By Mr. HUNGATE:
H.J. Res. 650. Joint resolution authorizing the President to proclaim the period June 14 through June 21, 1969, as "National Painting and Decorating Week"; to the Committee on the Judiciary.

By Mr. McDADE:
H.J. Res. 651. Joint resolution proposing an amendment to the Constitution to provide for the direct election of the President and the Vice President; to the Committee on the Judiciary.

By Mr. WIGGINS:
H.J. Res. 652. Joint resolution to amend the Constitution to provide for representation of the District of Columbia in the House of Representatives; to the Committee on the Judiciary.

By Mr. BRAY:
H. Con. Res. 200. Concurrent resolution expressing the sense of Congress that the site where the first American astronaut lands on the moon be named Point Eisenhower; to the Committee on Science and Astronautics.

By Mr. ABBITT:
H. Res. 364. Resolution dismissing the election contest in the Fifth Congressional District of the State of Georgia; to the Committee on House Administration.

By Mr. POWELL:
H. Res. 365. Resolution creating a select committee to conduct an investigation of the circumstances surrounding the recent trial, conviction, and sentencing of members of the Armed Forces on mutiny charges; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BIAGGI:
H.R. 10145. A bill for the relief of Maria and Onofrio Spadafino; to the Committee on the Judiciary.

By Mr. BROWN of California:
H.R. 10146. A bill for the relief of Chung Chi Lee; to the Committee on the Judiciary.

By Mr. BUTTON:
H.R. 10147. A bill for the relief of Nicola Gemmiti and his wife, Michela Gemmiti, and their child, Piero Gemmiti; to the Committee on the Judiciary.

By Mr. CONYERS:
H.R. 10148. A bill for the relief of Seydou Diop; to the Committee on the Judiciary.

By Mr. DONOHUE:
H.R. 10149. A bill for the relief of Jack W. Herbstreit; to the Committee on the Judiciary.

By Mr. GONZALEZ:
H.R. 10150. A bill for the relief of certain individuals employed by the Department of the Air Force at Kelly Air Force Base, Tex.; to the Committee on the Judiciary.

By Mr. GUDE:
H.R. 10151. A bill to provide for the conveyance of certain real property in the District of Columbia to the National Firefighting Museum and Center for Fire Prevention, Inc.; to the Committee on the District of Columbia.

By Mr. McMILLAN:
H.R. 10152. A bill to provide for the conveyance of certain real property in the District of Columbia to the National Firefighting Museum and Center for Fire Prevention, Inc.; to the Committee on the District of Columbia.

By Mr. MURPHY of New York:
H.R. 10153. A bill for the relief of Frances von Wedel; to the Committee on the Judiciary.

By Mr. REES:
H.R. 10154. A bill for the relief of Mrs. Rosa Chapiro; to the Committee on the Judiciary.
H.R. 10155. A bill for the relief of Nikola Filipidis; to the Committee on the Judiciary.

By Mr. REID of New York:
H.R. 10156. A bill for the relief of Lidia Mendola; to the Committee on the Judiciary.

By Mr. SHIPLEY:
H.R. 10157. A bill for the relief of First Trust & Savings Bank; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

93. The SPEAKER presented a petition of the City Council, Elizabeth, N.J., relative to commemorating April 17 as the anniversary of the Bay of Pigs invasion, which was referred to the Committee on the Judiciary.

SENATE—*Tuesday, April 15, 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:

God of our life, through all the circling years, we trust in Thee;
In all the past, through all our hopes and fears, Thy hand we see.
With each new day, when morning lifts the veil,
We own Thy mercies, Lord, which never fail.

God of the past, our times are in Thy hand; with us abide.
Lead us by faith to hope's true promised land; be Thou our guide.
With Thee to bless, the darkness shines as light,
And faith's fair vision changes into sight.

God of the coming years, through paths unknown we follow Thee;
When we are strong, Lord, leave us not alone; our refuge be.
Be Thou for us in life our daily bread,
Our heart's true Home when all our years have sped.

—HUGH THOMPSON KERR, 1916.

Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, April 14, 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 the Senate proceedings.)

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.

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.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries, and he announced that on April 11, 1969, the President had approved and signed the following acts and joint resolution:

S. 165. An act for the relief of Basil Rowland Duncan;

S. 586. An act for the relief of Nguyen Van Hue; and

S.J. Res. 37. Joint resolution to extend the time for making of a final report by the Commission To Study Mortgage Interest Rates.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

John D. J. Moore, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

By Mr. RANDOLPH, from the Committee on Public Works:

E. L. Stewart, of Oklahoma, to be Federal cochairman of the Ozarks Regional Commission.

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT ON DEFENSE PROCUREMENT FROM SMALL AND OTHER BUSINESS FIRMS

A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report on Department of Defense procurement from small and other business firms for July through December 1968 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report of a review of the Saturn S–IVB–503 stage accident under the Apollo program, National Aeronautics and Space Administration, dated April 15, 1969 (with an accompanying report); to the Committee on Government Operations.

REPORT ON BOYS' CLUBS OF AMERICA

A letter from the national director of the Boys' Clubs of America transmitting, pursuant to law, an audited financial statement of Boys' Clubs of America for the year 1968 (with an accompanying report); to the Committee on the Judiciary.

REPORT ON SURVEY OF POSTAL RATES

A letter from the Postmaster General, transmitting, pursuant to law, a report of the Department on a review of the postal-rate structure and studies of expenses incurred and revenues received in connection with the various classes of mail, dated April 15, 1969 (with an accompanying report); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

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

By the VICE PRESIDENT:

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

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO PRESENT TO THE STATES FOR RATIFICATION A CONSTITUTIONAL AMENDMENT PERMITTING THE RECITAL OF A NONSECTARIAN PRAYER IN THE PUBLIC SCHOOLS

"Whereas in the case of Engel v. Vitale (370 U.S. 421) decided in the year 1962, the Supreme Court of the United States declared the use in the public schools of a voluntary prayer as prepared by the board of regents of the state of New York to be unconstitutional; and

"Whereas it is the will and desire of the vast majority to recognize the existence of God and our dependence on Him; and

"Whereas it is their belief that there is a great need to instill in the hearts and minds of our youth proper respect and reverence to the Supreme Being; and

"Whereas the recital of voluntary prayers in our public schools will accomplish that purpose and will help maintain traditions cherished by so many of our citizens; therefore be it

"Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to present to the States for ratification a constitutional amendment permitting the recital of a nonsectarian prayer in the public schools; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, the presiding officer of each branch of Congress and to the members thereof from this Commonwealth.

"Senate, adopted, March 27, 1969.

"NORMAN L. PIDGEON,
"Clerk.

"House of Representatives, adopted in concurrence, April 1, 1969.

"WALLACE C. MILLS,
"Clerk.

"Attest:

"JOHN F. X. DAVOREN,
"Secretary of the Commonwealth."

A resolution of the Saipan Legislature; to the Committee on Interior and Insular Affairs:

"RESOLUTION 21–6–1969

"A resolution informing the Congress of the United States of America of the desire of the people of the Saipan Municipality that the alternatives of the upcoming Trust Territory Plebiscite provide for decisions on a district-by-district basis

"Be it resolved by the twenty-first Saipan Legislature, that:

"Whereas the six administrative districts of the Trust Territory vary greatly, in cultural, historical and linguistic characteristics; and

"Whereas the announced Territory-Wide Plebiscite of 1972 will record the wishes of these diverse peoples of the territory for a future political status; and

"Whereas reflecting upon the manifold differences of the territory's island group, the people of the Municipality of Saipan within the Mariana Islands District desire that in the forthcoming plebiscite they be given the alternative to choose separation from the other districts of the territory as the Marianas District future political status: Now, therefore, be it

"Resolved, That the Twenty-first Saipan Legislature informs the Congress of the United States of America of the desire of the people of the Saipan Municipality that the alternative of the upcoming Trust Territory Plebiscite provide for decisions on a district-by-district basis; and be it further

"Resolved, That the Speaker certify to and the Legislature Clerk attest the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States of America, the United Nations Trusteeship Council, and the President, Mariana Islands District Legislature. Passed and Adopted this 17th day of March, 1969.

"HERMAN Q. GUERRERO,
"Speaker.

"Attested:

"DANIEL T. MUNA,
"Legislature Clerk."

A joint resolution of the Legislature of the State of Oklahoma; ordered to lie on the table:

"RESOLUTION 19

"A concurrent resolution expressing profound regret for the recent death of Dwight David Eisenhower; expressing appreciation for his many contributions to the United States of America and the World; and directing distribution

"Whereas on Friday, March 28, 1969, the United States of America and the entire World suffered the loss of General Dwight David Eisenhower—a great statesman, a great general, a great American, and a great man—beloved and respected by all; and

"Whereas he attained the pinnacle of a sterling military career and led the greatest military machine in history to victory during World War II, thereby winning the hearts of his countrymen and their allies and earning the respect of all, including the enemies of his Country against whom he valiantly fought; and

"Whereas General Eisenhower's truly unselfish devotion to his Country and his fellowman is reflected in the willingness with which he gave of himself again to serve his Country as Commander-in-Chief of the Armed Forces and President of the United States, during which time the world was blessed to enjoy a period of tranquility; and

"Whereas by reason of his own devotion to duty, Dwight David Eisenhower inspired many Americans to go forth and accomplish great things; and

"Wheras partisan considerations notwithstanding; America can be justly proud of the phenomenal record of achievement of this brilliant man who constantly displayed a breadth of interest, a depth of knowledge and understanding, a compassionate concern for the welfare of our Nation and its people, and an enthusiasm for hard work and unrelenting effort; and

"Whereas Dwight David Eisenhower was exhalted as few men have been in America and truly deserves to share with George Washington the noble eulogy that "he was, in his day, first in war, first in peace, and first in the hearts of his countrymen"; and

"Whereas his death has taken from the World and from Oklahomans a true friend, and this loss is felt by all members of the Oklahoma Legislature; and

"Whereas we wish to express our deepest and sincerest sympathy in the grief that is shared by the World: Now, therefore, be it

"Resolved by the Senate of the first session of the thirty-second Oklahoma Legislature, the House of Representatives concurring therein.

"Section 1. That this Legislature on behalf of its members and on behalf of the people of Oklahoma does hereby express to the family of General Dwight David Eisenhower profound sorrow and regret at the loss to our State, our Country and the World resulting from the death of General Eisenhower and does further express its deep appreciation for his countless contributions to his fellowman, his Country and to the entire World.

"Section 2. That duly authenticated copies of this resolution be delivered to Mrs. Dwight D. Eisenhower, John Eisenhower, the White House, the United States Senate and the United States House of Representatives.

"Adopted by the Senate the 1st day of April, 1969.

"DENZIL D. GARRISON,
"Acting President of the Senate.

"Adopted by the House of Representatives the 2d day of April, 1969.

"REX PRUETT,
"Speaker of the House of Representatives.

"Certification:

"BASIL R. WILSON,
"Secretary of the Senate."

A resolution adopted by the city council of the city of Elizabeth, N.J., praying for the enactment of legislation proclaiming the date of April 17 as a date in tribute to the Cuban Freedom Fighter who fought and died in the Bay of Pigs invasion; to the Committee on Foreign Relations.

A resolution adopted by the Culver City Young Democrats, Culver City, Calif., urging the U.S. Senate to ratify the United Nations Conventions on Genocide, Forced Labor, and the Political Rights of Women; to the Committee on Foreign Relations.

A petition adopted by the Episcopal Diocese of New York, St. Philip's Church, New York, praying for the enactment of legislation establishing January 15, Dr. Martin Luther King's birthday, as a national legal memorial holiday; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

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

S. 265. A bill for the relief of John (Giovanni) Denaro (Rept. No. 126); and

S. 1531. A bill for the relief of Chi Jen Feng (Rept. No. 128).

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

S. 1625. A bill for the relief of Gong Sing Hom; (Rept. No. 127).

BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. MATHIAS:

S. 1804. A bill for the relief of William H. Morning; to the Committee on the Judiciary.

By Mr. RIBICOFF (for himself, Mr. BROOKE, Mr. DODD, Mr. KENNEDY, and Mr. MCINTYRE):

S. 1805. A bill to preserve and promote the resources of the Connecticut River Valley, and for other purposes; to the Committee on Interior and Insular Affairs.

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

By Mr. GOODELL:

S. 1806. A bill to amend the Social Security Act to provide for a national system of public assistance to needy individuals and for grants to States for services to such individuals and to strengthen the Federal support of the State medical assistance program; to the Committee on Finance; and

S. 1807. A bill to improve education in the United States; to the Committee on Labor and Public Welfare.

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

By Mr. WILLIAMS of New Jersey (for himself, Mr. EAGLETON, Mr. HART, Mr. JAVITS, Mr. KENNEDY, Mr. MCCARTHY, Mr. MONDALE, Mr. PELL, and Mr. YOUNG of Ohio):

S. 1808. A bill to amend the Fair Labor Standards Act of 1938 to extend the child labor provisions thereof to certain children employed in agriculture, and for other purposes; to the Committee on Labor and Public Welfare.

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

By Mr. NELSON:

S. 1809. A bill to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, to require notice to Congress prior to delegation of any program to another agency, and for other purposes; 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. JORDAN of North Carolina:

S. 1810. A bill for the relief of Dr. Rosemary E. DeLeon; and

S. 1811. A bill for the relief of Dr. Auturo J. DeLeon; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 1812. A bill to amend title XVIII of the Social Security Act so as to include chiropractor's services among the benefits provided by the insurance program established by part B of such title; to the Committee on Finance.

By Mr. TYDINGS (by request):

S. 1813. A bill to provide public assistance to mass transit bus companies in the District of Columbia; and for other purposes; and

S. 1814. A bill to provide for public ownership of the mass transit bus system operated by D.C. Transit System, Inc.; to authorize interim financial assistance for the company pending public acquisition of its bus transit facilities; and for other purposes; to the Committee on the District of Columbia.

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

By Mr. TYDINGS:

S. 1815. A bill to amend section 5517 of title 5, United States Code, to authorize certain agreements relating to withholding of State income taxes; to the Committee on Finance.

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

By Mr. WILLIAMS of New Jersey (for himself and Mr. NELSON):

S. 1816. A bill to authorize the Secretary of Health, Education, and Welfare to make grants for treatment and rehabilitation centers for drug addicts and drug abusers, and to carry out drug abuse education curriculum programs, and to strengthen the coordination of drug abuse control programs by establishing the National Council on Drug Abuse Control; to the Committee on Labor and Public Welfare.

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

By Mr. BAKER (for himself and Mr. BAYH):

S. 1817. A bill to provide a uniform 24-hour voting period for polling places in Federal elections; to the Committee on Rules and Administration.

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

By Mr. TYDINGS:

S. 1818. A bill to provide for the inclusion of environmental quality considerations in the decision-making processes of government; to the Committee on Public Works.

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

By Mr. MONTOYA:

S. 1819. A bill for the relief of Chung Wai Hung; and

S. 1820. A bill for the relief of Lam Kan Wo; to the Committee on the Judiciary.

By Mr. PASTORE:

S. 1821. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to State policemen for amounts paid for meals while on duty; to the Committee on Finance; and

S. 1822. A bill to amend title 5, United States Code, to provide for the inclusion of certain periods of reemployment of annuitants for the purpose of computing annuities of surviving spouses; to the Committee on Post Office and Civil Service.

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

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

S. 1823. A bill to amend title 10, United States Code, to remove the restriction on the use of certain private institutions under the dependents' medical care program; to the Committee on Armed Services.

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

By Mr. FONG:

S. 1824. A bill for the relief of Kwok Kwong Wong; to the Committee on the Judiciary.

By Mr. EAGLETON:

S. 1825. A bill for the relief of Sujittra La-Ongmani Cross; to the Committee on the Judiciary.

By Mr. MUNDT (for himself, Mr. BIBLE, Mr. CANNON, Mr. MCGOVERN, and Mr. STEVENS):

S. 1826. A bill to increase the domestic production of gold to meet the needs of national defense and preserve the gold mining industry of the United States, and for other purposes; to the Committee on Banking and Currency.

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

By Mr. HARRIS (for himself and Mr. HART):

S. 1827. A bill to amend the Internal Revenue Code of 1954 to impose a minimum income tax, to require the allocation of deductions allowed to individuals in certain circumstances, and for other purposes.

S. 1828. A bill to amend the Internal Revenue Code of 1954 to increase the minimum standard deduction; and

S. 1829. A bill to amend the Internal Revenue Code of 1954 to reduce and extend the tax surcharge and to suspend the investment credit during the remaining period of applicability of the tax surcharge; to the Committee on Finance.

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

By Mr. JACKSON (for himself, Mr. GRAVEL, and Mr. STEVENS):

S. 1830. A bill to provide for the settlement of certain land claims of Alaska natives, and for other purposes; to the Committee on Interior and Insular Affairs.

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

By Mr. BROOKE:

S. 1831. A bill for the relief of Ezzaliah Radi Abou Yazbeck; to the Committee on the Judiciary.

By Mr. COOK (for himself, Mr. COOPER, Mr. MANSFIELD, Mr. MATHIAS, Mr. METCALF, Mr. WILLIAMS of New Jersey, Mr. PACKWOOD, Mr. STEVENS, Mr. SCHWEIKER, and Mr. RANDOLPH:)

S.J. Res. 91. Joint resolution establishing the Federal Committee on Nuclear Development; to the Joint Committee on Atomic Energy.

(See the remarks of Mr. COOK when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. BAKER:

S.J. Res. 92. Joint resolution proposing an amendment to the Constitution of the United States to provide for the conduct within each State of presidential preference elections and the election of delegates to conventions of national political parties for the nomination of candidates for President and Vice President; and

S.J. Res. 93. Joint resolution proposing an amendment to the Constitution of the United States enabling citizens of the United States who change their residences to vote in presidential elections; to the Committee on the Judiciary.

