrive at cease-fire agreements.

PART II

There is a possible second part to this settlement strategy which merits serious consideration. It should be regarded as autonomous from the above-described military and political components. If effectively developed, it could contribute to the success of the overall pattern of settlement. On the other hand, should efforts to promote this complementary action break down, the success of Part I should not be seriously prejudiced.

This third, autonomous contribution to a settlement would be the *introduction of an impartial international presence* designed to facilitate military withdrawal of American and North Vietnamese troops, maintenance of local cease-fires, and political accommodation between southern elements. This force could provide a relatively effective supervision of the military withdrawal and cease-fire arrangements while at the same thing acting as a catalyst to political accommodation between the NLF and Saigon. Moreover, its presence would help insure that currently non-represented elements of South Vietnamese society could make their voices heard.

Plans calling for the introduction of an impartial international supervisory presence into Vietnam on a country-wide basis would probably be impractical because of the large number of personnel required. But on a *provincial* basis—one or two provinces at a time, it should be feasible to provide sufficient qualified administrative and military manpower for supervising withdrawal of North Vietnamese and U.S. forces, a ceasefire and local political accommodation.

It would be the responsibility of this international agency, as it concentrated its personnel in a particular province, to ensure not only that all North Vietnamese and American troops departed, but also that all NFL and Saigon forces were either disarmed or withdrawn to other provinces where the international supervisory presence had not yet begun to operate. Through the use of such

international task forces it would be easier to insure that Hanoi's troops were actually being withdrawn (and not left behind to masquerade as Vietcong). These task forces would also be in a position to adjudicate local cease-fire violations, and by their presence would make it more likely that previously unrepresented local Vietnamese elements would have an opportunity to exercise political influence independent of pressure from the NLF and Saigon.

It must be recognized that both Hanoi and the NLF have come to regard suggestions concerning the injection of an international presence with suspicion. This distrust is not limited to the United Nations, which they regard as an orgnization wherein great powers make deals at the expense of smaller ones and where they see the influence of the United States as generally dominant. They fear that even neutralist states which might contribute personnel to an international supervisory body in Vietnam might yield to the United States' power and pressure with the result that such a body would not be impartial and might serve as an instrument for securing American objectives not attainable on the battlefield.

Thus, a major condition for the acceptance of such an international presence by Hanoi and the NLF would be their certainty that the United States will definitely leave South Vietnam by a stipulated date (both its troops and bases) and that it will refrain from interfering in efforts by the South Vietnamese to work out a political settlement among themselves. If convinced that this was, in fact, the United States' intent, Hanoi and the NLF might accept an international task force with functions as described above, particularly since it would be operating on a province-by-province basis. Thereby they would be able to assess its objectivity at the outset on the basis of its performance in the first few provinces in which it functioned.

In other words, *the international task force's initial operations—in the first province or two—would provide an earnest as to the objectivity of its subsequent conduct in the other 40 odd provinces.* If its initial actions were significantly partial towards Saigon and the United States, then the NLF and Hanoi could protect their interests in the remaining 95% of the provinces of South Vietnam by refusing to cooperate with the international task forces that tried to function there.

Thus while at the country-wide level the progressive withdrawal of American and Hanoi forces could be expected to stimulate Saigon and the NLF to arrive at an overall political accommodation, at the same time locally, on a province by province (or district by district) basis, South Vietnamese political elements would be encouraged to work out an accommodation as representative as possible of the actual balance of political forces. Optimally this would be done under the aegis of a non-partisan international task force; however, this would not be a necessary condition for the effort. In any case, attempts at political accommodation at the local level and an overall country-wide effort could be mutually supportive.

There are various ways by which such an international presence operating in province could exercise its good offices to bring pro-Saigon, pro-NLF, and neutral elements together to work out a political accommodation. The preferable way would be via local elections (or, conceivably, referenda) wherein it might be agreed that the international teams could take a major role in supervising the preparations for and execution of such efforts to ascertain the public will. Thereby previously nonrepresented elements of Vietnamese society would have an opportunity to secure representation or at least have a significant influence on the resolution of important questions of immediate concern.