(See the remarks of Mr. BAKER when he introduced the above joint resolutions, which apppear under separate headings.)

S. 1806 AND S. 1807—INTRODUCTION OF BILLS CREATING A NATIONAL SYSTEM OF PUBLIC ASSISTANCE AND A PROGRAM OF FEDERAL BLOCK GRANTS FOR EDUCATION

Mr. GOODELL. Mr. President, I rise to introduce the "Federal Public Assistance Act" and the "Federal-State Education Act of 1969."

I am introducing these bills at the request of Gov. Nelson A. Rockefeller, of New York.

The Federal Public Assistance Act creates a national system of public assistance for needy individuals. It also provides Federal grants to States for nonmedical services—such as child wel-

fare services—to these individuals. And it provides increased Federal support of State medical assistance for the needy and medically indigent.

The Federal-State Education Act of 1969 establishes a new program of Federal block grants to the States for education.

Spiraling welfare and education costs have been placing an intolerable burden on State and local taxpayers. The Federal Government must meet a greater share of these costs, in order to permit the States and localities to set their fiscal house in order, and to relieve State and local taxpayers.

I have long urged that the Federal Government bear a larger proportion of the rapidly rising welfare costs. A system of national welfare standards and increased Federal welfare financing is needed to overhaul the present obsolete and unfair system that has become such a burden to States and localities. As long as States and local governments have to meet their present share of the cost of public assistance, they will be unable to solve their fiscal problems; and the poor will suffer through inadequate benefit levels. Only a better system of Federal financing can eliminate the present glaring disparities in welfare benefits among the States, which have contributed so much to the migration of the poor into our overburdened cities.

I also have long supported a system of Federal block grants for education, to enable the States to support, assist, and strengthen educational programs at all levels—while giving each State the flexibility to develop the educational programs best suited to its needs.

These bills go to the heart of the fiscal problems of rising welfare and education costs faced by State and local governments across the country. They deserve most serious study and consideration by Congress.

In proposals as important, complex, and far-reaching as these, various changes, refinements, and clarifications may be needed. I am placing these bills before the Senate now, so that the process of study, examination, and review may begin.

The proposed Federal Public Assistance Act is a new plan for creating a national system of public welfare. Under this proposal, the Federal Government will, beginning in fiscal 1973, assume full financial responsibility for the cost of cash assistance welfare programs for all needy persons. All those below the poverty level, adjusted for variations of cost of living, would be declared eligible to receive this assistance. During the interim period before fiscal 1973, the bill would provide, on a step-by-step basis, increased Federal participation in financing cash assistance programs; and prescribe Federal standards for eligibility and benefits for public assistance. The bill would also:

Create stronger incentives for welfare recipients to obtain jobs by permitting them to retain up to $75 per month and one-third of any additional earnings they make.

Provide Federal grants to meet not less than 75 percent of State expenditures for nonmedical services to needy individuals, such as child welfare services, counseling and guidance, and family planning services.

Increase Federal support of medicaid to no less than 75 percent of State medicaid expenditures; and raise eligibility for medicaid to 150 percent of the public assistance standard under the bill.

Under the welfare bill, the Federal Government would spend in fiscal 1970 about $1.8 billion more than the approximately $4 billion it would spend on welfare—exclusive of medicaid—under existing law. By fiscal 1973, when the Federal Government assumed the full cost of welfare, it would spend roughly $10 billion more than the estimated $5 billion it would spend on welfare under present law. In that year, the States and localities would largely be relieved of the more than $5 billion they otherwise would have to pay as their share of welfare costs.

The proposed Federal-State Education Act of 1969 would create a new system of Federal block grants to the States for education. The bill would authorize $2.75 billion in block grants in fiscal 1970, the first year of its operation; and $14 billion in fiscal 1973, the fourth year. The amount of each State's block grant would be based on population, need and tax effort. The grants would be available for elementary and secondary, higher, vocational, and technical education, preschool, and adult education. It would leave each State wide discretion to develop the educational programs it needs.

I ask unanimous consent that a summary of the bills be printed at this point in the RECORD.

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

The bills (S. 1806) to amend the Social Security Act to provide for a national system of public assistance to needy individuals and for grants to States for services to such individuals and to strengthen the Federal support of the State medical assistance program; (S. 1807) to improve education in the United States, introduced by Mr. GOODELL, were received, read twice by their titles, and referred to the Committee on Finance and the Committee on Labor and Public Welfare, respectively.

The summary, presented by Mr. GOODELL, follows:

FEDERAL PUBLIC ASSISTANCE ACT

PURPOSES

The bill would create a national system of public assistance to needy individuals, to become effective after a transitional period. It would provide step-by-step increase in Federal support of state public assistance programs during this transition period.

The bill would also provide Federal grants to states for non-medical services (such as child welfare services) to needy individuals. It would provide increased Federal support of state medical assistance programs for the needy and medically indigent.

The bill would add a new Title XX to the Social Security Act, and amend existing law.

NATIONAL SYSTEM OF PUBLIC WELFARE

Part A of the proposed Title XX would establish a national system of public welfare to take effect after a transition period.

Effective in fiscal year 1973, the Federal government would finance the *full cost* of public assistance programs.

All individuals who are residents of the United States and whose income and resources (exclusive of public assistance) are less than the "minimum living requirement" would be eligible for assistance. The amount of assistance would be equal to the "minimum living requirement" less the amount of recipient's own income and resources.

The "minimum living requirement" would be based on the non-farm poverty level as determined by the Social Security Administration for the year 1966 (adjusted to take into account subsequent changes in price levels). The Social Security Administration's 1966 figures show $3355 as the poverty level for a non-farm family of four.

The "minimum living requirement" could be increased above or decreased below these poverty level figures by not more than 15% on the basis of regional differences in the cost of particular items such as heat, clothing or rent.

In determining eligibility for and the amount of public assistance, earned income to the extent of the first $75 per month plus one-third of additional earnings would be disregarded, except that any earned income in excess of one-third of the "minimum living requirement" would not be disregarded.

The Secretary of Health, Education and Welfare would be authorized to enter into an agreement with each state, under which a state agency would administer the program. The cost of administration would be met by the Federal government. If a state did not wish to make such an agreement, the program would be administered by the Department of Health, Education and Welfare.

INTERIM FEDERAL STANDARDS AND FINANCING OF WELFARE ASSISTANCE

Part C of the proposed Title XX of the Social Security Act would establish an interim program of Federal standards and assistance. This program would apply to the transition fiscal years 1970, 1971, and 1972, before full Federal financing takes effect. Receiving the assistance would be optional to the states, conditional on their complying with the standards and submitting an approved plan.

In fiscal 1970, each state wishing to take advantage of the interim program would have to have the following minimum budgetary standard of need (that is, the amount to be paid to a person without any resources):

	Per month
Children	$40
Aged	$65
Blind and disabled	$90
General assistance	$40

These minimums are based on the present average benefit levels in the nation.

In fiscal 1971, the minimum budgetary standard of need would be increased by 115% of the 1970 standard. And in fiscal 1972, it would be raised to 130% of the 1970 standard. (As noted above, in 1973, the year of full Federal takeover, the standard of need would be raised to the poverty level.)

The Federal share of these welfare costs during the interim period would be increased as follows:

In the first year (fiscal 1970), the Federal government would pay 100% of the first $30 of welfare assistance paid to each needy child and 50% of the remainder paid to him (up to an additional $40). A similar scale would be established for the other types of welfare recipients.

In second and third years (fiscal 1971 and 1972), the Federal government would pay a minimum of 75% of welfare costs.

SOCIAL AND OTHER NON-MEDICAL SERVICES

The bill would require those states participating in the transitional program to provide social and other non-medical services to all needy individuals. These include child

welfare services; counselling and guidance; and family planning services.

States would be required to provide day care services adequate to meet the needs of those mothers who want to work.

Effective July 1, 1969, Federal financial reimbursement would be not less than 75% of state expenditures for these non-medical services to needy individuals (including administrative expenses). Federal aid now ranges from 50% to 75%.

When the Federal government takes over the full cost of public assistance payments, all states would be required to provide these services or forgo Federal reimbursement for Medicaid.

MEDICAID AMENDMENTS

The bill would make the following changes in Medicaid:

Effective in fiscal year 1971, Federal financial participation for Medicaid would be no less than 75% of the state's total expenditures for Medicaid (including administrative expenditures).

Eligibility for Medicaid would be raised to 150% of the public assistance standard under the bill.

MAINTENANCE OF STATE AND LOCAL TAX EFFORT

The bill would require, effective in fiscal year 1973, that states maintain their tax efforts, or else be penalized by reduction in Federal formula aid.

Each state would be required, in fiscal year 1973 and subsequent years, to maintain a tax effort index of not less than the average tax effort index for fiscal years 1970, 1971 and 1972. The tax effort index would be defined as the aggregate of state and local tax revenues as a percent of total personal income for the state.

AUTHORIZATIONS

The bill would authorize "such sums as may be necessary" to meet the cost of the national welfare program and the interim financing program. Federal funding would, however, be subject to the annual appropriation process.

FEDERAL-STATE EDUCATION ACT OF 1969

PURPOSES

The bill would provide substantial Federal block grants to the states to enable them to support, assist and strengthen educational programs at all levels.

It would provide opportunities for education and training to all persons, particularly those in low income families. It would leave to each state optimum flexibility to develop programs best suited to its needs, and it would provide incentives to states and localities to make reasonable fiscal effort for education.

FINANCING

Section 2 of the bill provides that it is the intent of Congress that the costs of the block grants for education be financed by increasing the existing Federal income tax rate and/or improving the Federal income tax structure so that by the fiscal year 1973, an amount equal to 10% of the revenues derived from the Federal income tax be utilized for financing this program.

AMOUNT OF FEDERAL FUNDS

Section 3 authorizes the following amounts for block grants for education:

1970	$2,750,000,000
1971	5,500,000,000
1972	9,000,000,000
1973	14,000,000,000

ALLOTMENTS TO THE STATES

Section 4 provides that the amount of each State's block grant be based on population, need and tax effort.

Specifically, Federal funds would be allotted among the States on the following basis:

30% on the basis of tax effort (state and local taxes as a percent of state personal income adjusted for population);

25% on the basis of the formula in title I of the Elementary and Secondary Education Act;

20% on the basis of the formula in the Higher Education Facilities Act;

15% on the basis of the Vocational Education Act; and

10% on the basis of the state's population aged 3 to 5 and per capita income.

USE OF FEDERAL FUNDS

Section 5 requires the funds to be utilized in accordance with a State plan submitted to the Secretary of Health, Education, and Welfare, who would determine that the plan provided reasonable assurances that—

At least 20% of the state's allotment will be used in accordance with the provisions of title I of the Elementary and Secondary Education Act relating to: purposes for which funds are to be used; distribution of funds within a state; conditions applicable to the use of funds (e.g. programs to be of benefit to students in non-public schools);

At least 15% will be used for education at institutions of higher education, including public community colleges and public technical institutes;

At least 10% will be used for vocational education; and

The remaining 55% will be used for the above or other educational purposes.

MAINTENANCE OF EFFORT

Section 7 provides that the fiscal effort for education by a state and its political subdivisions in any year must be equal to such effort for the fiscal year ending June 30, 1968. If it fell below the fiscal 1968 level, Federal funds to the state would be reduced by the amount of the difference.

FEDERAL CONTROL PROHIBITED

Section 8 provides that the bill does not authorize any Federal agency to exercise any control or supervision over personnel, curriculum, methods of instruction or administration of any educational institution or school system.

S. 1808—INTRODUCTION OF A BILL PROHIBITING HARMFUL CHILD LABOR

Mr. WILLIAMS of New Jersey. Mr. President, on behalf of myself and other Senators, I introduce for appropriate reference, a bill to amend the Fair Labor Standards Act to prohibit harmful agricultural child labor outside of regular school hours and when school is not in session.

The harmful employment of children in agriculture is one of the most unfortunate aspects of our present farm labor situation. Existing Federal and State laws relating to the employment of children in agriculture chiefly apply only during school hours. Aside from the existing Federal exclusion of children up to age 16 from particularly hazardous occupations, a child of any age, when school is not in regular session, may be employed in farmwork. This condition has all but disappeared from industry, yet today approximately 375,000 children between the ages of 10 and 13 perform hired farm labor.

Migratory children, who comprise a significant segment of the children employed in agriculture, are the most seriously affected by the absence of meaningful child labor legislation. Unlimited arduous farmwork is undoubtedly harmful to the health of young children. As early as 1951 a subcommittee of the American Medical Association urged that a general 14-year age minimum be set for employment. Long hours of tiring work whether in factories or in beet or tomato fields is harmful to children in two ways. First, a child early in life must grow and gain weight. Farm labor such as the thinning, pulling, and topping of beets or the picking of strawberries or cotton requires constant bending, stooping, and frequent lifting. This excessive muscular activity expends the child's energy which should be used in the natural process of growth. Consequently, children who engage in arduous labor become undernourished and undersized. Second, chronic fatigue lowers a child's resistance to disease and infection and also interferes with his educational progress. Only one of every three farm wage workers has completed more than 8 years of schooling and only one in six has graduated from high school. One-fourth of our Nation's farmworkers have either never attended school or have not completed more than 4 years of schooling.

The continued exclusion of children working in agriculture, and migrant children in particular, from the protections against harmful child labor will continue to cause high incidence of poverty, unemployment, dissatisfied teenagers and extensive drain on our general economy and on community welfare programs in particular.

Under this bill, a child would be permitted to work in agriculture outside of regular school hours or during vacation only if, first, he is 14 years of age or over, or, second, he is between 12 and 14 and commutes daily not more than 25 miles from his permanent residence and either has the written consent of his parent or his parent is employed on the same farm. By express provision in the bill, however, no restrictions are imposed on the employment of children working for their parents on a home farm.

I ask unanimous consent that the bill be reprinted 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. 1808) to amend the Fair Labor Standards Act of 1938 to extend the child labor provisions thereof to certain children employed in agriculture, and for other purposes, introduced by Mr. WILLIAMS of New Jersey (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. 1808

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 13(c) of the Fair Labor Standards Act of 1938 is amended to read as follows:

"(c) (1) Except as provided in paragraph (2), the provisions of section 12 relating to child labor shall not apply to any employee employed in agriculture outside of school hours for the school district where such employee is living while he is so employed, if such employee is—

"(A) employed by his parent, or by a person standing in the place of his parent, on a farm owned or operated by such parent or persons, or

"(B) is 14 years of age or over, or

"(C) is 12 years of age or over and is employed on a farm to which he commutes daily within twenty-five miles of his per-

manent residence, and (i) such employment is with the written consent of his parent or person standing in place of his parent, or (ii) his parent or person standing in place of his parent is also employed on the same farm.

"(2) The provisions of section 12 relating to child labor shall apply to an employee below the age of sixteen employed in agriculture in an occupation that the Secretary of Labor finds and declares to be particularly hazardous for the employment of children below the age of sixteen, except where such employee is employed by his parent or by a person standing in the place of his parent on a farm owned or operated by such parent or person.

"(3) The provisions of section 12 relating to child labor shall not apply to any child employed as an actor or performer in motion pictures or theatrical productions, or in radio or television productions."

S. 1813 AND S. 1814—INTRODUCTION OF BILLS ON DISTRICT OF COLUMBIA BUS LEGISLATION

Mr. TYDINGS. Mr. President, today I am introducing two bills relating to bus transportation in Washington. These bills have been drafted at the request of the District of Columbia Committee and will be referred to its Subcommittee on Fiscal Affairs. These bills are being introduced so that the committee may have concrete proposals before it when hearings are held.

One bill, drafted by the Washington Metropolitan Area Transit Commission, provides for a public subsidy to private bus companies. The WMATC is the Maryland-Virginia-District of Columbia interstate compact authority which regulates local bus service.

The other bill, drafted by the District of Columbia government, provides for a temporary subsidy followed by public purchase of the bus company by the Washington Metropolitan Area Transit Authority. The WMATA is the Maryland-Virginia-District of Columbia interstate compact authority created to plan and construct Washington's rapid rail transit system.

A hearing on these bills has been scheduled for 9:30 a.m., April 29, 1969, in room 6226, New Senate Office Building.

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

The bills (S. 1813) to provide public assistance to mass transit bus companies in the District of Columbia, and for other purposes and (S. 1814) to provide for public ownership of the mass transit bus system operated by District of Columbia Transit System, Inc.; to authorize interim financial assistance for the company pending public acquisition of its bus transit facilities; and for other purposes, introduced by Mr. TYDINGS, by request, were received, read twice by their titles, and referred to the Committee on the District of Columbia.

S. 1815—INTRODUCTION OF A BILL PERMITTING VOLUNTARY WITHHOLDING OF MARYLAND AND VIRGINIA INCOME TAXES FOR CONGRESSIONAL STAFF

Mr. TYDINGS. Mr. President, I rise to introduce a bill which would permit congressional employees who work in the District but reside in Maryland or Virginia to have their State income tax withheld on a voluntary basis.

Under present law, employees of the agencies of the executive branch, the Library of Congress and the Government Printing Office enjoy this privilege. Many Capitol Hill employees would welcome the convenience of having their State income tax withheld. I would like to stress again that this arrangement would be strictly voluntary; each employee would decide whether or not his taxes would be withheld.

I recognize that such legislation must originate in the House. Former Congressman Hervey Machen introduced this legislation in the last Congress and the measure was favorably reported by the Ways and Means Committee. Maryland State Senator Steny Hoyer recently suggested that this measure not be allowed to drop and I appreciate his recalling it to my attention.

I am putting this bill before this Congress in the fervent hope that it will be added as an amendment to the first tax bill that is reported out of the Ways and Means Committee this session.

There is no reason why employees of the legislative branch should not possess the same rights and prerogatives enjoyed by other Federal employees.