Provincial representative bodies, whether formed on the basis of elections or otherwise, could at a later stage send delegates to a national assembly which could serve as a provisional government for all South Vietnam. This latter function could, of course, be undertaken only after the process of local political accommodation had taken place in at least a large majority of the provinces.

Meanwhile, after North Vietnamese and American military forces had departed from a province, those local Saigon and NLF forces which were as yet unwilling to be disarmed would be obliged to withdraw to those remaining provinces—steadily decreasing in number as disengagement took place—where a local political accommodation had not yet been worked out. Eventually, as the process encompassed an increasing amount of territory, NLF and Saigon military forces would come to be concentrated in a few provinces (perhaps half a dozen), with the remainder of South Vietnam being free of both foreign (North Vietnamese and American) and indigenous (Saigon and and NLF) troops.

The final stage in this process would involve supervision by the international presence of the withdrawal of any remaining U.S. and North Vietnamese forces from these remaining provinces and, in cooperation with the provisional government, the disarming of the residual indigenous forces, or their rationalization and integration into a single army. The political and military tasks of accomplishing the latter would be immensely eased once Saigon and the NLF both had real assurances that their political following would actually be fairly represented in the new government, and consequently that neither could easily be betrayed. It would be up to this provisional government, representing initially some 85–90% of South Vietnam's provinces, to work out those final arrangements necessary to disengage and disarm, or integrate the rival military forces concentrated in the remaining provinces.

This having been achieved one could say that the United States had provided the South Vietnamese with the opportunity to work out among themselves their own political destiny with a minimum risk of military pressure.

BILINGUAL EDUCATION

Mr. MONTOYA. Mr. President, I commend to the attention of Members of Congress a report, entitled "The Mexican American: Quest for Equality," recently issued by the National Advisory Committee on Mexican-American Education.

Last year we funded for the first time the Bilingual Education Act of 1967. It was a meager funding at that for we had authorized a total of $45 million for the 2 fiscal years of 1968 and 1969 and appropriated only $7.5 million. And even today, we are still awaiting the first project to be funded under this program. The pace of our efforts to meet the special needs of those of our children with language barriers is, to say the least, excessively slow.

We must move at an accelerated pace. We cannot delay. We have authorized $40 million for funding the Bilingual Education Act for fiscal year 1970 and I for one shall do everything I can to see that Congress does not fall down in its duty to appropriate that amount.

It is for this reason that I feel this report is especially timely in that it points out how we have failed the Spanish-speaking child and what we must do if we are to attack the problems involved in teaching this individual. I think it is significant to note that while we have appropriated the miserly sum of $7.5 million for 2 years and have authorized $40 million for fiscal year 1970, the report recommends—among other things—a minimum funding of $150 million for fiscal year 1970 for the Bilingual Education Act. This is certainly food for thought.

Mr. President, I ask unanimous consent that the text of the report be printed in the RECORD.

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

THE MEXICAN AMERICAN: QUEST FOR EQUALITY

A WASTE OF HUMAN RESOURCES

Failure to provide education to hundreds of thousands of people whose cultural heritage is "different" has resulted in shameful waste of human resources. The melting pot ideology that we speak of so proudly has not produced a moral climate in which all citizens are accepted on the basis of individual worth.

Educators, especially, must search their consciences for an answer to the question: Is only a monolingual, monocultural society acceptable in America?

Never before has the need for equal opportunity for all Americans been so sharply put into focus. And no group is in greater need of equal educational opportunity than the Mexican Americans.

THE MEXICAN AMERICAN: HOW HAVE WE FAILED HIM?

There are more than five million Mexican Americans in the United States, 80 per cent of whom live in California and Texas. Most of the others are found in Arizona, Colorado, New Mexico, Illinois, and Ohio. In excess of four million of these people live in urban areas.