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

The bill (S. 1815) to amend section 5517 of title 5, United States Code, to authorize certain agreements relating to withholding of State income taxes, introduced by Mr. TYDINGS, was received, read twice by its title, and referred to the Committee on Finance.

S. 1816—INTRODUCTION OF THE DRUG ABUSE PREVENTION AND REHABILITATION ACT OF 1969

Mr. WILLIAMS of New Jersey. Mr. President, one of man's most important discoveries was the realization that he could heal his wounds, and cure his illnesses, with chemical substances and compounds. He took this realization into the laboratories and clinics, and what came out was the harbinger of our modern medical miracles.

Man created pills.

The pioneers of the American frontier had pills, salts, and oils when they moved west. The apothecary shop was a fixture on colonial main street. American medicine matured as doctors learned to harness the power of the pill, and make it work for good health. We learned how to use pills and liquids to heal tissue, kill pain, stop unwanted bleeding, reduce pressure, and otherwise improve the body's functions.

Unfortunately, modern Americans tend to abuse the privilege of the pill. Housewives take sedatives, sleeping pills, diet pills, headache pills, cold pills, and of course, "the pill." Truckdrivers take pills to stay awake on the long overnight hauls. Students take pills to pep them up, and keep them awake, as they cram for exams. All of us turn to aspirin, vitamins, and other "beneficial" pills. Advertisers tell us that we can relieve tension, end acid indigestion, restore youth and sex appeal with pills—so we buy more pills.

The national average is an incredible 29.5 drugs per medicine cabinet.

Most—if not all—of this pill taking is legitimate, and often helpful. What is appalling, is the fact that our willingness to "pop a pill" has, in turn, prompted a national frenzy in illegal drugs, addictive substances, and possibly fatal experimentation with "the stuff." We face the prospect of a coast-to-coast catastrophe—a drugged society.

Evidence of the mounting crisis in drug abuse is all around us:

Some authorities say that 30 percent of college students have tried marihuana at least once. Dr. James L. Goddard, former Chief of the Food and Drug Administration, has said that 400,000 Americans may be using it regularly. The New York Times recently estimated that 100 million Americans use some form of mind-altering drugs, including excessive alcohol, amphetamines, barbiturates, and tranquilizers. In 1967, the National Student Association reported that 61,792 drug arrests were made in California for illegal use of drugs.

One often hears that there are more than 50,000 heroin addicts in the United States, but that only reflects the number reported to the Government. U.S. News & World Report recently mentioned that in New York City alone, estimates on the number of heroin addicts run from 30 to 100 thousand—"depending on who is keeping score."

Last year, 5 million "5-grain units" of illicit drugs were seized at borders and ports of entry in our country. The total weight of all drugs confiscated for the year—including marijuana—hit 35 tons. The costs run from a "nickel" bag of marijuana for $5 to as high as $50,000 for a point of heroin. It has been calculated that New York City's addicts must raise from $500,000 to $700,000 per day to support their habit. To do so, many turn to robbery, shoplifting, burglary, forgery, and prostitution. If you do not use the "stuff," you could be one of hundreds of top distributors selling a half-grain of LSD, enough for 1,000 capsules to middlemen for $1 a capsule. In a month's time, you could easily sell 5,000 capsules and clear over $3,700.

Although these figures are important, particularly as they relate to escalating problems of crime and health, we too often concentrate on the statistics and forget the people. The human cost is more staggering and more tragic. Drug abusers seldom live successful lives—by their own standards or those of anyone else. Over a period of time, they lose interest in schools, jobs, and family. Drug abusers have few friends who are not also on drugs. They simply have neither the time nor the energy to keep up normal social contacts. Their only purpose becomes the search for enough drugs to keep "high" and to duck the agony of being suddenly deprived of drug support.

There is no doubt that the abuser deprived of drugs suffers greatly. But the worst of it is that whether "high" or looking for his next "kick"—he has lost control of his life. He has given up the power to decide and to act—the very things that make him human.

At what point do you lose control? No one knows. But the worst mistake is to assume you can stop once you start.

There is probably not one drug abuser alive—or dead—who did not say, "I won't get 'hooked.' It can't happen to me." It can—and it does.

Although the link between marijuana, and progressive involvement with more dangerous drugs, has only recently been explored, there is enough evidence to concern us. Even the hint of a cause-effect relationship between marijuana and the harder drugs should shock us into action.

Too many young people have justified the use of marijuana by claiming that it is no worse than consuming alcohol. Surely it is not valid to justify the adoption of a new abuse by trying to show that it is no worse than a presently existing one. The result can only be added social damage from a new source. Moreover, marijuana, unlike alcohol, is nearly always consumed by its users for the express purpose of attaining a "high" and a disorientating intoxication.

This justification or rationale is further complicated because there is no consistent public policy about prohibiting the use of things that are bad for us. If marijuana and other drugs are prohibited, we should add alcohol, tobacco, and the automobile. A recent Washington Post editorial said it this way:

> The decision to put the liquor salesman in the Chamber of Commerce and the pot salesman in jail is irrationally arbitrary.

When and how this public policy will be made uniform—either way—is at best, some time in the future.

We cannot afford to wait for this policy to change through public law. Nor can we wait for the country to accept what the Georgia Law Review said may be a constitutional "right to get 'high'" as part of the "right to individual freedom in the pursuit of happiness."

There is a realistic and more important task we can begin now—understanding, education, and rehabilitation.

Mr. President, for the past 6 months I have been carefully researching the whole area of drug abuse and addiction. Everyone I have talked with about this problem—the Associate Director of the Bureau of Narcotics and Other Dangerous Drugs, students, social workers—indicated a need for accurate information on drugs.

Last year, more than 33,000 school age youngsters wrote to the Federal Bureau of Narcotics and Other Dangerous Drugs in the Justice Department asking for information. I am sure this represents only those who took the time to write—not all those looking for information. So there is already a clear need for curriculum on drugs similar to the already accepted curriculum on sex. In fact, some States have already taken the initiative. House bill 102 in the Pennsylvania Legislature is a bill which would make it mandatory to teach young people about all drugs. Commenting on its merits, Peter Duncan, presenting the network's views in an editorial for WCAU–TV in Philadelphia, said:

> Schools should not wait until House Bill 102 becomes law. They should be actively developing an aggressive, honest program for their students . . . Parents, instead of getting upset over the inclusion of such a course—should be forming a lobby to see to it that it's passed.

Most of us, including teachers, cannot even spell amphetamine, barbiturate, hallucinogens, or give the technical names for LSD and DMT, much less know what they mean or do to body and brain cells. When it comes to classifying dexies, A's, footballs, barbs, goofballs, cubes, acid as either stimulants, depressants, or hallucinogens, who among us can do it without guessing? I strongly believe that both vocabularies—the scientific and the street jargon—are equally important. Legislation has already been introduced in the Senate and House of Representatives to provide grants to educational agencies to develop drug information curriculum, and provide teacher-training programs to be an integral part of these curriculums.

However, no legislation dealing with drug abuse and addiction is complete without adequate treatment and rehabilitation facilities.

Mr. President, today, on behalf of Senators COOPER, HART, MCGEE, MONDALE, RANDOLPH, YOUNG of Ohio, PELL, and HATFIELD, I introduce for appropriate reference the Drug Abuse Prevention and Rehabilitation Act of 1969. This legislation will authorize the Secretary of Health, Education, and Welfare to make grants for prevention, treatment, and rehabilitation centers for drug addicts and drug abusers; encourage drug abuse education curriculum programs for students of medicine, psychology, psychiatry, sociology, social work, and other related fields; and strengthen the coordination of drug abuse control programs by establishing the National Council on Drug Abuse Control.

My research on drug addiction has taken me on two informal visits to existing drug rehabilitation centers. The first center I visited was a center in Philadelphia which is operated by the National Institute of Mental Health. This is one of seven centers sponsored by the Federal Government which is demonstrating, testing, and evaluating various methods of drug rehabilitation. I gathered that most of these centers, including Philadelphia, are research-oriented with a strong "professional" orientation. A majority of their patients participate in a detoxification program or are maintained on methadone. Supportive counseling, group psychotherapy, and educational counseling are part of the program but vary in patient participation and application. One is certainly impressed with the process.

The second center I visited is Odyssey House on New York City's East Side. This program has no Federal support; it is a voluntary nonprofit agency which began as a pilot research program at Metropolitan Hospital in January 1966. It is now a comprehensive program for the prevention and treatment of drug addiction.

The rehabilitation service program is divided into three phases—induction, intensive residential treatment, and reentry. These programs are designed to motivate the street addict to enter treatment; to determine the sincerity of his motivation; to bring his first in-residence challege; and to provide total rehabilitation for reentry to the community.

Odyssey House is a total therapeutic endeavor. It is a working amalgamation of the professional-research establishment and the community. It treats the causes as well as the symptoms. And one is certainly impressed with the product as well as the process.

Rehabilitation centers must be an integral part of the "scene." Existing law makes referral to rehabilitation centers conditional on "adequate" facilities. I met a youngster, about 28 years of age, at Odyssey House who had been arrested about 40 times and spent 8 years in jail. It got him nowhere. The legislation I introduce today might help others escape this dead-end cycle, and make "positive" referral mandatory.

In addition, this bill provides that up to 30 percent of the money be used to develop the "Odyssey" concept in rehabilitation. We cannot afford to wait 10 years for NIMH to conclude its research and report a model of drug rehabilitation. The product of an Odyssey House experience cannot be measured in a test tube or plotted on a chart. In the vagueness and uncertainty of drug rehabilitation, we need both approaches.

Whatever the approach, though, we need better drug information in the community. Local police should not be the sole source of drug information in our cities and towns. Because of an attitude on the part of the community—"Cops are out to get us"—and a police attitude—"drug users are punks"—genuine communication and full information are blocked.

There is a better way, and one effective alternative is the neighborhood doctor or community social worker. Unfortunately, medical schools and other institutions of higher learning have ignored their responsibility to their students and to society by not providing curriculums on this subject. There is an obvious and clear need for this kind of program, and this legislation will provide this incentive. However, not only should medical students be exposed to a drug curriculum program in their formal training, but all those who will be primarily responsible for working in rehabilitation programs—both professional and paraprofessional—should be exposed to drug abuse curriculum programs.

Finally, my bill will establish a National Council on Drug Abuse Education to coordinate, evaluate, and disseminate the Federal activities in this area. George B. Griffenhagen, Director of the National Coordinating Council on Drug Abuse Education and Information, has convinced me that one of the biggest problems at the Federal level is one of evaluation of available drug information and research and the coordination of efforts to solve this problem. The Coordinating Council, representing more than 60 professional, educational, youth, religious, and service organizations, is making a commendable effort to begin this important task.

I am convinced that the time is now to build on their efforts. At the Federal level, everyone is trying to get a "piece of the action"—including the Defense Department. This polarization of effort is not helping the situation. My proposal would centralize all Federal programs, in whatever agencies, that deal with drug abuse.

This seems to me to be the most effec-

tive way to provide leadership and coordination of efforts of regional, State, and local organizations interested in the area of drug abuse and education.

One of the functions of this Council will be to review Federal and State laws with respect to control of narcotics and other dangerous drugs in order to determine the effectiveness of such laws in controlling drug abuse and make legislative or administrative recommendations to bring about a balanced and realistic approach to this problem.

Finally, it seems to me that recent headlines in newspapers, such as "Jersey Narcotics Sweep Nets 68 Young Suspects," have gotten us nowhere. This raid was the result of 200 officials working on the basis of a 15-month investigation. The suspects are from 14 to 28 years old. Instead of the "Aha! We got 'em" attitude, we should spend equal energy and resources on understanding these youths.

Mr. President, the Drug Abuse and Narcotic Control Education Act of 1969 is designed to deal with these problems. These proposals may not be more effective than our raids and arrests, but the depth and seriousness of drug use and abuse in our country demands that we give them an equal try. I am confident they will at least begin a much-needed nationally coordinated program of understanding and education.

I ask unanimous consent that a summary of the major provisions of this bill be reprinted in the RECORD at this point.

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

The bill (S. 1816) to authorize the Secretary of Health, Education, and Welfare to make grants for treatment and rehabilitation centers for drug addicts and drug abusers, and to carry out drug abuse education curriculum programs, and to strengthen the coordination of drug abuse control programs by establishing the National Council on Drug Abuse Control, introduced by Mr. WILLIAMS of New Jersey (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The summary, presented by Mr. WILLIAMS of New Jersey, is as follows:

SUMMARY OF DRUG ABUSE PREVENTION AND REHABILITATION ACT OF 1969

TITLE I—FINDINGS AND STATEMENT OF PURPOSE

It is the purpose of this Act—

To provide for the establishment, development, and maintenance of prevention, treatment and rehabilitation centers for drug addicts and drug abusers;

To encourage drug abuse education curriculum programs for students of medicine, psychology, psychiatry, sociology, social work and other related fields;

To strengthen the coordination of drug abuse control programs by establishing the National Council on Drug Abuse Control.

TITLE II—GRANTS FOR TREATMENT AND REHABILITATION CENTERS FOR DRUG ADDICTS AND DRUG ABUSERS

Authorization of Appropriations: Five-year $350,000,000 graduated authorization beginning at $50,000,000 for fiscal year beginning July 1, 1969.

Use of Funds: The Secretary of HEW is directed to make grants to assist states and non-profit organizations in establishing, developing, equipping, and operating drug addict treatment and rehabilitation centers. Up to 30 per cent of the money available will be used to make grants to non-profit organizations which develop a comprehensive program for the prevention and treatment of drug addiction, and research with new techniques and methods for improving this treatment and rehabilitation.

Applications: The Secretary of HEW will, by regulation, establish and prescribe standards for obtaining grants under this title.

TITLE III—DRUG ABUSE EDUCATION CURRICULUM PROGRAMS

Authorization of Appropriations: Five-year $105,000,000 graduated authorization beginning at $10,000,000 for fiscal year beginning July 1, 1969.

Use of Funds: Grants will be made to medical schools and other institutions of higher learning for the development and carrying out of drug abuse education programs.

Applications: The Secretary of HEW will, by regulation, establish and prescribe standards for obtaining grants under this title.

TITLE IV—COORDINATION OF DRUG ABUSE CONTROL PROGRAMS

Council established

A national council on drug abuse control will be established in the Executive Office of the President. The Secretary of Health, Education, and Welfare will be Chairman of the Council. The Council will be composed of the Vice President, Secretary of the Treasury, Secretary of Defense, Attorney General, Secretary of Labor, Administrator of Veterans Affairs, and Director of the Office of Economic Opportunity.

Function of the Council

1. The Council will advise and assist the President on drug abuse control education programs and law enforcement activities of federal, state and local agencies.

2. Provide effective procedures for coordinating all drug abuse programs and law enforcement activities.

3. Review federal and state laws on narcotics and other dangerous drugs to determine the effectiveness of such laws in controlling drug abuse.

4. Provide for a national program of dissemination of information on drug abuse control.

5. Encourage state and local and private organizations to participate in efforts to combat the abuse of narcotics and dangerous drugs.

TITLE V—GENERAL PROVISIONS

Consultations with other Federal agencies

The Secretary of Health, Education, and Welfare is required to consult with the Director of the National Institute of Mental Health and the Director of the Bureau of Narcotics and Dangerous Drugs in the review of the applications made under this Act.

Advisory Committee on Drug Abuse Education

The Secretary of Health, Education, and Welfare shall appoint an advisory committee on drug abuse education to advise him in the administration of this Act. The Committee will consist of 21 members, seven of whom shall be appointed by the Attorney General. Three members shall be ex-addicts and all the committee members will consist of persons familiar with educational, mental health, social, and legal problems associated with drug abuse.

Certification of adequate facilities for the commitment and treatment of drug addicts

The U.S. Code is amended to remove the qualification of "adequate facilities" in the referral of addicts.

S. 1818—ON THE INTRODUCTION OF A BILL TO CREATE AN OFFICE OF ENVIRONMENTAL QUALITY

Mr. TYDINGS. Mr. President, I introduce today a bill designed to provide for the inclusion of considerations of environmental quality in the decision-making processes of government.

Entitled the "Environmental Quality Act of 1969," the bill establishes within the Executive Office of the President an Office of Environmental Quality. Headed by a Director appointed by the President, the Office will be relatively small and select with the authority to review, clear, coordinate and appraise policies and projects of the Federal Government which may adversely affect the quality and integrity of our environment.

It would operate in the area of conservation, broadly defined, much as the Bureau of the Budget operates in the field of finance.

It would pull together the activity of our Government relating to environmental quality and provide for the "overview" now lacking and so necessary to any rational and creative approach to the proper management of our environment.

I do not believe I need convince anyone that as a nation and a people we have permitted an intolerate abuse of our environment. It has, in fact, been raped. Our waters are polluted, running rich with sewage and industrial wastes. Our major cities have forgotten what clean air is. Roads have been built and housing "renewed" with little sensitivity and a remarkable forgetfulness that we are dealing with human beings. Harmful pesticides are sprayed with an abandon that is truly alarming. Their poisonous residue can be found in the tissues of fish and the bone structure of man. Such residue has actually been found in, of all places, the Arctic. We have moreover too few parks and insufficient wildlife ranges. The concept of America the beautiful is now at least open to question as our streets, sidewalks and countryside seem littered with trash and garbage. But of all this we are aware.

I am concerned that our structure of Government is not organized to handle the problems we face in this area. As Laurance Rockefeller has pointed out, our Government seems designed for an earlier day. The allocation of responsibility reflects a rural nation concerned with disposing of public lands and taming nautral resources. We are not programed for the environmental problems of a complex urban society.

Dr. Donald Hornig, formerly Science Adviser to President Johnson, has spoken of "two centuries of ad hoc decisions" in this area. Stephen K. Bailey in the Brookings Institute collection of essays entitled "Agenda for a Nation" says that "the Federal Government lacks machinery for the effective development, implementation, and coordination of public policy" in the management of the environment.

The Departments of Interior, Agriculture, Transportation, Commerce, HEW, and HUD all administer programs directly affecting the environment, as do the Atomic Energy Commission, Federal

Power Commission and other independent agencies. Yet at times they each seem to go their own way, concerned primarily with their own segment of environmental responsibility.

What is needed, I believe, is an agency whose purpose is to look at the total environment and the manner in which the Federal Government affects it. The present piecemeal approach is no longer sufficient. There is little coordination and no overview. The legislation I am introducing today remedies this and creates such an agency.

The establishment of the Office of Environmental Quality would guarantee that in everything the Federal Government does the impact on the environment is considered.

You cannot design a structure which makes certain that the proper decision will in fact be made. But you can design a structure which ensures that the right question will be asked.

Mr. President, the Office of Environmental Quality, or OEQ as it no doubt would be known, would be an agency of considerable influence, as is the Bureau of the Budget. It would review and clear all legislative proposals, checking them for their environmental impact. It would be the principal adviser to the President for environmental affairs. It would submit each year to the President and Congress a "Report on Environmental Quality" outlining its activity and indicating the environmental problems facing the Nation. OEQ would have the authority, moreover, to delay any Federal or federally assisted project or program for 180 days if it determines that such activity will adversely affect the environment.

It would indeed be an office of some strength. But our national Government needs such an office. The time is now to go beyond mere talk of coordination and creation of advisory bodies. We have had sufficient talk and much advice. What is needed at this time is authoritative action on behalf of a governmental agency charged with the responsibility of overseeing the Federal impact on our environment.

OEQ is not primarily an advisory body. Nor is it a research group. It is a review board, clearinghouse, and policymaker located in the one place where such an influential body should be located, the Executive Office of the President of the United States. There it would take its place with the Bureau of the Budget, the National Security Council, the Council of Economic Advisors, the Office of Emergency Planning, the CIA, the Office of Science and Technology and the other offices of the President's Executive Office.

Yet at the same time, OEQ does not set up a conservation czar. The office is subject to the direction of the President and can postpone action only temporarily.

Mr. President, the legislation I am introducing today is not a "bird, bug, and bunny" bill. It is not conservation carried to the extreme, as some propose. The uses of our resources are bound to conflict. Economic development at times must give way to environmental protection. Yet the latter cannot triumph each time. We need to build and grow. We cannot stand still. We need to balance the competing demands and decide specific issues without defining rigid, unalterable policies. OEQ will permit us to do this. It will also guarantee that the environmental side of the issue will not be ignored, as it too frequently is, in the decisionmaking processes. It will provide too that such considerations will take place at the beginning of the process, before the damage is done, not afterwards which is often too late.

The protection and enhancement of our environment is now a national responsibility. Our society is too complex, our technology too advanced, and our population too large to permit further the illusionary notion that State and local governments alone can and will maintain a quality environment. The Nation as a whole with the Federal Government as its agent must accept the role of trustee of the environment. The concept of stewardship must now be realized. The National Academy of Sciences recognized this in a June 1967 report entitled "Applied Scientific and Technological Progress" which stated that "Concern with the environment must be a growing Federal responsibility."

The Office of Environmental Quality would be the agent to implement this responsibility. Its creation would signify a renewed national commitment to restore, maintain, and enhance the quality of our environment.

There are of course other approaches than the one I have selected through OEQ to achieve this commitment. One way, and the simplest perhaps, would be for the President to appoint to his staff a Special Counsel for Environmental Affairs. This could only be an advisory position and would lack staff and authority to provide an effective overview. Another way would be to create an interdepartmental task force charged with environmental protection. But this would suffer, as all such groups do, by too much departmental competition and too little coordination and direction. A third approach, and one frequently heard, is to transfer certain bureaus to an upgraded Department of the Interior. Mere shifting of certain functions, however, is no panacea nor should any regular line administrative body be charged with the review and oversight of other agencies. A final alternative is to upgrade the Office of Science and Technology but OST would require a substantial uplift and redirection of its basic scientific orientation. On balance then, I believe that an Office of Environmental Quality as I have proposed is the best approach.

One important function of OEQ is the clearance of legislative proposals. All legislation would be reviewed by the office. Those proposals emanating from the executive branch would be cleared before being sent to Congress for consideration. Those originating in Congress itself would be referred to OEQ for comment by the committee to which the bill was assigned. These precedures parallel those of the Bureau of the Budget. They are easily possible and quite necessary. It is this function which permits OEQ to implement an overview of Federal activity regarding environmental quality.

For reasons of administration the establishment of an Office of Environmental Quality would necessitate the creation of a small office within the agencies of Government. These would perform an in-house review and maintain liaison between OEQ and the agency. Again the parallel with the Budget Bureau exists since each governmental agency has a budget division within it. The prototype for these offices, moreover, already exists in the Department of Transportation which on its own has established an Office of Environmental Impact. This is an exciting idea and the office's progress shall be followed closely by those of us concerned with a quality environment.

Mr. President, someone once said that the only thing wrong with our environment is that man is involved in it. While there is no doubt an element of truth in this, it is of course a rather self defeating proposition. I prefer to be more optimistic. I believe that man can restore the quality of his environment. Clean water, clear air, and the like can be obtained. I believe further that man can design his system of government to ensure effective coordination and forceful direction.

A quality environment is fundamental to the dignity of an individual. You destroy a river, I think, and you destroy a little bit of everyone. We as a people have permitted our environment to deteriorate considerably and have appeared willing to take only half steps toward its restoration and enhancement. I think we can do better than this. I think we must.

The legislation I am introducing today creating an Office of Environmental Quality is a means to do so.

Mr. President, I ask consent that the text of my bill now be reprinted 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. 1818) to provide for the inclusion of environmental quality considerations in the decisionmaking processes of government, introduced by Mr. TYDINGS, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

S. 1818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Environmental Quality Act of 1969".

SEC. 2. The Congress finds that there is a need to incorporate the concept of environmental quality into the decision-making processes of government; that each individual has a fundamental right to a quality environment; that each individual has a responsibility to contribute to the maintenance and climate of a quality environment; that the purposeful, careful, creative, and intelligent maintenance of the environment is a responsibility of local, State, and national governments; that governments should no longer serve as referees among competing resource users but should act as trustees of the environment for all the people; that the people and their governments must make an effort to enhance the quality of the environment, to reject approaches that inflate present benefits at the cost of future satisfactions, to guard against, to the extent possible, every abuse, irreversible damage, ir-

retrievable loss of our land, sea, and air, and the life within; that our environment should be safe, healthful, productive of life and prosperity, attractive, and provide for the variety, resilience, and complexity that is nature; that the deterioration of the environment must be arrested, its quality restored; that there is a need to find alternatives which will minimize and prevent future abuses of the environment by the newly developing technologies; that there can be no quality of the environment without bringing into baiance the interrelationships between our expanding technology, growth in population, and finiteness of natural resources; and that the United States, as a member of the international community, should use its good offices to improve the quality of the human environment and in that connection to cooperate with other governments and organizations within the international community.

SEC. 3 (a) There is hereby established in the Executive Office of the President an Office of Environmental Quality (hereinafter referred to as the "Office"). The Office shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. There shall also be in the Office one Deputy Director and three Assistant Directors who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Directors shall perform such functions as the Director may from time to time prescribe.

(b) The compensation of the Director of the Office shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Director of the Bureau of the Budget. The compensation of the Deputy Director of the Office shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Deputy Director of the Bureau of the Budget. The compensation of the Assistant Directors of the Office shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Assistant Secretaries of the Executive Departments.

(c) The Director is authorized to employ such officers and employees as may be necessary to enable the Office to carry out its functions under this Act. In addition, the Director is authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

SEC. 4. (a) The Director is authorized to designate a Council of Advisors to the Office of Environmental Quality (hereinafter referred to as the "Council"), which shall consist of nine members serving staggered three-year terms of office, and qualified by virtue of their interest and attainments in areas of environmental quality.

(b) The Council shall consult with the Director on matters currently under consideration in the Office and shall meet at least twice annually. The Council and its members may make recommendations to the Director, and any such recommendations shall be incorporated in the Report to the President described in subsection (b) of section 5 of this Act.

(c) The Council shall serve without compensation except travel and per diem expenses associated with the performance of their duties under this Act.

SEC. 5. (a) It shall be the function of the Office—

(1) To review, in accordance with section 6 of this Act, proposed projects, facilities, programs, policies and activities of the Federal Government which may adversely affect environmental quality;

(2) To review and appraise existing projects, facilities, programs, policies and activities of the Federal Government which affect environmental quality and make recommendations with respect thereto to the President and the Congress;

(3) To develop policies and programs to protect and enhance environmental quality;

(4) To set priorities with respect to problems involving environmental quality;

(5) To advise the President on matters involving environmental quality and to make recommendations to him with respect thereto;

(6) To collect, analyze, bring together, collate, digest, interpret and dissiminate data and information, in such form as it deems appropriate, to public agencies, private organizations, and the general public;

(7) To conduct studies and research, by contract or otherwise, into problems and other matters involving or relating to environmental quality;

(8) To develop criteria and promulgate standards defining desirable levels of environmental quality;

(9) To consult with and advise other representatives of governments, and to utilize, with their consent, the services of Federal agencies and, with the consent of any State or political subdivision thereof, accept and utilize the services of the agencies of such State or subdivision;

(10) To assist the President in connection with the coordination and clearance of legislative proposals and Executive orders involving projects, facilities, programs, policies, activities, or other undertakings by the Federal government which affect environmental quality;

(11) To assist the President by clearing and coordinating departmental advice on proposed legislation which adversely affects environmental quality and by making recommendations as to Presidential action on legislative enactments affecting environmental quality;

(12) To assist the President by clearing and coordinating departmental policies and activities affecting environmental quality;

(13) To assist in the consideration and clearance and, where necessary, in the preparation of proposed Executive orders and proclamations affecting environmental quality;

(14) To keep the President informed of the progress of activities by agencies of the Federal government with respect to work proposed, work actually initiated, and work completed by any such agencies which affect environmental quality; and

(15) To assist the President in the efforts to achieve environmental quality in the community of nations.

(b) In carrying out its functions under this Act, the Office shall, from time to time, make such reports to the President and to the Congress as it determines necessary. The Office shall, on or before January 31, 1970, make a written report (to be known as the "Report on Environmental Quality") to the President and the Congress containing a detailed account of the activities of the Office since its establishment. Thereafter the Office shall make such reports on or before January 31 of each year covering any period not covered by such a report previously submitted.

SEC. 6. (a) Except as hereinafter provided in this section, no agency of the United States shall undertake the construction of any project or facility, issue any license or approve the expenditure of any Federal funds in connection with the construction of any such project or facility, or carry out any proposed program, policy, or activity, if the head of that agency has been notified in writing by the Director of the Office that the carrying out of such construction, program, policy or activity may adversely affect the environmental quality. Upon receiving any such notification, the agency head shall make a written report to the Director containing the details with respect thereto. Upon receipt of such report, the Director shall cause a review to be made of such proposed construction, program, policy, or activity. Such review shall be conducted as expeditiously as possible, and the Director shall keep the instigating agency advised of the progress of such review in order that there will be as little disruption or delay as possible in carrying out the functions of such agency. If, as a result of such review the Director determines that the carrying out of such construction, program, policy, or activity would not adversely affect the environmental quality, he shall immediately notify the head of the instigating agency of that fact and such agency may, if otherwise authorized, proceed to carry out such construction, program, policy or activity (including the issuance of such license or the expenditure of such funds). If, however, as a result of such review the Director determines that the carrying out of any such construction, program, policy, or activity would adversely affect the environmental quality, he shall report, in writing, to the President and the Congress concerning that fact. Such report shall be given on or before the expiration of ninety days following the receipt by him of the report from the agency head proposing to undertake the aforementioned action. Upon the expiration of a period of ninety calendar days of continuous session of the Congress following the receipt by it of the report submitted by the Director, the head of the instigating agency may, if otherwise authorized, proceed to carry out such construction, program, policy, or activity (including the issuance of such license or the expenditure of such funds).

(b) For the purpose of subsection (a) of this section—

(1) continuity of session is broken only by an adjournment of Congress sine die; and

(2) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of the 90-day period.

SEC. 7. There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

S. 1822—INTRODUCTION OF A BILL TO AMEND TITLE 5, UNITED STATES CODE, TO PROVIDE FOR THE INCLUSION OF CERTAIN PERIODS OF REEMPLOYMENT OF ANNUITANTS FOR THE PURPOSE OF COMPUTING ANNUITIES OF SURVIVING SPOUSES

Mr. PASTORE. Mr. President, I have introduced legislation today to amend the Civil Service Retirement Act to eliminate an inequity which now exists in the computation of annuities of survivors of reemployed annuitants.

We need not be shocked by an occasional inequity in a retirement system as vast and as progressive as the one which covers our Federal civil servants. But, once the inequity is called to our attention—no matter how small it may be nor how few it may injure—we should do something about it.

Four years ago the Reverend James W. Hackett, O.P., a Dominican friend of mine and a professor at Providence College in Providence, R.I., advised me of an instance of unfairness in this retirement act.

Father Hackett told me about Dr. Otto Reitlinger, a friend of his and of the college, who is employed at the Naval Propellant Plant, Indianhead, Md. Dr. Reitlinger is a 78-year-old scientist of great distinction. He is the recipient of the U.S. Navy Distinguished Civilian Service Award for his development of a safe nonexplosive monopropellant used in naval torpedoes.

This economical fuel which bears his

name—Otto Fuel II—is now in use in the fleet. Dr. Reitlinger at the present time is doing research on a new fuel to allow the operation of torpedoes at even greater depth. Obviously this is of significant interest in the area of modern underwater warfare.

Because of his preeminence in the field, the Civil Service Commission at the request of the Bureau of Naval Weapons exempted Dr. Reitlinger three times from retirement. The third exemption expired in December 1964. His work did not terminate, however. Dr. Reitlinger was retired on December 31 of that year and immediately reemployed to continue his classified experiments.

His reemployment created a unique problem. Under the provisions of the Civil Service Retirement Act. Dr. Reitlinger's wife, in the event she survives him, will be deprived of additional survivors' benefits for the years of his reemployment.

To resolve this precise problem, I introduced legislation in the 89th Congress and again in the 90th Congress. Both bills passed the Senate and were approved by the House Post Office and Civil Service Committee. Unfortunately, for reasons unrelated to the merits of this legislation, they were not enacted into law.

I am trying again today to provide a remedy. The bill I introduced provides that a reemployed annuitant may elect a survivor annuity which will be based on his supplemental annuity provided he meets certain conditions recommended by the Civil Service Commission.

A minimum number of reemployed civil servants would be affected by this bill, probably less than 50.

Dr. Reitlinger's fuel is saving the Federal Government and the taxpayers tens of millions of dollars.

The cost of this legislation in comparison will be infinitesimal. The Civil Service Commission has no objection to the bill.

I am certain that the Senate Post Office and Civil Service Committee will act as expeditiously and as compassionately on this bill as they did on the one which I introduced in the last session of the Congress. This time, in this session, this inequity to Dr. Reitlinger and a handful of his fellow civil servants who have devoted their lives and their talents to this Nation, must be corrected.

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

The bill (S. 1822) to amend title 5, United States Code, to provide for the inclusion of certain periods of reemployment of annuitants for the purposes of computing annuities of surviving spouses, introduced by Mr. PASTORE, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

S. 1823—INTRODUCTION OF A BILL TO BROADEN THE COVERAGE OF THE MILITARY MEDICAL BENEFITS ACT OF 1966

Mr. PASTORE. Mr. President, I have introduced, for myself and for Mr. KENNEDY, a bill to amend and extend the coverage of the Military Medical Benefits Act of 1966.

In 1966 the Senate passed this act by a vote of 87 to 0. I supported the bill in the belief that it would provide essential medical care required by dependents of our servicemen.

The bill became Public Law 89-614. This new act contained a unique program of financial assistance for active duty members whose spouses or children are either mentally retarded or physically handicapped. The Federal Government was authorized to share the cost of care for these dependents with the servicemen.

Of course, it was our purpose to lighten the severe economic burden of these servicemen of modest income whose dependents require costly medical attention—care which is not available to them at military facilities.

A little over 2 years has elapsed since the law became effective. Today, approximately 100,000 dependents are eligible for care but of this 100,000 only 10 percent are actually receiving assistance.

When this inequity was called to my attention by a constituent in the service of our country, I investigated to determine why the condition exists. I found that the law now provides for dependent care only in public or private nonprofit institutions. Obviously, there are not enough of these facilities to meet the demand. They are crowded and their waiting lists are long.

The serviceman who has a physically handicapped or mentally retarded dependent is confronted with a depressing dilemma.

He must either deny his dependent spouse or child needed medical attention because he cannot afford the treatment or he must shoulder the full financial burden and pay the entire cost of this treatment in a private profitmaking institution.

This does not make any sense at all to me. I find nothing sacred about public or private nonprofit institutions.

Everybody knows that there are many profitmaking medical facilities providing quality care and charging no more for it than nonprofit institutions.

I cannot condone penalizing 90 percent of the dependents who qualify for care under this law simply because there are not a sufficient number of nonprofit institutions providing the care they need.

I have, therefore, introduced legislation to eliminate the arbitrary restriction on the use of private profitmaking institutions. The Department of Defense will continue to maintain the right to disapprove the use of any private profitmaking facility which does not offer quality care or which charges unreasonable fees. The Government as well as the dependents using these institutions will be adequately protected.

Senator EDWARD KENNEDY has joined with me in cosponsoring this bill and it is our urgent hope that the Committee on Armed Services to which the bill has been referred will take early and favorable action in order that we may vote in the Senate to eliminate this inequity in the Military Medical Benefits Act.