The Mexican American is the second largest minority group in the United States and by far the largest group of Spanish-speaking Americans. The fact that most of them have learned Spanish as their first language and that millions are not fluent in English makes them no less Americans. Their interests, attitudes, and aspirations differ little from those of other Americans.

Yet they have been denied the opportunities that most other Americans take for granted. Suffering the same problems of poverty and discrimination of other minority groups, the Mexican American is additionally handicapped by the language barrier. The typical Mexican American child is born of parents who speak little or no English, and thus Spanish becomes his only language. When he reaches school age, he is enrolled in a public school where only English is accepted. Bewildered and ashamed of his "backwardness," the Mexican American child is quickly discouraged and drops out within a few years, enlarging the ranks of the uneducated, unskilled, and unwanted.

Let's look at some shocking statistics.

The average Mexican American child in the Southwest drops out of school by the seventh year. In Texas, 89 per cent of the children with Spanish surnames drop out before completing high school!

Along the Texas-Mexico border, four out of five Mexican American children fall two grades behind their Anglo classmates by the time they reach the fifth grade.

A recent study in California showed that in some schools more than 50 per cent of Mexican American high school students drop out between grades 10 and 11; one Texas school reported a 40 per cent dropout rate for the same grades.

Mexican Americans account for more than

40 per cent of the so-called "mentally handicapped" in California.

Although Spanish surnamed students make up more than 14 per cent of the public school population of California, less than ½ of one per cent of the college students enrolled in the seven campuses of the University of California are of this group.

These facts give tragic evidence of our failure to provide genuine educational opportunity to Mexican American youth; and today there are nearly two million of these children between the ages of 3 and 18.

It can't be said that nothing has been done for these youngsters. The Federal Government, through the Elementary and Secondary Education Act (ESEA), has given a good deal of financial aid to schools for the purpose of improving the education of Mexican Americans. Although a few millions of dollars have been spent, hundreds of millions still need to be spent—and for hundreds of thousands of Americans it is even now too late. State and local agencies have spent respectable sums of money—and even more energy—in behalf of the Mexican American but none has given the problem the really massive thrust it deserves.

Money is only one problem. Perhaps an even more serious one is the problem of involuntary discrimination—that is, our insistence on fitting the Mexican American student into the monolingual, monocultural mold of the Anglo American. This discrimination, plus the grim fact that millions of Mexican Americans suffer from poverty, cultural isolation, and language rejection, has virtually destroyed them as contributing members of society.

Another problem is that we have not developed suitable instruments for accurately measuring the intelligence and learning potential of the Mexican American child. Because there is little communication between educators and these non-English speaking youngsters, the pupils are likely to be dismissed as "mentally retarded." Common sense tells us that this is simply not so. The chasm that exists between the teacher and the student in the classroom is even wider between the school and the home, where there is virtually no communication. Such lack of understanding soon destroys any educational aspiration the pupil might have or that his parents might have for him.

SIX CRITICAL ISSUES

The Committee believes there are six critical issues in the improvement of Mexican American education:

Issue No. 1: The existing educational programs for the Mexican American have been woefully inadequate and demand serious evaluation.

Issue No. 2: Instruments are lacking for measuring intelligence and achievement potential of Mexican Americans.

Issue No. 3: A very small percentage of Mexican American students who could qualify for college actually enroll.

Issue No. 4: Legal restrictions in various states discourage instructions in languages other than English.

Issue No. 5: There is an exceedingly high dropout rate of Mexican Americans in public schools.

Issue No. 6: Society has not recognized, or at least accepted, the need for a multilingual, multicultural school environment.

HOW CAN WE ATTACK THE PROBLEM?

The Mexican American Affairs Unit of the U.S. Office of Education has identified four imperatives for educational success of the Mexican American:

1. Preparation of teachers with the skills necessary to instruct Mexican American pupils in such a manner as to insure success. This includes bilingual capability.