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

The bill (S. 1823) to amend title 10, United States Code, to remove the restriction on the use of certain private institutions under the dependents' medical care program, introduced by Mr. PASTORE (for himself and Mr. KENNEDY), was received, read twice by its title, and referred to the Committee on Armed Services.

S. 1826—INTRODUCTION OF A BILL ON STOCKPILE GOLD FOR DEFENSE

Mr. MUNDT. Mr. President, today I introduce for myself and Mr. BIBLE, Mr. CANNON, Mr. MCGOVERN, and Mr. STEVENS, legislation that would accomplish two objectives. First, it would help rehabilitate the gold-mining industry, and, secondly, and perhaps of even greater importance it would allow the United States to build up its stockpile of one of our most strategic resources to meet defense and space needs in the event of a future national emergency.

It is not the purpose of this legislation to provide for a revaluation or a higher price for gold, since action in such direction will not be initiated by the Congress of the United States, but will occur, when it does, as a result of action taken by international monetary conferees at the IMF. Rather, it is the purpose of this legislation to provide for Federal financial incentives to domestic gold producers to induce increased annual production and to show the relationship of gold to the internal affairs of the United States.

It is my belief that Congress should enact legislation to authorize the General Services Administration to purchase newly mined domestic gold for the purpose of establishing a gold stockpile for critical space and defense uses and for other national emergency requirements at a sufficiently high price to substantially increase gold production.

In this country, uses for gold by industry, including space and defense needs, jewelry, and the dental profession have been rapidly accelerating in recent years. The estimate for consumptive use in the United States for the year 1968 is placed at 7 million-plus ounces. Production in this country for the same year is estimated at 1.5 million ounces. Thus, we have a most significant gold gap of roughly 5½ million ounces between the output of mines and consumptive use.

Further, in order to meet our domestic needs, obviously it will be necessary to import in the neighborhood of 5½ million ounces of the precious metal per year, which in turn will have a most adverse effect upon the delicate balance-of-payments problem.

Likewise, significant events are occurring on world markets. It is estimated that in the past year 1968, world consumption of gold for industrial uses is somewhere between $750 and $800 million of an estimated production of $1.4 billion dollars. This consumptive rate has been increasing, but not at quite the accelerated rate as in the United States. Nevertheless, it is estimated by the middle or late 1970's consumption will catch up with production and no gold will be available for monetary uses if

industrial demands throughout the world are met.

It is quite possible to substantially increase U.S. production if certain steps are taken to revitalize the industry, which would be in the nature of interim measures, one or more of which might be employed, until the occurrence of gold revaluation, which could happen. The Bureau of Mines, in a report published in 1967, estimated that our known gold ore reserves in this country are approximately 400 million ounces, only 9 million ounces of which are mineable at the $35 price. Obviously, if we are willing to pay a premium for the precious metal, production can be increased.

This legislation would authorize the Administrator of General Services to contract for newly mined domestic gold produced within the United States at not less than $45 per ounce nor more than $75 per ounce for the purpose of establishing a strategic and critical stockpile of gold in the amount of 20 million ounces to be earmarked for space and defense needs or other national emergency requirements.

The GSA would also be authorized to negotiate for short-term contracts, not to exceed 1 year from the date the contract is executed. The Administrator will have the discretion, however, to enter into long-term contracts of up to 10 years. This latter provision is necessary if we are to achieve any results in the reopening of dormant mines which can only be financed for reopening if there is a definite certainty as to established price for a long-enough period to warrant loans from private banking institutions.

Mr. President, the Department of the Treasury has consistently maintained that gold is an essential part of the world monetary system, even though at the same time they have been advocating the issuance of special drawing rights. Treasury's position, in short, is that special drawing rights are a necessary addition to the reserves for use in the international exchange system, which will supplement the pound sterling, the dollar, and gold. In the past, Treasury has shown concern over the fact that our gold reserves have fallen to a critically low level; that is, slightly in excess of $10 billion, several billion of which is earmarked and committed for uses by international agencies and for the repayment of Roosa bonds, if demand be made thereon. In view of the fact that our gold reserves are frozen for future potential monetary use and are still part of the international monetary system, it is quite apparent that industrial needs in this country must be made up from either foreign imports or a revitalized domestic industry.

I believe certain measures could and should be taken to substantially increase U.S. gold production. It should be noted, of course, that a mine cannot be developed overnight and that experience indicates it takes from 4 to 6 years to put a mine into production after original exploration has disclosed a potential ore body. We cannot have a viable domestic gold mining industry unless we are prepared to spend a few years in the process. All of which emphasizes the need for immediate relief of this industry.

The enactment of financial relief or subsidy legislation or measures designed to establish a critical stockpile for national emergency use or, removal of restrictions on ownership of gold by U.S. citizens or removal of Treasury licensing provision for consumers and producers will no longer have any disturbing impact upon our gold position, vis-a-vis the IMF and monetary price of the metal, since Treasury has now adopted a position which recognizes that gold is a commodity by establishing the two-tier gold price system. In view of the fact that Treasury now treats gold as a commodity, although supporting the concept of the two-tier price system with its limited free market, certainly objections to Federal relief legislation which were asserted over the years are no longer tenable and there is no longer any logic in Treasury continuing its opposition to the various interim relief measures set forth in the gold resolution. Adoption of any of them would not be disquieting to the international monetary authorities, since certainly the United States should be able to deal with a commodity without danger of disturbing the sensitive mind of the international monetary community.

I would hope, therefore, Mr. President, that this legislation will receive prompt and expeditious treatment so that we may begin compiling this stockpile of gold.

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

The bill (S. 1826) to increase the domestic production of gold to meet the needs of national defense and preserve the gold mining industry of the United States, and for other purposes introduced by Mr. MUNDT, for himself and other Senators, was received, read twice by its title, and referred to the Committee on Banking and Currency.

S. 1830—INTRODUCTION OF "ALASKA NATIVE LAND CLAIMS SETTLEMENT ACT OF 1969"

Mr. JACKSON. Mr. President, I introduce, for appropriate reference, the "Alaska Native Land Claims Settlement Act of 1969."

The claims of the native people of Alaska to the land and to the resources of Alaska have been a source of conflict between the State of Alaska, the native people of Alaska, and the Federal Government for a number of years. During the 90th Congress the Senate Interior and Insular Affairs Committee held field hearings in Alaska and a hearing in Washington, D.C., on a number of bills on the land claims controversy. As an outgrowth of those hearings, I requested the Federal Field Committee for Development Planning in Alaska to prepare two reports on this problem.

Both of these reports were released February 18, 1969. The first report, "Alaska Natives and the Land," is a heavily documented and thorough 565-page study which brings together all relevant information on the land claims issue, the social and economic condition of the Alaska native, the resources of Alaska and the alternatives which might be followed in arriving at a settlement acceptable to all of the parties involved.

The second report was based on the first and is a proposal recommending the terms for a legislative settlement of the Alaska native land claims controversy.

Following release of these reports, I requested the Department of the Interior to draft a bill which reflected the Federal Field Committee's recommendations for a proposed legislative settlement. The bill introduced today is in large measure the product of the Department's drafting service. It has been reviewed by the staff of the Federal Field Committee and by members of the Interior Committee staff and a number of minor changes and corrections have been made.

Mr. President, my introduction of this measure does not constitute an endorsement of its provisions. The problems posed by the Alaska native land claims issue are very complex and reasonable men may differ as to how they should be resolved.

By the same token, it is quite clear that this bill as presently drafted is not a finished product. There are a number of provisions in the measure which will require further study, analysis and drafting before they can accomplish what the Field Committee intended. And there is, of course, no assurance that the Congress will adopt the Field Committee's recommendations. The references in the bill to specific acreage figures for land grants; to specific dollar figures; and to specific percentages of the mineral and other resources of Alaska, for example, provide starting places for discussion. They do not, however, constitute final judgments as to what form a final settlement should take.

I am introducing this measure today to insure that the recommendations of the Federal Field Committee on his problem will be placed before the Senate Interior Committee and the Congress for consideration together with any other measures which may be introduced. The recommendations of the Federal Field Committee are based on the most thorough study of the land claims problem that has ever been undertaken, and they require careful consideration.

Introduction of this measure will also provide the administration, the State of Alaska, the native peoples of Alaska and other interested parties a draft bill to comment upon at the forthcoming hearings on this matter.

Hearings on legislation to resolve the Alaska native land claims issue are scheduled for April 29 and 30 at 10 a.m. in room 3110 of the New Senate Office Building.

Mr. President, I ask unanimous consent that the "Alaska Native Land Claims Settlement Act of 1969" 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. 1830) to provide for the settlement of certain land claims of Alaska natives, and for other purposes introduced by Mr. JACKSON, for himself and other Senators, was received, read twice by its title, and referred to the Committee on Interior and Insular Af-

fairs, and ordered to be printed in the RECORD, as follows:

S. 1830

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 "Alaska Native Claims Settlement Act of 1969."

DECLARATION OF POLICY

SEC. 1 (a) Congress finds and declares that there is an immediate need for a fair and just settlement of all claims by Natives and Native groups of Alaska and intends by this act to provide:

(1) a grant to Native individuals of the lands occupied and used by them for homes, businesses, fishing, hunting and trapping camps, and for reindeer husbandry;

(2) a grant of land to the communities in which they live for community use and expansion;

(3) where it is within the power of the Federal government, measures for the conservation of subsistence biotic resources and, where necessary, a priority for local subsistence in the utilization of these resources;

(4) a grant to a new corporation, owned by Alaska Natives, of $100 million for lands taken in the past by withdrawal for Federal purposes or by patent to the state or to other third parties; and

(5) a further grant to the new corporation of approximately ten percentum of the present value of the commercial resources on the remaining public domain in Alaska, in compensation for the extinguishment by this Act of all remaining aboriginal rights in these lands, this compensation to be derived from the income from leasing and sale of minerals and other resources from federal lands in Alaska over a period of ten years, including lands selected by the state pursuant to the Alaska Statehood Act (P.L. 85–508 of July 7, 1958; 72 Stat. 339) but not patented to the State of Alaska prior to the effective date of this Act.

(b) It is the intent of Congress to accomplish these aims rapidly, with certainty, and in conformity to the real economic and social needs of Alaska Natives (1) without establishing any permanent racially defined institutions, rights, privileges, or obligations; (2) without creating a reservation system or lengthy wardship or trusteeship; and (3) without adding to the categories of property and institutions enjoying special tax privileges or to the legislation establishing special relationships between the United States government and the State of Alaska.

(c) No provision of this Act is intended to replace or diminish any right, privilege, or obligation of Alaska Natives as citizens of the United States or of Alaska, nor to relieve, replace or diminish any obligation of the United States or of the State of Alaska to protect and promote the rights or welfare of Alaska Natives as citizens of the United States or of Alaska.

DEFINITIONS

SEC. 2. For the purposes of this Act, the term—

(a) "Secretary" means the Secretary of the Interior;

(b) "Native" means any Alaska Indian, Eskimo, or Aleut of at least one-fourth degree Alaska Indian, Eskimo, or Aleut blood, or a combination thereof, and any individual recognized by a Native group as an Alaska Indian, Eskimo, or Aleut, but does not include any Tsimshian Indian of Metlakatla;

(c) "Native group" means any tribe, band, clan, village, community, or association in Alaska which is composed of twenty-five or more Natives and which is approved by the Secretary;

(d) "Commission" means the Alaska Native Commission established by this Act;

(e) "Public lands" means all Federal lands and interests therein situated in Alaska, except any lands used in connection with the administration of any Federal installation;

(f) "Corporation" means the Alaska Native Development Corporation authorized to be established pursuant to this Act and under the laws of the State of Alaska; and

(g) "Person" means any individual, firm, corporation, association, or partnership and includes the State of Alaska.

(h) "Fund" means the Alaska Native Compensation Fund established under the terms of this Act.

DECLARATION OF SETTLEMENT

SEC. 3. (a) The provisions of this Act shall be regarded as full and final settlement and extinguishment of any and all claims against the United States based upon aboriginal right, title, use, or occupancy of lands in Alaska by any Native or Native group or claims arising under the Act of May 17, 1884 (23 Stat. 24), or the Act of June 6, 1900 (31 Stat. 321), including claims pending before the Indian Claims Commission on the effective date of this Act.

(b) There are authorized to be appropriated to the Commission such sums as may be necessary to pay all reasonable attorneys' fees and expenses actually incurred by any Native or Native group, as determined by the Commission, in connection with any claims pending before the Indian Claims Commission on the date of enactment of this Act which are dismissed pursuant to this Act.

ALASKA NATIVE COMMISSION

SEC. 4. (a) The Alaska Native Commission is hereby established. The Commission shall be in existence for a period of 10 years after the effective date of this Act and shall be composed of five members to be appointed by the President. The Chairman shall be appointed by and with the consent of the Senate. The Federal laws and regulations on conflicts of interest applicable to other Federal employees shall not be applicable to the members of the Commission.

(b) The terms of office of members of the Commission shall be five years, except that a vacancy caused by the death, resignation, or removal of a member prior to the expiration of the term for which he was appointed shall be filled only for the remainder of such unexpired term. A member of the Commission may be removed by the President only for inefficiency, neglect of duty, or malfeasance in office.

(c) The Chairman of the Commission shall receive compensation at a rate equal to that provided for in level V of the Executive Schedule and section 5316 of title 5, United States Code. The other four commissioners, if not otherwise officers or employees of the United States shall be entitled to receive compensation at a rate specified at the time of actual service for Grade GS–18 in section 5332 of title 5, United States Code, including travel time and shall be allowed travel expenses when engaged in the performance of services for the Commission.

(d) The principal office of the Commission shall be in Alaska. Whenever the Commission deems that the convenience of the public or the parties may be promoted, or delay or expense may be minimized, or at the request of any party, it shall hold hearings or conduct other proceedings at any other place mutually agreed to by the Chairman of the Commission and the person involved in the hearing or proceeding. The Commission shall have an official seal which shall be judicially noticed and which shall be preserved in the custody of the secretary of the Commission.

(e) The Commission shall, without regard to the Civil Service laws, appoint and prescribe the duties of a secretary of the Commission and such legal counsel as it deems necessary. Subject to the Civil Service laws, the Commission shall appoint such other employees as it deems necessary in exercising its powers and duties. The compensation of all employees appointed by the Commission shall be fixed in accordance with chapter 53 of title 5, United States Code.

(f) For the purpose of carrying out its functions under this Act, three members of the Commission shall constitute a quorum and official action can be taken only on the affirmative vote of at least three members, but a special panel composed of one or more members upon order of the Commission shall conduct any hearing or other proceeding provided for in this Act and submit the transcript of such hearing or proceeding to the entire Commission for its action thereon. Such transcript shall be made available to the parties before any final action of the Commission. An opportunity to appear before the Commission shall be afforded any party prior to any final action affecting such party and the Commission may afford the party an opportunity to submit additional evidence as may be required for a full and true disclosure of the facts. Each official action of the Commission shall be entered of record and its hearings and records thereof shall be open to the public. The Commission is authorized to make such rules and regulations as it deems necessary for the orderly transaction of its proceedings, which shall provide for adequate notice of hearings or other proceedings to all parties. Any member of the Commission may sign and issue subpoenas for the attendance and testimony of witnesses and production of relevant papers, books, and documents and administer oaths. Witnesses summoned before the Commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. The Commission may order testimony to be taken by deposition in any proceeding before it and in any stage of such proceeding after reasonable notice is first given in writing by the party or his attorney of record which record shall state the name of the witness and the time and place of the taking of his deposition.

(g) Each decision made by the Commission shall show the date on which it was made and shall bear the signatures of the members of the Commission who concur therein and, upon issuance of a decision under this Act, the Commission shall cause a true copy thereof to be sent by certified mail to all parties and their attorneys of record. The Commission shall cause each decision to be entered on its official record together with any written opinion prepared by any members in support of, or dissenting from, any such decision.

(h) Any decision issued by the Commission under this section shall be subject to judicial review by the United States district court in Alaska for the division in which the petitioner resides or the land in question is located upon the filing in such court within thirty days from the date of such decision of a petition by the person aggrieved by the decision praying that the action of the Commission be modified or set aside in whole or in part. A copy of the petition shall forthwith be sent by registered or certified mail to any other party to the proceeding and to the Commission, and thereupon the Commission shall certify and file in such court the record upon which such decision complained of was issued. The court shall hear such appeal on the record made before the Commission. The findings of the Commission, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may affirm, vacate, or modify any decision or may remand the proceeding to the Commission for such further action as it directs. The judgment of the court shall be subject to review by the United States Court of Appeals for the circuit in which the petitioner is located and by the Supreme Court of the United States upon certiorari or certification as provided in section 1254, title 28, United States Code.

ENROLLMENT

SEC. 5. The Secretary, in accordance with such regulations as the Commission may issue, shall prepare an initial roll of Natives, which shall be used for identifying those individuals entitled to be shareholders in the Corporation, and a roster of Native groups

eligible for benefits under this Act. Such roll shall include any Alaska Indian, Eskimo, or Aleut of at least one-fourth degree Alaska Indian, Eskimo, or Aleut blood, or a combination thereof, or any person recognized by a Native group as an Alaska Indian, Eskimo, or Aleut, but does not include any Tsimshian Indian of Metlakatla, who is born on, or prior to, and living on December 31, 1968. The final roll and roster shall be prepared as of December 31, 1978, and shall include all eligible Natives living on that date. Before any such roll or roster is finally approved by the Commission, it shall be published in such manner as the Commission shall find practicable and effective. Any applicant denied enrollment shall be notified in writing thereof and such applicant and any other interested person shall be given an opportunity for a hearing by the Commission and judicial review as provided in section 4 of this Act.