2. Instruction in both English and Spanish so that the mother tongue is strengthened concurrent with the pupil learning a second language, and then using both languages. This bilingual instruction must occur in all curriculums, and at all grade levels until the student is thoroughly at home with his second language.

3. Instruction to preschool Mexican American pupils so that they are more nearly ready to take their place with others by the time they enter school.

4. Complete programs for adults in both basic education and vocational education.

The vehicles for achieving the foregoing imperatives already exist:

1. Teacher preparation: Educational Personnel Development Act, Bilingual Education Act, Title I, ESEA

2. Bilingual education: Title VII, ESEA, Bilingual Education Act

3. Early childhood education: Headstart and Followthrough, Title I, ESEA

4. Adult basic and vocational education: Amendments to the 1963 Vocational Education Act

BLUEPRINT FOR ACTION

Once we have faced up to the critical issues and recognized the imperatives, the Committee recommends specific action on several fronts.

General

1. We must immediately begin to train at least 100,000 bilingual-bicultural teachers and educational administrators.

2. We must make use of current knowledge and encourage further research to assist in creating educational programs that promise learning success for the Mexican American.

3. We must agitate for priority funding by the U.S. Office of Education to develop educational programs immediately.

4. We must see that testing instruments are developed that will accurately measure the intelligence and achievement potential of the Mexican American child.

5. We must promote programs to assist state legislatures in taking the necessary action to permit instruction in languages other than English.

6. We must help the various states to recognize the need for statewide programs in bilingual education.

7. We must provide assistance, through Federal funds, to Mexican American students in pursuit of a college education.

8. With the leadership of the Federal Government, we must increase the adult basic education and vocational programs, to equip the Mexican American adult with skills and knowledge necessary to become a partner in our economic society.

9. We must encourage parental involvement programs at the state and local levels.

10. We must encourage state and local education agencies to use more effectively the Mexican American personnel on their staffs.

11. We must foster a joint effort of the Federal Government and private enterprise to produce instructional materials that are designed expressly for Mexican American students.

Federal legislation

1. Increase the funding of Title VII, ESEA, minimum of $100 per child for relevant educational services for the Mexican American.

2. Increase the funding of Headstart and Followthrough by 10 per cent, to provide a sufficient financial base to meet the needs of many Mexican Americans not presently served by these programs.

3. Continue the present funding level of the Migrant Education provision of Title I, ESEA.

4. Continue Title VII, ESEA, as a discretionary program administered by the U.S. Office of Education.

5. Continue Title VIII, ESEA, Dropout Prevention Act, as a discretionary program, administered by the U.S. Office of Education, and increase its funding for 1970 to $50,000,000.

6. Increase the funding support of Title IV–A of the Higher Education Act, Educational Opportunity Grants, by 15 per cent, to be directed toward college enrollment of Mexican Americans.

7. Establish a Land Grant College, with specific responsibility for programs and research related to the bilingual-bicultural student.

8. Amend Title I, ESEA, to permit the use of funds for the education of Mexican Americans whose income may not qualify him, or as more often is the case, whose children may not qualify because of cultural attitudes toward depending on public welfare support.

State legislation

1. Remove legal barriers to instruction in the public schools in languages other than English.

2. Appropriate and identify supplementary funds for support of specialized programs for the Mexican American.

Administration—U.S. Office of Education

1. Expand the responsibility of the Mexican American Affairs Unit of the Office of Education to include all Spanish-speaking programs.

2. Continue to press for employment of Mexican American professionals and supporting personnel in all units of the U.S. Office of Education.

3. Allocate specific funds for determining the most effective direction in research for the Mexican American.

4. Develop an intensive program of information on the educational needs of the Mexican American.

Administration—Chief State school officers

1. Seek out and employ Mexican Americans in policy and administrative positions in state departments of education, and encourage similar programs in local education agencies.