ALASKA NATIVE COMPENSATION FUND

SEC. 6. There is hereby established in the Treasury of the United States an Alaskan Native Compensation Fund (hereinafter referred to as the "Fund") for the benefit of the Natives and Native groups of Alaska. Any monies authorized to be appropriated to the Fund under this Act and monies received by the Secretary other than appropriations under section 18 of this Act, or the Commission under this Act shall be deposited into the Fund and shall be available until expended. The Secretary of the Treasury is authorized to make payment, with the approval of the Commission, to any Native, Native group, or the Corporation in accordance with the provisions of this Act.

ALASKA NATIVE DEVELOPMENT CORPORATION

SEC. 7. (a) There is authorized to be established the Alaska Native Development Corporation as an Alaskan Corporation which will not be an agency or establishment of the United States Government. The corporation, for a period of ten years after its incorporation, shall be subject to the provisions of this Act and, to the extent consistent with this Act, to the laws of the State of Alaska applicable to corporations.

(b) The Commission shall appoint incorporators, one of which shall be the Chairman of the Commission, who shall serve as the initial board of directors until the Native members of the board are elected. Such incorporators shall take whatever actions are necessary to establish the corporation, including the filing of articles of incorporation, as approved by the Commission. There is authorized to be paid from the Fund the sum of $1,000,000 which shall serve as consideration for shares authorized to be issued under this section.

(c) The corporation shall have a board of directors consisting of nine individuals who are citizens of the United States, of whom one shall be elected annually by the board to serve as chairman. Four members shall be appointed by the President, by and with the advice and consent of the Senate, effective the date on which the other members are elected, and for terms of four years or until their successors have been appointed and qualified, except that the first three members so appointed shall continue in office for terms of one, two, and three years, respectively, and any member so appointed to fill a vacancy shall be appointed only for the unexpired term of the director whom he succeeds. Four members shall be Natives and elected by enrolled Natives for four years, except that the first two members so elected shall continue in office for three years, and any member so elected to fill a vacancy shall be appointed only for the unexpired term of the director whom he succeeds. At the end of the term of the two members elected for three years, the board shall be increased to eleven members and two additional Natives shall be elected for two year terms. The Chairman of the Commission shall be an ex officio member of the Board.

(d) The corporation shall have a president, and such other officers as may be named and appointed by the board, at rates of compensation fixed by the board and serving at the pleasure of the board. No officer of the corporation shall receive any salary from any source other than the corporation during the period of his employment by the corporation. The president shall be responsible for carrying out the corporation's functions in a business-like manner consistent with the provisions of this Act, the articles of incorporation, and the policies of the board, and shall appoint such other employees as the board deems appropriate. Such employees shall be subject to standards and requirements similar to those applicable to Federal civilian employees, but shall not be regarded as Federal employees for any purpose.

(e) The corporation is authorized to have one million shares of common stock, without par value, and to issue and have outstanding shares of common stock equal to ten times the number of Natives enrolled on the date of incorporation. Such stock shall carry voting rights and be eligible for dividends, except that such stock shall not be distributed to the Natives for a period of ten years after incorporation but shall be held in trust by the board for each eligible Native with the right of such Native to receive dividends during this period and to exercise voting rights. Each Native entitled to such stock shall have a life interest therein, and at his death, such stock shall vest in the corporation and may be reissued. Ten years after the date of incorporation, ten shares of common stock shall be issued and distributed to each eligible Native then alive and enrolled.

(f) The corporation shall, in accordance with such terms and conditions as the Board may prescribe and consistent with this Act and for the benefit of the stockholders thereof, invest its funds; make dividend payments to the common stockholders at such times as the board of directors deems appropriate; provide for the lending of funds to individuals or organizations for the construction of homes and other purposes that would promote economic development of the Natives; provide loans or grants to Native groups, or regional or governing bodies or Native corporations for the purpose of fostering the health and welfare of the people; provide loans for the education of individual Natives; provide emergency or charitable grants and loans to individuals and communities in times of distress; sell, lease, or otherwise dispose of its lands; and promote the economic development of the Native and the Native groups to the greatest possible extent. The corporation shall establish such rules and procedures as it deems appropriate in carrying out the provisions of this subsection. For a period of ten years after incorporation the corporation shall not in any one fiscal year issue dividends or make any grants or unsecured loans the total amount of which equal more than one-half the sum of the corporation's profits and additions to its capital from the fund during the previous fiscal year. For a period of ten years after incorporation, its profits shall not be subject to Federal or State tax laws.

(g) The corporation shall be subject to audit by the General Accounting Office for a period of ten years after the date of incorporation. After final audit by the General Accounting Office and the filing of a summary financial report with the Congress, the limitations established under this section applicable to the corporation shall terminate and the corporation shall continue in business under the appropriate laws of the State of Alaska. For the ten years from and after the date of incorporation, the corporation shall be considered a public instrumentality eligible for grants and contracts for planning and development programs which will assist the Natives and the Native groups under any Federal law.

(h) The Secretary of the Treasury shall pay annually to the corporation beginning on the date of incorporation and on July 1 of each fiscal year thereafter for a period of ten years from the Fund all the moneys therein, or $100 million, whichever is less. Such payments shall not be taxable under Federal or State laws.

WITHDRAWAL OF PUBLIC LANDS

SEC. 8. (a) Public Land Order No. 4582, 34 Federal Register 1025, is hereby revoked. For the purposes of this Act and for a period of ten years after the effective date of this Act—

(1) There is hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws, but not the mineral leasing laws, all public lands in the State of Alaska, except lands withdrawn for national defense purposes other than Petroleum Reserve No. 4, in each township as shown on current plats of survey or protraction diagrams of the Bureau of Land Management which encloses all or part of any native village listed as follows:

NAME OF PLACE AND REGION

Akhiok, Kodiak.
Akiachak, Southwest Coastal Lowland.
Akiak, Southwest Coastal Lowland.
Akutan, Aleutian.
Alakanuk, Southwest Coastal Lowland.
Aleknagik, Bristol Bay.
Alatna, Koyukuk-Lower Yukon.
Allakaket, Koyukuk-Lower Yukon.
Ambler, Bering Strait.
Anaktuvuk, Arctic Slope.
Andreafsey, Southwest Coastal Lowland.
Angoon, Southeast.
Aniak, Southwest Coastal Lowland.
Anvik, Koyukuk-Lower Yukon.
Arctic Village, Upper Yukon-Porcupine.
Atka, Aleutian.
Atkasook, Arctic Slope.
Barrow, Arctic Slope.
Beaver, Upper Yukon-Porcupine.
Belkofsky, Aleutian.
Bethel, Southwest Coastal Lowland.
Bill Moore's, Southwest Coastal Lowland.
Biorka, Aleutian.
Birch Creek, Upper Yukon-Porcupine.
Brevig Mission, Bering Strait.
Buckland, Bering Strait.
Candle, Bering Strait.
Cantwell, Cook Inlet.
Canyon Village, Upper Yukon-Porcupine.
Chalkyitsik, Upper Yukon-Porcupine.
Chanilut, Southwest Coastal Lowland.
Chefornak, Southwest Coastal Lowland.
Chevak, Southwest Coastal Lowland.
Chignik, Kodiak.
Chignik Lagoon, Kodiak.
Chignik Lake, Kodiak.
Chistochina, Copper River.
Chukwuktoligamute, Southwest Coastal Lowland.
Circle, Upper Yukon-Porcupine.
Clark's Point, Bristol Bay.
Copper Center, Copper River.
Craig, Southeast.
Crook Creek, Upper Kushkokwim.
Deering, Bering Strait.
Dillingham, Bristol Bay.
Dot Lake, Tanana.
Eagle, Upper Yukon-Porcupine.
Eek, Southwest Coastal Lowland.
Egegik, Bristol Bay.
Eklutna, Cook Inlet.
Ekuk, Bristol Bay.
Edwok, Bristol Bay.
Elim, Bering Strait.
Emmonak, Southwest Coastal Lowland.
English Bay, Cook Inlet.
False Pass, Aleutian.
Fort Yukon, Upper Yukon-Porcupine.
Gakona, Copper River.
Galena, Koyukuk-Lower Yukon.
Gambell, Bering Sea.
Georgetown, Upper Kuskokwim.
Golovin, Bering Strait.
Goodnews Bay, Southwest Coastal Lowland.
Grayling, Koyukuk-Lower Yukon.
Gulkana, Copper River.

Hamilton, Southwest Coastal Lowland.
Holy Cross, Koyukuk-Lower Yukon.
Hoonah, Southeast.
Hooper Bay, Southwest Coastal Lowland.
Hughes, Koyukuk-Lower Yukon.
Huslia, Koyukuk-Lower Yukon.
Hydaburg, Southeast.
Igiugig, Bristol Bay.
Iliamna, Cook Inlet.
Inalik, Bering Strait.
Ivanof Bay, Aleutian.
Kake, Southeast.
Kaktovik, Arctic Slope.
Kalskag, Southwest Coastal Lowland.
Kasaan, Southeast.
Kaltag, Koyukuk-Lower Yukon.
Karluk, Kodiak.
Kasigluk, Southwest Coastal Lowland.
Kiana, Bering Strait.
King Cove, Aleutian.
Kipnuk, Southwest Coastal Lowland.
Kivalina, Bering Strait.
Klawock, Southeast.
Klukwan, Southeast.
Kobuk, Bering Strait.
Koliganek, Bristol Bay.
Kokhanok, Bristol Bay.
Kongigonak, Southwest Coastal Lowland.
Kotlik, Southwest Coastal Lowland.
Kotzebue, Bering Strait.
Koyuk, Bering Strait.
Koyukuk, Koyukuk-Lower Yukon.
Kwethluk, Southwest Coastal Lowland.
Kwigillingok, Southwest Coastal Lowland.
Larsen Bay, Kodiak.
Levelok, Bristol Bay.
Lime Village, Upper Kuskokwim.
Lower Kalskag, Southwest Coastal Lowland.
McGrath, Upper Kuskokwim.
Malok, Koyukuk-Lower Yukon.
Manley Hot Springs, Tanana.
Manokotak, Bristol Bay.
Marshall, Southwest Coastal Lowland.
Mary's Igloo, Bering Strait.
Medfra, Upper Kuskokwim.
Mekoryuk, Southwest Coastal Lowland.
Mentasta Lake, Copper River.
Metlakatla, Southeast.
Minchumina Lake, Upper Kuskokwim.
Minto, Tanana.
Mountain Village, Southwest Coastal Lowland.
Nabesna Village, Tanana.
Naknek, Bristol Bay.
Napaimute, Upper Kuskokwim.
Napakiak, Southwest Coastal Lowland.
Napaskiak, Southwest Coastal Lowland.
Nelson Lagoon, Aleutian.
Newhalen, Cook Inlet.
Nenana, Tanana.
New Stuyahok, Bristol Bay.
Newtok, Southwest Coastal Lowland.
Nightmute, Southwest Coastal Lowland.
Nikolai, Upper Kuskokwim.
Nikolski, Aleutian.
Ninilchik, Cook Inlet.
Noatak, Bering Strait.
Nome, Bering Strait.
Nondalton, Cook Inlet.
Nooiksut, Arctic Slope.
Noorvik, Bering Strait.
Northeast Cape, Bering Sea.
Northway, Tanana.
Nulato, Koyukuk-Lower Yukon.
Nunapitchuk, Southwest Coastal Lowland.
Ohogamiut, Southwest Coastal Lowland.
Old Harbor, Kodiak.
Oscarville, Southwest Coastal Lowland.
Ouzinkie, Kodiak.
Paradise, Koyukuk-Lower Yukon.
Paulof Harbor, Aleutian.
Pedro Bay, Cook Inlet.
Perryville, Kodiak.
Pilot Point, Bristol Bay.
Pilot Station, Southwest Coastal Lowland.
Pitkas Point, Southwest Coastal Lowland.
Platinum, Southwest Coastal Lowland.
Point Hope, Arctic Slope.
Point Lay, Arctic Slope.
Portage Creek (Ohgsenakale), Bristol Bay.
Port Graham, Cook Inlet.
Port Lions, Kodiak.
Port Heiden (Meshik), Aleutian.
Quinhagak, Southwest Coastal Lowland.
Rampart, Upper Yukon-Porcupine.
Red Devil, Upper Kuskokwim.
Ruby, Koyukuk-Lower Yukon.
Runssian Mission (Kuskokwim) (or Chauthaluc), Upper Kuskokwim.
Russian Mission (Yukon), Southwest Coastal Lowland.
St. George, Aleutian.
St. Mary's, Southwest Coastal Lowland.
St. Michael, Bering Strait.
St. Paul, Aleutian.
Salamtof, Cook Inlet.
Sand Point, Aleutian.
Savonoski, Bristol Bay.
Savoonga, Bering Sea.
Saxman, Southeast.
Scammon Bay, Southwest Coastal Lowland.
Selawik, Bering Strait.
Shagelluk, Koyukuk-Lower Yukon.
Shaktoolik, Bering Strait.
Sheldon's Point, Southwest Coastal Lowland.
Shishmaref, Bering Strait.
Shungnak, Bering Strait.
Slana, Copper River.
Sleetmute, Upper Kuskokwim.
South Naknek, Bristol Bay.
Squaw Harbor, Aleutians.
Stebbins, Bering Strait.
Stevens Village, Upper Yukon-Porcupine.
Stony River, Upper Kuskokwim.
Tanacross, Tanana.
Tanana, Koyukuk-Lower Yukon.
Tatitlek, Gulf of Alaska.
Telida, Upper Kuskokwim.
Teller, Bering Strait.
Tetlin, Tanana.
Togiak, Bristol Bay.
Toksook Bay, Southwest Coastal Lowland.
Tuluksak, Southwest Coastal Lowland.
Tuntutuliak, Southwest Coastal Lowland.
Tununak, Southwest Coastal Lowland.
Twin Hills, Bristol Bay.
Tyonek, Cook Inlet.
Ugashik, Bristol Bay.
Unalakleet, Bering Strait.
Unalaska, Aleutian.
Unga, Aleutian.
Uyak, Kodiak.
Venetie, Upper Yukon-Porcupine.
Wainwright, Arctic Slope.
Wales, Bering Strait.
White Mountain, Bering Strait.
Yakutat, Southeast.

(2) The Secretary shall withdraw from all forms of appropriation under the public land laws, including the mining laws, but not the mineral leasing laws, any public lands in any townships, except lands described in paragraph (1) of this subsection, which are adjacent to the townships described in said paragraph and which the Commission certifies to the Secretary to be needed by the Native village for reasonable expansion, or to fulfill future economic or social requirements, or to provide access, or to insure that the total area of land, including bodies of fresh water not in State ownership, withdrawn around and adjacent to the Native village is equal to at least 23,040 acres;

(3) The Secretary or, as appropriate, the Secretary of Agriculture and the Secretary of Defense, is authorized and directed to withdraw from all forms of appropriation under the public land laws, including the mining laws, but not the mineral leasing laws, any public lands in any other township necessary (A) to settlement of a Native group established as of January 1, 1969, or (B) to a historic Native village from which the population has been required to move, because of either direct or indirect actions of the Federal, State, or local government, and to which 25 or more adult Natives wish to return and reside, or (C) to a place which constitutes a new Native village location to which by virtue of natural phenomenon, or direct or indirect governmental actions, 25 or more adult Natives wish to relocate.

(b) All withdrawals authorized by paragraphs (2) and (3) of subsection (a) of this section shall be made only after a public hearing has been held in accordance with such procedures as the Secretary shall require. Each withdrawal shall be initiated only after certification by the Commission that the appropriate conditions set forth in this section have been met relative to that withdrawal.

(c) Pending the disposal of any lands withdrawn under this section, the Secretary is authorized to take such actions as may be necessary to administer, manage, and protect the withdrawn public lands for the benefit of the corporation, and, after deducting the cost of administration thereof, to deposit into the fund all revenues derived from the lease, sale, or other disposal of the lands or interests therein and the resources therein. The Secretary is authorized to lease, sell, or otherwise dispose of such lands or interests therein and the resources therein in accordance with the provisions of this Act.

(d) All public lands within any withdrawals provided for in this section which have not been patented or in the process of being patented under this Act ten years after the effective date of this Act shall be returned to whatever status they had on the effective date of such withdrawals.

SURVEYS

SEC. 9. The Secretary shall carry out a program of townsite surveys and plat determinations within the areas withdrawn pursuant to the provisions of section 8 of this Act for the purpose of locating and defining the lands occupied within such withdrawn areas as homes, businesses, subsistence camp sites, and for religious, educational, community, governmental, charitable, and other purposes. Such surveys shall be completed prior to the issuance of any patent to lands in such areas pursuant to the provisions of this Act.

CONVEYANCE OF LANDS

SEC. 10. (a) Upon completion of the surveys required by section 9 of this Act, the Secretary is authorized to issue a patent to the surface of any public lands within areas withdrawn under this Act to the individual or organization occupying such land at the time of the survey. If application is made for the same lands by more than one individual or organization, determination of who shall receive such land shall be made by the Commission after public hearing. Such patent shall be issued on the following terms:

(1) Patents to Natives and to religious, educational, community, governmental, charitable, and other non-profit organizations shall be made without payment therefor; and

(2) Patents to persons other than the Natives shall be made only upon payment of fair market value as determined by the Secretary as of the date the patent is issued.

(b) Any Native who would otherwise be eligible to receive a grant of public land under the terms of this section and who, within a period beginning ten years prior to the effective date of this Act, was required to move to another location outside the withdrawn area because of an action by a Federal, State, or local government, or any Native who occupies or has occupied land patented by the United States to any other person, shall receive compensation from the Fund in lieu of such land in such sum the Commission determines to be appropriate.