2. Set up a unit for coordinating and encouraging the development and operation of programs for the Mexican American.

3. Develop a statewide program for bilingual education.

4. Promote the redirection of priorities in the use of Title I, ESEA, funds, to focus on bilingual-bicultural programs.

5. Promote the increased involvement of the Mexican American in advisory committees in local educational programs.

THE NATIONAL ADVISORY COMMITTEE ON MEXICAN AMERICAN EDUCATION

Dr. Miguel Montes, *Chairman*, Doctor of Dental Surgery, San Fernando, California.

Edward E. Booher, President McGraw-Hill, Inc., New York, New York.

Clayton Brace, Vice President and General Manager, Time-Life Broadcast, Inc., San Diego, California.

Reverend Henry J. Casso, Vicar of Urban Affairs, St. John's Seminary, San Antonio, Texas.

Jack P. Crowther, Superintendent of Schools, Los Angeles, Los Angeles, California.

Ernestine D. Evans, Secretary of State, Santa Fe, New Mexico.

Nick Garza, Principal, Sidney Lanier High School, San Antonio, Texas.

Ralph Guzman, Director, Mexican American Center, Los Angeles State College, Los Angeles, California.

Alfred J. Hernandez, Judge, Corporation Court, Houston, Texas.

Dr. Frank Hubert, Dean, Texas A & M University, College Station, Texas.

Leonard C. Lane, New York, New York.

Eloy Martinez, HELP, Espanola, New Mexico.

Jesse G. Stratton, Farmer/Chairman, Executive Board, Southwestern Cooperative Educational Laboratory, Inc., Clinton, Oklahoma.

Maria Urquides, Dean of Girls, Pueblo High School, Tucson, Arizona.

Administrative Director: Armando Rodriguez, Chief, Mexican American Affairs Unit, U.S. Office of Education.

DULLES TRAFFIC GAINS

Mr. BYRD of Virginia. Mr. President, I was heartened to receive this week a report from the Federal Aviation Administration showing an increase in passenger traffic at Dulles International Airport. The FAA said that 39 percent more passengers used Dulles during January than during the preceding January, making the first month of this year the fourth highest in the history of the airport.

The FAA pointed out that some of the increase in airline passengers could be attributed to the inaugural ceremony for President Nixon. However, most of it was traceable to an increase in airline schedules, including some international service. While Dulles was enjoying a 39 percent growth ir air carrier passengers, the comparable figure for Washington National Airport was only 2.8 percent. I realize that National already was overcrowded before January, and therefore any increase in traffic at that facility puts a squeeze on an already overcrowded airport.

Furthermore, percentages do not tell the whole story. The actual total of airline passengers at Dulles in January this year was 165,707, while over at National, the passenger level was 776,004. So, despite the growth at Dulles, which I applaud, the problem of overcrowding at National and the underutilization of Dulles remain with us.

During 1968, Washington National handled 10 million passengers. Since it was designed to accommodate only 4 million, the degree of overcrowding is immediately apparent.

The recent report prepared for the FAA by Vincent G. Kling & Associates recommended a major expansion of National. This is not the answer to the air traffic problem in this area. Architects can expand the terminal facilities at National, but they are powerless to create more airspace over that airport, and that airspace is already alarmingly full.

Dulles was built specifically to provide for the day when National became overcrowded, and it is clear that that day has come.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO MONDAY, MARCH 24, 1969

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12:00 o'clock noon on Monday next.

The motion was agreed to; and (at 2 o'clock and 41 minutes p.m) the Senate adjourned until Monday, March 24, 1969, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 20, 1969:

U.S. Foreign Service

John D. J. Moore, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of tne United States of America to Ireland.

Internal Revenue Service

Randolph W. Thrower, of Georgia, to be Commissioner of Internal Revenue.

Export-Import Bank

Walter C. Sauer, of the District of Columbia, to be First Vice President of the Export-Import Bank of the United States.

Subversive Activities Control Board

Otto F. Otepka, of Maryland, to be a member of the Subversive Activities Control Board for the remainder of the term expiring August 9, 1970, vice Edward C. Sweeney, deceased.

U.S. Attorneys

Anthony J. P. Farris, of Texas, to be U.S. attorney for the southern district of Texas for the term of 4 years vice Morton L. Susman.