(c) (1) The Secretary shall, upon application of any local government established under the laws of the State of Alaska, issue a patent without payment thereof to the surface of any public land within a withdrawn area for which a patent has not been issued or application therefor pending under subsection (a) of this section; *Provided*, such

land is within the jurisdiction of such local government.

(2) The Secretary shall, upon application of such local government, issue, after a public hearing, a patent to the surface of any public land selected by such government within an area withdrawn under this Act but outside such government's jurisdiction, except that the total conveyances under this subsection shall not exceed 23,040 acres for any such government.

(3) All public lands selected by such local governments under this subsection shall be contiguous, except as separated by bodies of water, and shall be in units of not less than 160 acres. Where more than one local government makes application for the conveyance of the same public lands, and such applicants are of more than one class of government under the laws of the State of Alaska, preference shall be given by the Secretary to the smallest unit of local government. If application for patent to public land is made by more than one local government and such land is outside the jurisdiction of all applicant local governments seeking the land, the determination of which local government shall receive the lands shall be made by the Commission, after public hearings.

(d) The Secretary shall issue patents without payment therefor to the surface of any public land located in Alaska which has been used by a Native or Native group for a period of more than three years prior to the effective date of this Act for the harvest of fish, wildlife, berries, fuel, or other products of the land. Such patents shall be issued—

(1) for 5-acre tracts for each subsistence use campsite separated from the campsite of any other applicant;

(2) for 40-acre tracts where the campsites of several applicants are in such proximity to each other as to make it not feasible to patent individual 5-acre campsites; or

(3) for larger tracts where individuals can establish, under such rules and regulations as the Commission may prescribe, historic occupancy and use of the larger tracts.

Pending the issuance of a patent for campsites under this subsection the Secretary is authorized to permit the use of such lands by such Natives or Native groups as campsites.

(e) The Secretary is authorized to issue a patent to the surface of any public lands that on January 1, 1969, are leased, permitted, or used for reindeer management purposes, including summer and winter range facilities and intervening line camps, to each bona fide reindeer husbandryman, family, or village community reindeer association, or village community governing body practicing reindeer management. Maximum acreage permitted under this subsection under any patent is 2,560 acres. Lands patented under this subsection shall be in addition to, and not in lieu of, any other rights authorized by this Act.

(f) Upon application, the Secretary shall, for a period of ten years after the effective date of this Act, grant a patent to the surface of any tract of unreserved and unappropriated public lands in Alaska not in excess of 160 acres, without payment therefor, to any Native 19 years of age or older, whose primary place of residence is outside the limits of the withdrawn areas provided for in section 8(a) of this Act, subject to a reservation in the United States for access or rights-of-way for public roads or utilities.

(g) The Secretary shall patent to the Corporation the mineral estate of any withdrawn lands patented under this section. The Corporation may not sell or transfer such mineral estate to anyone, except the United States or the State of Alaska, but may lease any or all of said minerals in accordance with the provisions of this Act.

(h) In carrying out the provisions of this section, patents shall be issued in accordance with the following priorities:

(1) Within the township withdrawals provided for in section 8(a) of this Act:

(A) Land for individual use;

(B) Subsistence camp sites; and

(C) Community lands.

(2) Outside the withdrawals as provided in section 10 of this Act:

(A) Isolated homesites;

(B) Subsistence camp sites;

(C) Lands for reindeer husbandry; and

(D) Disposal for other purposes.

(i) Public lands within the withdrawals not patented under the foregoing subsections may be opened to settlement and occupation by the Secretary upon recommendation of the Commission. Entitlement to patent to the surface of such lands shall be in accordance with regulations, procedures, and criteria established by the Commission which regulations, procedures, and criteria shall not discriminate between Natives and non-Natives. The surface of public lands occupied by Natives under this subsection shall be patented to such Natives without payment therefor, and the surface of lands occupied by non-Natives shall be patented to them after payment of the fair market value thereof, as determined by the Secretary as of the date of the patent.

(j) All withdrawals and patents of lands or interests therein under this section shall be subject to valid existing rights of any person, and the Secretary shall take such measures as he deems appropriate, in consultation with the Commission, to extinguish such rights where they conflict with the grants made in this section, except easements or rights-of-way for public purposes.

(k) Where, prior to patent of the surface of any land under this section, a contract, lease, or permit has been issued for the utilization of mineral or surface resources such patent shall contain provisions making the patent subject to the lease or contract and the right of the lessor or contractor to the complete enjoyment of all rights, privileges, and benefits granted him by such lease or contract. All income derived from any such lease or contract, after allowance for administrative costs as determined by the Secretary, shall be paid to the Corporation.

COMPENSATION FOR LANDS PREVIOUSLY TAKEN

SEC. 11. There is hereby authorized to be appropriated $100 million to be paid into the Fund as compensation for Native rights in lands withdrawn by the United States and in lands selected by Alaska under the Statehood Act of July 7, 1958 (72 Stat. 339) prior to the effective date of this Act.

MINERAL LEASING ACT

SEC. 12. (a)(1) Except as provided in subsection (b) of this section, deposits of coal, phosphate, sodium, potassium, oil, oil shale, gas, or sulphur located in all public lands in Alaska shall be subject to disposition by the Secretary under the terms of this Act. After the effective date of this Act, the Secretary is authorized to dispose of such deposits upon application therefor or upon his own motion under such competitive bidding procedures, using oral or sealed bidding or a combination thereof, as the Secretary may prescribe by regulation. The provisions of the Mineral Leasing Act of February 25, 1920, as amended and supplemented (41 Stat. 437, 30 U.S.C. sec. 181 and following), shall apply to the extent that such provisions are not inconsistent with this Act.

(2) For a period of ten years after the effective date of this Act, all revenues derived from the disposition of such minerals shall be distributed as provided in the Statehood Act of July 7, 1958 (72 Stat. 339), except that ten per centum of such proceeds shall be deducted and paid into the Fund, prior to calculating the shares as set forth in the Statehood Act of July 7, 1958.

(b)(1) The Secretary, with the concurrence of the Secretary of Defense, is authorized to dispose of deposits of coal, phosphate, sodium, potassium, oil, oil shale, gas, or sulphur located within Naval Petroleum Reserve No. 4 either upon application therefor or upon his own motion upon such competitive bidding procedures, using oral or sealed bidding or a combination thereof, as the Secretary may prescribe by regulation. The provisions of the Mineral Leasing Act of February 25, 1920, as amended and supplemented, shall apply to the extent that such provisions are not inconsistent with this Act.

(2) All revenues derived from the disposition of such minerals for a period of ten years after the effective date of this Act shall be apportioned as follows:

(A) 10 per centum to be returned to the Treasury of the United States as miscellaneous receipts;

(B) 45 per centum to be returned to the Treasury of the United States until such time as the amount reaches $50 million to compensate the United States for the expenses of past exploration of the area, and thereafter such sum shall be paid into the Fund; and

(C) 45 per centum to be paid into the Fund. After the ten-year period set forth in this Act has expired, the entire revenues derived from the disposition of minerals from Naval Petroleum Reserve No. 4 will be paid into the Treasury of the United States as miscellaneous receipts.

(c) Ten per centum of all revenues received by the United States from the disposition of minerals from the Outer Continental Shelf bordering the State of Alaska shall be deposited in the Fund for a period of 10 years after the effective date of this Act.

(d)(1) Any person who claims or may hereafter claim an interest in an unpatented mining claim in Alaska for which application for patent is not on file with the Secretary on the effective date of this Act shall record within one year after the effective date of this Act or within sixty days after location of such claim, whichever is first, with the Secretary a Declaration of Interest in Mining Claim" setting forth a description of the claim and such other information as the Secretary may require by regulation. Any mining claim in Alaska not so recorded within the time prescribed shall be null and void, except that recordation shall not be construed as rendering valid any mining claim which is invalid on the effective date of this Act or which becomes invalid thereafter under the Mining Laws.

(2) The Secretary shall collect, in accordance with regulations prescribed by him, a royalty of 5 per centum of the value of locatable minerals, which value will be determined at the mine, extracted from mining claims in Alaska located and recorded after the effective date of this Act. A royalty of less than 5 per centum may be collected by the Secretary upon a satisfactory showing that the royalty should be reduced in order to operate the claim successfully. For a period of ten years after the effective date of this Act, 10 per centum of the revenues resulting from such royalty shall be deposited into the Treasury of the United States as miscellaneous receipts, and the remaining 90 per centum shall be deposited into the Fund, and thereafter the entire revenues derived from this royalty shall be deposited into the Treasury of the United States as miscellaneous receipts. As used in this section, the term "locatable minerals" includes any mineral not subject to disposal under (A) the Mineral Leasing Act of February 25, 1920, as amended or supplemented or (B) the Act of July 31, 1947 (61 Stat. 681; 30 U.S.C. 601), as amended.

(e) For a period of ten years after the effective date of this Act, 10 per centum of the revenues derived from the sale or lease of surface resources located on public lands in Alaska, except those withdrawn by section 8 of this Act, will be deposited into the Fund, and shall be deducted before any distribution is made of such revenues under any other provision of law.

(f) For a period of 10 years, after the effective date of this Act, there shall be deposited into the Fund an amount equal to 10 per

centum of the revenues collected by the State of Alaska or accruing to said State from public lands patented to the State of Alaska after December 31, 1968, including, but not limited to, receipts from the sale or lease of such lands or minerals therein, and in the event of default by the State of Alaska in making such payments there shall be deducted annually from such monies during such period the share of mineral revenues from public lands in Alaska paid as Federal grants-in-aid to the State of Alaska and any other funds paid to the State of Alaska by the United States.

PROTECTION OF SUBSISTENCE RESOURCES

SEC. 13. Notwithstanding any other provision of law, for a period of 10 years after the effective date of this Act, the Secretary, upon petition by any individual residing in Alaska or by the Department of Fish and Game of the State of Alaska shall, after a public hearing, and under such rules and regulations as he may prescribe, determine whether or not an emergency exists with respect to the depletion of subsistence biotic resources in any given area of the State and may thereupon delimit and declare that such area will be closed to entry for hunting, fishing, or trapping, except by residents of such area, subject to the provisions of any treaty concerning such resources. The closing authorized by this section shall not be for a period of more than 3 years, and may be extended by the Secretary after hearing, and a published finding that the emergency continues to exist. Any person knowingly hunting, fishing, or trapping in such area, except a resident thereof, may, upon conviction, be required to forfeit any gear, vehicle, boat or aircraft used in connection with such violation, and shall, upon conviction, be subject to a fine of $1,000, or a year in prison, or both.

THE TLINGIT-HAIDA SETTLEMENT

SEC. 14. Notwithstanding any other provision of law, the Tlingit-Haida Indians are hereby authorized to vote, under procedures established by their governing body under their organizational document, whether they shall be included under all the provisions of this Act and relinquish title to the 2.6 million acres of land in southeast Alaska held under "Indian Title" and confirmed in them by the Court of Claims on January 19, 1968, in "The Tlingit and Haida Indians of Alaska v. United States, (389F 2d. 778)", and accept as a credit against all future compensation to be paid to them under the provisions of this Act the amount of $7.5 million as full settlement of their claims against the United States which sum shall be a lien against the shares of the Corporation set aside for the Tlingit-Haida Indians. The Corporation, for a period of 10 years after its incorporation, shall withhold dividends on the shares set aside for the Tlingit-Haida Indians until the amount of such dividends equals $7.5 million. If, at the end of such period, the amount of dividends withheld by the Corporation, does not equal $7.5 million, the individual shares distributed to the Tlingit and Haida Indians by the Corporation under this Act shall be sold, transferred, or assigned only after the Corporation has been paid that portion of the outstanding lien against such share at the time of its distribution. The Secretary is authorized to patent upon certification to him of the results of the vote provided herein by the tribe's governing body the 2.6 million acres confirmed in the Tlingit and Haida Indians by the Court of Claims to the Tlingit-Haida governing body or its successor, except that the mineral estate shall not be patented to anyone other than the United States or the State of Alaska.

TANAINA INDIANS

SEC. 15. Notwithstanding any other provision of law, the Tanaina Indians of the Moquawkie Reservation (hereinafter referred to as the Tyonek Indians) may vote, under procedures established by the existing Tyonek Council, whether their tribe, in lieu of any benefits under this Act, (a) shall accept a grant to the Tyonek Council of 26,918 acres of such Reservation, with a reservation that the mineral estate underlying such lands may not be sold or transferred by the Tyonek Indians to anyone other than the United States or the State of Alaska; or (b) accept abolition of the Reservation and a grant of the lands within such Reservation to a local government body organized under the laws of the State of Alaska with a reservation that the mineral estate underlying such lands may not be sold or transferred to anyone other than the United States or the State of Alaska; or (c) accept abolition of the Reservation and be entitled to the benefits of this Act. Upon certification to the Secretary of the results of the vote required by this section, the Secretary is authorized to carry out either selection made by the Tyonek Indians in accordance with the provisions of this section. If the Tyonek Indians select to follow the provisions of either clause (a) or (b) of this section, the Secretary is authorized to enter into contracts with the grantees for the development of the mineral estate underlying such lands.

REVOCATION OF RESERVATIONS

SEC. 16. Notwithstanding any other provision of law, and except where inconsistent with the provisions of this Act, the various reserves set aside by legislation or by Executive or Secretarial order for Native use or for administration of Native affairs, including those created under the Act of May 31, 1938 (52 Stat. 593), are hereby revoked, subject to any valid existing rights of any non-Natives.

REVIEW BY CONGRESS

SEC. 17. The Commission and the Secretary shall submit to the Congress annual reports on implementation of this Act. Such reports to be filed by the Commission until its termination, and by the Secretary annually for a period of 10 years beginning one year after the effective date of this Act. At the beginning of the first session of Congress preceding 10 years from the effective date of this Act, the Commission and the Secretary shall submit, through the President, a joint report of the status of the Natives and Native groups in Alaska, and a summary of actions taken under this Act, together with such recommendations as may be appropriate for continuation or modification of any provisions of this Act which will specifically expire at the end of such 10 years.

APPROPRIATIONS

SEC. 18. There is authorized to be appropriated to the Secretary of the Interior such sums as may be necessary to carry out the functions and responsibilities that he is required to perform under the provisions of this Act. Such sums shall remain available until expended.

PUBLICATION

SEC. 19. The Secretary of the Interior is authorized to issue and publish in the Federal Register, pursuant to the Administrative Procedures Act (5 U.S.C.) such regulations as may be necessary to carry out the purposes of this Title.

SAVINGS CLAUSE

SEC. 20. Except as specifically provided for in this Act, nothing in this Act shall be construed as repealing any other provision of Federal law applicable to Alaska. To the extent that there is a conflict between any provision of this Act and any other Federal law applicable to Alaska, the provisions of this Act shall govern.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

Mr. SCOTT. Mr. President, on behalf of the Senator from New York (Mr. GOODELL) I ask unanimous consent that, at its next printing, the name of the Senator from Tennessee (Mr. BAKER) be added as a cosponsor of the bill (S. 50) to provide appropriations for sharing of Federal revenues with States and certain cities and urban counties.

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

Mr. KENNEDY. Mr. President, I ask unanimous consent that, at its next printing, my name be added as a cosponsor of the bill (S. 472) 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.

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

Mr. SCOTT. Mr. President, at the request of the Senator from Oregon (Mr. HATFIELD), I ask unanimous consent that, at its next printing, the name of the Senator from Texas (Mr. YARBOROUGH) be added as a cosponsor of the bill (S. 503) to provide for meeting the manpower needs of the Armed Forces of the United States through a completely voluntary system of enlistments, and to further improve, upgrade, and strengthen such Armed Forces and for other purposes.

The VICE PRESIDENT. Without objection it is so ordered.

Mr. HARTKE. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from South Carolina (Mr. THURMOND) be added as a cosponsor of the bill (S. 1205) to provide for a medal to be known as the Supreme Sacrifice Medal and to provide for its presentation to the widow or next of kin of members of the Armed Forces who have lost their lives as the result of armed conflict.

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

Mr. CRANSTON. Mr. President, I ask unanimous consent that, at its next printing, the names of the Senator from New York (Mr. GOODELL), the Senator from Montana (Mr. MANSFIELD), the Senator from Minnesota (Mr. MONDALE), the Senator from Wisconsin (Mr. NELSON), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Maryland (Mr. TYDINGS), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Ohio (Mr. YOUNG) be added as cosponsors of the bill (S. 1219) to direct the Secretary of the Interior to take certain actions, and make an investigation and study, with respect to drilling and oil production under leases issued pursuant to the Outer Continental Shelf Lands Act.

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

Mr. MOSS. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Wyoming (Mr. MCGEE) be added as a cosponsor of the bill (S. 1446) to establish a Department of Natural Resources.

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

Mr. JAVITS. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Tennessee (Mr. BAKER) be added as a cosponsor of the bill (S. 1478), for the establishment of a Commission on Re-

vision of the Antitrust Laws of the United States.

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

Mr. HARTKE. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Minnesota (Mr. MONDALE) be added as cosponsor of the bill (S. 1477) to provide that individuals entitled to disability insurance benefits—or child's benefits based on disability—under title II of the Social Security Act, and individuals entitled to permanent disability annuities—or child's annuities based on disability—under the Railroad Retirement Act of 1937, shall be eligible for health insurance benefits under title XVIII of the Social Security Act.

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

Mr. KENNEDY. Mr. President, I ask unanimous consent that, at its next printing, my name be added as a cosponsor of the bill (S. 1506) to provide for improvements in the administration of the courts of the United States, and for other purposes.

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

Mr. KENNEDY. Mr. President, at the request of the senior Senator from Texas (Mr. YARBOROUGH), I ask unanimous consent that, at its next printing, the name of the Senator from Minnesota (Mr. MONDALE) be added as a cosponsor of the bill (S. 1519) to establish a National Commission on Libraries and Information Science, and for other purposes.