Joseph O. Rogers, Jr., of South Carolina, to be U.S. attorney for the district of South Carolina for the term of 4 years vice Klyde Robinson.

Charles S. White-Spunner, Jr., of Mobile, Ala., to be U.S. attorney for the southern district of Alabama for the term of 4 years vice Vernol R. Jansen, Jr.

U.S. Marshals

Louis O. Aleksich, of Montana, to be U.S. marshal for the district of Montana for the term of 4 years vice George A. Bukovatz.

James E. Williams, of South Carolina, to be U.S. marshal for the district of South Carolina for the term of 4 years vice Walter N. Lawson, Jr.

Donald W. Wyatt, of Rhode Island, to be U.S. marshal for the district of Rhode Island for the term of 4 years vice Peter J. Foley.

Charles E. Robinson, of Washington, to be U.S. Marshal for the western district of Washington for the term of 4 years vice Donald F. Miller.

Gaetano A. Russo, Jr., of Connecticut, to be U.S. marshal for the district of Connecticut, for the term of 4 years vice Joseph T. Ploszaj.

Appalachian Regional Commission

John B. Waters, Jr., of Tennessee, to be Federal Cochairman of the Appalachian Regional Commission.

New England Regional Commission

Stewart Lamprey, of New Hampshire, to be Federal Cochairman of the New England Regional Commission.

Ozarks Regional Commission

E. L. Stewart, of Oklahoma, to be Federal Cochairman of the Ozarks Regional Commission.

In the Marine Corps

Having designated, in accordance with the provisions of title 10, United States Code, section 5232, Maj. Gen. Louis B. Robertshaw, U.S. Marine Corps, for commands and other duties determined by the President to be within the contemplation of said section, I nominate him for appointment to the grade of lieutenant general while so serving.

In the Army

The U.S. Army Reserve officers named herein for promotion as Reserve commissioned officers of the Army, under provisions of title 10, United States Code, section 593(a) and 3384:

To be major generals

Brig. Gen. William H. Booth, [redacted]
Brig. Gen. Milton A. Pilcher, [redacted]
Brig. Gen. Thomas J. Thorne, [redacted]

To be brigadier generals

Col. Leo V. Anderson, [redacted] Transportation Corps.
Col. Wilford L. Bjornstad, [redacted] Infantry.
Col. James R. Compton, [redacted] Medical Corps.
Col. Constant C. Delwiche, [redacted] Infantry.
Col. John J. Dorsey, [redacted] Medical Corps.
Col. James O. Freese, [redacted] Artillery.
Col. David W. Hanlon, [redacted] Infantry.
Col. Leslie W. Lane, [redacted] Infantry.
Col. Ripon W. LaRoche, [redacted] Medical Corps.
Col. Charles S. LeCraw, Jr., [redacted] Transportation Corps.
Col. Wilbur F. Munch, [redacted] Artillery.
Col. James J. O'Donnell, Jr., [redacted] Artillery.
Col. Nicholas W. Riegler, Jr., [redacted] Medical Corps.
Col. Leo R. Weinshel, [redacted] Medical Corps.

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3385:

To be major generals

Brig. Gen. John C. Baker, [redacted]
Brig. Gen. Glynn C. Ellison, [redacted]
Brig. Gen. Nicholas P. Kafkalas, [redacted]

To be brigadier generals

Col. Benjamin F. Compton, [redacted] Infantry.
Col. J. Frank Cook, [redacted] Artillery.
Col. O'Neil J. Daigle, Jr., [redacted] Corps of Engineers.
Col. Richard L. Dunlap, Jr., [redacted] Armor.
Col. William S. Lundberg, Jr., [redacted] Artillery.
Col. Curtis E. Meland, [redacted] Infantry.
Col. Floyd W. Radike, [redacted] Artillery.
Col. Charles H. Starr, Jr., Jr., [redacted] Artillery.
Col. John R. Stephenson, [redacted] Infantry.
Col. Edwin V. Taylor, [redacted] Artillery.

The Army National Guard of the United States officers named herein for appointment as Reserve commissioned officer of the Army under the provisions of title 10, United States Code, section 593(a) and 3392:

To be major general

Brig. Gen. Laurence B. Adams, Jr., [redacted]
Brig. Gen. Floyd L. Edsall, [redacted]
Brig. Gen. Charles H. Wilson, [redacted]

To be brigadier general

Col. Laurence M. Blaisdell, [redacted] Artillery.
Col. Sylvester T. DelCorso, [redacted] Adjutant General's Corps.
Col. Robert R. Goetzman, [redacted] Artillery.
Col. Francis J. Higgins, [redacted] Judge Advocate General Corps.
Col. James J. Lison, Jr., [redacted] Infantry
Col. Roy C. Martin, [redacted] Artillery.
Col. LaClair A. Melhouse, [redacted] Corps of Engineers.
Col. Harold R. Patton, [redacted] Infantry.
Col. Felix L. Sparks, [redacted] Artillery.
Col. Thomas K. Turnage, [redacted] Armor.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 20, 1969:

National Aeronautics and Space Administration

Thomas O. Paine, of California, to be Administrator of the National Aeronautics and Space Administration.

COMMODITY CREDIT CORPORATION

Don Paarlberg, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation.

DEPARTMENT OF THE INTERIOR

Carl L. Klein, of Illinois, to be an Assistant Secretary of the Interior.

Hollis M. Dole, of Oregon, to be an Assistant Secretary of the Interior.

James R. Smith, of Nebraska, to be an Assistant Secretary of the Interior.

Leslie Lloyd Glasgow, of Louisiana, to be Assistant Secretary for Fish and Wildlife, Department of the Interior.

Mitchell Melich, of Utah, to be Solicitor of the Department of the Interior.

DEPARTMENT OF COMMERCE

Larry A. Jobe, of Illinois, to be an Assistant Secretary of Commerce.

Myron Tribus, of New Hampshire, to be an Assistant Secretary of Commerce.

FEDERAL AVIATION ADMINISTRATION

John H. Shaffer, of Maryland, to be Administrator of the Federal Aviation Administration.

FEDERAL RAILROAD ADMINISTRATION

Reginald Norman Whitman, of Minnesota, to be Administrator of the Federal Railroad Administration.

U.S. COAST GUARD

The following licensed officers of the U.S. merchant marine to be permanent commissioned officers in the Regular Coast Guard in the grades indicated:

Lieutenant

Leo G. Vaske.

Lieutenant (junior grade)

James L. Hassall.

DEPARTMENT OF JUSTICE

Richard W. Velde, of Virginia, to be an Associate Administrator of Law Enforcement Assistance.

Richard A. Dier, of Nebraska, to be U.S. attorney for the District of Nebraska for the term of 4 years.

Allen L. Donielson, of Iowa, to be U.S. attorney for the southern district of Iowa for the term of 4 years.

HOUSE OF REPRESENTATIVES—*Thursday, March 20, 1969*

The House met at 12 o'clock noon.

The Very Reverend Vasil Kendysh, pastor of the Byelorussian Autocephalic Orthodox Church, Highland Park, N.J., offered the following prayer:

In the name of the Father, and the Son, and the Holy Spirit.

Almighty Father, Thou art our Creator, Teacher, and Judge. We beseech Thee, guide us in every step of our life, free us of all human weakness and imperfections.

Eternal God, bless this august House of Representatives of the United States of America. Strengthen the minds of its Members with wisdom, fortify their hearts with love, and their deeds with courage and justice.

Merciful God, we pray Thee on this 51st anniversary of the Proclamation of Independence of Byelorussia, have mercy upon her people. Strengthen their faith in Thy infinite goodness, support them in their sufferings, restore their freedom.

O God, accept this humble prayer of ours, bless the United States of America. Bless Byelorussia and her oppressed people. Amen.

THE JOURNAL

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

THE REVEREND VASIL KENDYSH

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

Mr. PATTEN. Mr. Speaker, the Reverend Father Vasil Kendysh of the Byelorussian Autocephalic Orthodox Church of Highland Park, N.J., is a member of the Byelorussian American group in my district. He gave the opening prayer in the House today.

These people, Mr. Speaker, yearn for freedom from Communist Russia, as do many of the other captive nations. I can assure the Members that the Byelorussians who live in my district are very intelligent, hard-working and wonderful people. They have doctors, lawyers, dentists, and other professional men among them. They are always a complete asset to America. Ethnically they regard themselves as separate and apart from Russia.

The Byelorussian area was between Moscow and Poland. For 500 years they were a free country. Only recently has Communist Russia recognized these people and appointed a Prime Minister for Byelorussia.

Mr. Speaker, I have found these people very interesting and I have greatly enjoyed their company. This is just another illustration of a great people who yearn for freedom from the Russian militarism.

LEANDER H. PEREZ, 1892–1969

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

Mr. RARICK. Mr. Speaker, Louisiana and the Nation has lost a champion of individualism with the lamentable passing of Leander H. Perez on March 19.

His devotion to the constitutional system and his loyalty for this country were unparalleled.

Judge Perez earned his fame and fortune in the true American free enterprise way. He was the seventh son of 13 children of a small Louisiana planter. He worked his way through college and became an attorney. In 1919 he was elected district judge in Plaquemines Parish—the first in a long line of positions he held while serving his people in public life.

The judge's reputation is one of courage and tenacity. He would never back down when he thought he was right, which is one of the many reasons the colorful "Judge," as he was known, had the confidence of his friends and the respect of his foes.

His passing removes from us a man of dynamic personality and conspicuous achievement—a man of fortitude and determined leadership for his people.

Mrs. Rarick and I extend deepest sympathy to his survivors and friends.

LEANDER H. PEREZ

(Mr. PASSMAN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PASSMAN. Mr. Speaker, I am saddened to learn of the passing of one of Louisiana's most colorful citizens, Judge Leander Perez, Sr. At times Judge Perez was somewhat controversial, but indeed he was forthright and one of Louisiana's best known citizens. Judge Perez was respected by friend and foe alike. He was known to have possessed one of the greatest minds among the legal fraternity, and doubtless he was one of the greatest constitutional lawyers known to the South. His contributions to his home Parish of Plaquemines, to his own State, and to his fellowman were well known. History will be kind to Judge Leander Perez. His thousands of friends indeed know that this world is a better place in which to live for Judge Leander Perez' having lived in it.

I want to extend my heartfelt sympathy to the members of his family.

REPEAL THE GUN CONTROL ACT OF 1968

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

Mr. LONG of Louisiana. Mr. Speaker, in response to clearly justified dissatisfaction and disenchantment, voiced by many of my constituents and, I do not doubt, uncounted citizens across the land, relative to the Gun Control Act of 1968, I am introducing today a bill to repeal that ill-advised and basically repressive law. It has been made abundantly clear today after only a few months of its creation, even to those who suffer with the gun control syndrome, that the act does not serve to keep dangerous weapons from the hands of criminals and incompetents as its proponents claimed, but rather works unnecessary hardships on the law-abiding and peaceful citizen who has legitimate uses for firearms. Furthermore it has come to my attention that Treasury officials, in their zeal to enforce the Gun Control Act, have used this unfortunate law to extend their authority over the legitimate and peaceful traffic in arms and ammunition in clear and direct violation of the spirit and letter of the legislation and in highhanded conflict with the obvious congressional intent of the bill. Such executive usurpation of legislative functions demands action of the Congress to redress the honest and extremely well-founded grievances of the American people who labor under the weight of an unjust law which should never have been passed in the first place. I ask my colleagues serious consideration of this bill which seeks to correct an injustice committed in fear and panic. Thank you, Mr. Speaker.