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

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, at its next printing, the names of the junior Senator from Maine (Mr. MUSKIE) and the junior Senator from Minnesota (Mr. MONDALE) be added as cosponsors of the bill (S. 1693) to establish a National Commission on Federal Tax Sharing.

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

Mr. KENNEDY. Mr. President, at the request of the Senator from West Virginia (Mr. RANDOLPH) I ask unanimous consent that, at its next printing, the name of the Senator from Montana (Mr. METCALF) be added as a cosponsor of the bill (S. 1716) to provide Federal financial assistance to States to enable them to pay compensation to certain disabled individuals who, as a result of their employment in the coal mining industry, suffer from pneumoconiosis and who are not entitled to compensation under any workmen's compensation law.

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

Mr. MUSKIE. Mr. President, I ask unanimous consent that, at its next printing, the names of the junior Senator from Tennessee (Mr. BAKER), the junior Senator from Indiana (Mr. BAYH), the junior Senator from Delaware (Mr. BOGGS), the senior Senator from Kentucky (Mr. COOPER), the junior Senator from Kansas (Mr. DOLE), the junior Senator from Missouri (Mr. EAGLETON), the senior Senator from Oklahoma (Mr. HARRIS), the junior Senator from New Mexico (Mr. MONTOYA), the junior Senator from Wisconsin (Mr. NELSON), and the junior Senator from Virginia (Mr. SPONG) be added as cosponsors of the joint resolution (S.J. Res. 89) expressing the support of the Congress, and urging the support of Federal departments and agencies as well as other persons and organizations, both public and private for the international biological program.

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

ASSISTANCE TO THE STATE OF CALIFORNIA FOR RECONSTRUCTION OF AREAS DAMAGED BY RECENT STORMS, FLOODS, LANDSLIDES, AND HIGH WATERS—AMENDMENT

AMENDMENT NO. 11

Mr. MURPHY submitted an amendment, intended to be proposed by him, to the bill (S. 993) to provide assistance to the State of California for the reconstruction of areas damaged by recent storms, floods, landslides, and high waters, which was referred to the Committee on Public Works and ordered to be printed.

NOTICE OF HEARINGS—NOMINATIONS

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Daniel Bartlett, Jr., of Missouri, to be U.S. attorney for the eastern district of Missouri for the term of 4 years, vice Veryl L. Riddle.

Thomas A. Flannery, of Maryland, to be U.S. attorney for the District of Columbia for the term of 4 years, vice David G. Bress.

Richard Van Thomas, of Wyoming, to be U.S. attorney for the district of Wyoming for the term of 4 years, vice Robert N. Chaffin.

Harold M. Grindle, of Iowa, to be U.S. marshal for the southern district of Iowa for the term of 4 years, vice Charles B. Bendlage, Jr.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing on or before Tuesday, April 22, 1969, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARINGS ON DRUG ABUSE

Mr. YARBOROUGH. Mr. President, narcotic addiction, drug abuse, and addictive diseases are among the Nation's leading health problems. It is estimated that more than 100,000 persons are addicted to narcotic drugs such as heroin and morphine. Millions are experimenting with and many are using on a regular basis hallucinogenic agents such as marihuana. Narcotic addiction, primarily the use of heroin, has long been a major blight of our urban ghettos. Recent evidence would indicate that this problem is now spreading to the suburbs. For too many years it was hoped that primarily enforcement techniques would resolve this problem. They have not. Action must be taken to provide a greater role for our national health programs in this area. The problem of marihuana use is in the process of reaching epidemic proportions in the United States. Though sound data is lacking, it is estimated that between 20 and 40 percent of our college students have at least experimented with this drug. Recent information would lead us to believe that marihuana has spread to high schools, junior high schools, and, in some areas, to elementary schools. Our state of scientifically based knowledge about marihuana and its effects is inadequate. At the same time, based on our experience with LSD, we are convinced that public education programs based on proven knowledge can have a significant effect on decreasing marihuana use.

It has been stated often that we are living in what has been called a "drug-oriented society." Barbiturates, amphetamines, and other stimulants and depressant agents are being used and abused by millions of our people. Though it is clear that there are medically sound reasons for having these agents, it is likewise apparent that many persons in our population have become dependent on them. Too little is known about how and why so many Americans have fallen victim to this blight. Thus, we will have hearings beginning April 16 and 17 in Washington and continuing April 18 in Fort Worth, Tex. The Fort Worth, Tex., hearing will pay particular attention to the future of the Fort Worth Clinical Research Center. I hope the Subcommittee on Health will be able to learn what all of us can do in order to launch a massive and coordinated attack on the problems of drug abuse. More research to uncover new knowledge about causes and prevention is necessary; more facilities to treat and rehabilitate these victims are imperative.

The hearing witnesses for Wednesday, April 16, are the following:

Dr. Alfred M. Freedman, chairman, department of psychiatry, New York Medical College, Flower and Fifth Avenue Hospital, New York, N.Y. He is an expert in the area of experimental treatment of opiate education, as well as a medical expert in the area of marihuana, methedrine, LSD, barbiturates, and so forth.

Dr. Gilbert Geis, professor of sociology, California State College at Los Angeles, department of sociology, Los Angeles, Calif. He was formerly director, Institute for the Study of Crime and Delinquency; East Los Angeles Halfway House for Narcotics Addicts. He is a sociologist who runs a followup program for addicts on the west coast; is an expert in the area of education and the behavioral sciences; he is a sociologist of high repute.

Dr. Jerome Jaffee, assistant professor of psychiatry, University of Chicago, Chicago, Ill. He operates an excellent education treatment program in Chicago; is an expert in the area of experimental treatment narcotic antagonists, such as cyclazocine and naloxone, as well as substitution therapy with methadone.

The hearing witnesses for Thursday, April 17, are the following:

Dr. Joseph English, Administrator, Health Services and Mental Health Administration, Department of Health, Ed-

ucation, and Welfare, accompanied by Dr. Stanley Yolles, director, NIMH, and Mr. James Kelly, Assistant Secretary, Comptroller, Department of Health, Education, and Welfare.

Dr. Henry Brill, chairman, AMA Committee on Alcoholism and Drug Dependence, director, Pilgrim State Hospital; West Brentwood, N.Y. He is to cover the area of commitments and commitment laws in New York State and California, and to discuss the AMA's position on narcotics and drug abuse.

I ask unanimous consent that an article entitled "The Drug Generation: Growing Younger," published in Newsweek for April 21, 1969, be printed in the RECORD.

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

THE DRUG GENERATION: GROWING YOUNGER

San Francisco's middle-class Aptos Junior High, seventh graders trade barbiturates in homerooms—and smoke marijuana during lunch. In Detroit, anxious parents can take suspicious pills or bags of tobacco to their local police precincts for analysis without turning in their children. (So much marijuana has been invading Detroit recently that the sheriff's office has a marijuana-sniffing police dog that meets many flights from the West Coast.) And in sleepy Wakefield, Mass., parents were shocked a few weeks ago to learn that some high-school students were using heroin. "Some established families," says Mrs. Judith Katnabas, secretary of Wakefield's newly created Drug Action Committee, "have spent everything to finance their children's drug habit. Parents would rather see the habit continued than to have their child picked up and the whole thing made public in the courts."

The use of drugs—from chalky white pills that give Dexedrine highs to red, yellow and blue LSD capsules for mind-bending hallucinations—has spread through the youth population. Drug use is no longer concentrated among the liberal campuses of the East and West Coasts or the megaversities of the Midwest; it is as far away as the mess halls and field positions of Vietnam and as close as the schoolhouse around the corner.

Attempting to measure the exact size of the U.S. drug population is almost impossible. School officials knock down estimates to protect their institutions; students tend toward braggadocio. High-school and college administrators cite estimates ranging from 5 to 35 per cent. Students often claim that 85 or 90 per cent of their friends have smoked pot. But two facts appear incontrovertibly clear. First, the age of U.S. drug users is dropping rapidly, sometimes reaching down into elementary schools. Second, as drugs become widespread, the young have built a culture and a rationale of their own around their use and abuse.

Into Something: Turning on at home, listening to Country Joe and the Fish or watching "2001: A Space Odyssey" while stoned creates a unity among the young. "It's a whole cultural thing," says a Columbia freshman. "It has a different vocabulary, and once you start drugs you keep different hours. You can point at yourself and the other people in it and say 'We're into something'."

This "something" naturally sets adult nerves on edge. Last week, for example, the Massachusetts Poll conducted for The Boston Globe found that adults in the state were worried more about drug abuse among the young than any other state problem; 80 per cent rated it a "very serious problem" with a greater emotional impact than inflation or crime in the streets. The fact that adults become so upset over drugs seems to make drugs more attractive to the young.

Surveying five California campuses, Richard H. Blum, a Stanford University psychologist, found that marijuana use has almost tripled in the eighteen months ending in December 1968. In a new report, "Students and Drugs," Blum states that 57 per cent of students at the schools had smoked marijuana at least once, compared with 21 per cent a year earlier. About 14 per cent were "regular" users, against 4 per cent a year before.

"What we see now," says Blum, "is a rapidly increasing tempo. While it took approximately ten years, by our estimate, for experimentation and use to shift from the older intellectual-artistic groups to graduate students, it took only an estimated five years to catch on among undergraduates, only two or three years to move to a significant number of high-school students, and then, within no more than two years, to move to upper elementary grades."

Mind-Altering: Drugs have achieved a foothold independent of school status. New York City's private Dalton School (tuition: $2,000) recently placed four students on disciplinary probations for using marijuana. Many high-school students are more than willing to experiment with drugs. "Frankly," says Edward R. Kolevzon, president of The New York High School Principals Association, "I think the problem is more widespread than most people can imagine." Many high-school students smoke grass in the restrooms; a daring few will light up in class. "During the week," says a senior at Milton Academy in Milton, Mass., "many upperclassmen will smoke grass, but they won't trip on acid because of the homework. They leave the heavy stuff for weekends in Boston." And Dr. Joel Fort, a lecturer at Berkeley and one of Blum's associates, says that some seventh-grade pupils in Berkeley public schools have tried LSD or its equivalent. By the twelfth grade, he says, 14 per cent had tried LSD. Says Fort: "There is a massive and growing use of mind-altering drugs by all segments of American youth."

In general, two kinds of drugs are involved in the new drug culture. First, there are the serious drugs, such as LSD and methedrine (speed), which have proved to be dangerous. Second, there are the "soft drugs" such as marijuana, whose immediate physiological effects appear to be less serious than three Martinis, but whose long-term psychological and emotional effects are being analyzed. While recent research indicates that LSD may cause brain damage, that it can change chromosomes or contribute to birth defects, some students still turn to LSD and speed for artificial highs.

Speed Kills: These drugs can lead to tragedy. Fairleigh Dickinson 3rd, a Columbia freshman, heir to a pharmaceutical fortune and son of a prominent New Jersey state senator, was found unconscious last month on the lower bunk of a friend's room on campus. He died from a combination of LSD and an overdose of opium he apparently had eaten to come down." At some other schools, the use of LSD has crested. "Students got frightened by the walking wounded," says Dr. Richard H. Moy, director of the University of Chicago's health service, "the people who have gotten hung up and strung out."

Still, students estimate that perhaps 600 Columbia students have taken speed and acid; most are under 20, the products of suburban high schools and prep schools. "I take speed," claims a sophomore engineering student, "because I can control it. It keeps me up and awake. You don't lose your mind like on acid." A Barnard freshman adds that "last year at boarding school everybody took diet pills to stay up for exams. This year they don't have that much effect on me, so twice, when I had to get my papers done, I took speed . . . It kept me awake and fresh, not jittery the way Dex does, and after I got the papers done I slept for 24 hours."

Marijuana, of course, a mild hallucinogen, is not nearly as potent. And students of all ages are increasingly willing to experiment with it. At many campuses, marijuana has passed the experimental stage and is an unremarked part of the social life. "Everyone does it," says a junior at one small New England college. "You see these complete Brooks Brothers straight arrows who turn on all the time." A survey of 100 Yale seniors found that 85 per cent had smoked marijuana at least once; half smoked about once a week; 20 per cent had taken LSD, and 10 per cent experiment with acid or other strong hallucinogens fairly frequently. A Barnard counselor notes an "incredible" change in the patterns of drug use. The freshmen arrive "sophisticated"—some have been "smoking marijuana since they were 14 or 15."

Misinformation: One constant in the drug culture has been the vast amount of misinformation. A few years ago police and school officials overreacted to the "drug menace," lecturing that once a youngster took his first puff of marijuana he was hooked for life on a trail that irremediably led to hashish, cocaine, heroin, jail, disgrace and the poorhouse. When the scientists eventually ground out their research to show that the argument was false, students were among the first to digest the news. Not that a certain percentage needed any encouragement. As Yale psychiatrist Kenneth Keniston points out, there are some students who are "less seekers after grades or professional expertise than seekers after truth." For them, drugs are an attempt to experiment with new states of experience and consciousness.

Other students simply never believed what they had been told about the harmful effects of drugs. Dr. Lawrence Halpern, a neuropharmacologist at the University of Washington medical school, tells of an 18-year-old girl he treated last summer; she was suffering from hepatitis and needle abscesses from shooting speed. "I asked her," he says, " 'Didn't anybody tell you this stuff was no good?' She replied, 'Yea, man, but they told me so much other garbage, who's going to believe it?" "Just because society tells you something is bad doesn't mean it is," says a Princeton history senior. "We disagree with a system that tells us Vietnam is good and marijuana is bad."

Benign: But even when they listen, many young drug users tend to hear only what they want to hear. They talk about marijuana as a totally benign experience when, in truth, researchers still don't really know about its effects. Researchers have just gotten around to synthesizing its active ingredient, tetrahydro-cannabinol (THC). The conclusion so far, says Dr. Sidney Cohen, director of the National Institute of Mental Health's Division of Narcotic Addiction and Drug Abuse, is that "marijuana, taken infrequently and in small doses, causes no more difficulty than getting stoned on alcohol. But the question in everyone's mind is whether the pothead, the person who uses it consistently over a period of years, may suffer ill effects." Scientists are now trying to assess what some call the "amotivational syndrome"—whether marijuana can lead to a loss of ambition and drive. "I don't think one necessarily loses motivation if he is an occasional user," says Cohen, "but I suspect people who do make it a career do stop being interested in getting ahead, become more passive, tend to live only in the present and not look to the future."

There is little doubt that far more needs to be known about most drugs. The New Physician, the journal of the Student American Medical Association, last month editorialized that physicians "have abdicated their responsibilities" about marijuana research. "If research substantiates present opinion that marijuana is not harmful or addicting," SAMA said, "then physicians should be in the forefront of efforts to remove legal penalties from its possessions and use."

Naked: Most schools are trying to strike a balance between these laws dealing with drug possession and use and student opinion. Many solve the problem simply by looking the other way, and a few adopt fairly lenient policies. Last year a committee of

four faculty members, five students and one administrator drew up a five-page policy statement for George Washington University. It stated that the school has no legal duty "to divulge to any law-enforcement agency rumors or hearsay information about drug use on campus, or the names of students suspected of illegal use or possession of drugs" (at the same time the document did spell out possible health hazards). A campus cop explains that he would take away the ID cards of students caught with drugs and ask them to report to a dean. "After all," he says, "you're dealing with a man's reputation for life. We try to protect students; we don't try to get them in trouble." A disciplinary committee at the University of Chicago hears about four drug cases a year. "These," admits one dean, "involve the kind of students who pop up naked."

Elementary and secondary schools usually take a harder line. Donald Barr, headmaster of New York's Dalton, recently sent a memo to all faculty and parents of fourth to twelfth graders saying that "we consider marijuana a dangerous narcotic." He's particularly worried about young pupils taking drugs while they are just coming to grips with the adult world. "With marijuana," he says, "you're not dealing with professionals but with friendly sharers, with agonized, twisted kids trying to involve others, and they work within the context of friendship in school."

The New Trier schools in Winnetka, Ill., have taken an enlightened approach to drugs. The high-school faculty started thinking about a drug program a few years ago when some students were caught with their noses in the gluepots. After much research, New Trier just started a course in human behavior in February dealing with drug use—and held a seminar to discuss the entire spectrum of drugs with parents and students. Instead of trotting out reformed addicts and adopting scare tactics, New Trier officials simply told of a few specific examples of local teen-age drug users. "The parents learned how much of a communication gap there was between them and their children," says one history teacher. "And they also learned just how widespread the drug thing was." After the seminar, the school psychiatrist reported a large increase in the number of students coming in for help.

Laws: Most school and health officials believe laws regarding marijuana use will change soon. "It would make social sense," says Dr. Seymour Halleck, director of psychiatric services at the University of Wisconsin, "to legalize marijuana with stringent rules against giving it to minors. But if kids feel like using drugs, police are incapable of stopping them." Given today's permissive society, there's no telling where drug use is going to stop. It is certain, however, that drug abuse among the young would be easier to deal with if the laws and boundaries were laid out in terms they could respect.

One significant sign is that the National Student Association is no longer trying to educate students about drugs. Instead, it is challenging the constitutionality of the drug laws together with the American Civil Liberties Union. Says Bard Grosse, director of the NSA's drug studies: "We are trying to decriminalize marijuana." So many students smoke grass today, says the 25-year-old Grosse, it is already "unofficially legal."

IN VIETNAM: MAMA-SAN PUSHERS VERSUS PSYOPS

A battalion of the U.S. Army's First Cavalry Division trooped into division headquarters at Phuoc Vinh one day recently after a month in the field. The men showered and shaved and ate a hot meal in the mess hall. "Then when the sun went down," recalls one GI, "about 200 of us went into the nearest field and had a damn good smoke." But the scene was pure marijuana rather than Marlboro Country. In a war where so much is ambiguous, it is no secret that the use of marijuana by American soldiers in Vietnam is so extensive that it has produced a pot subculture among U.S. troops. They have a slogan—"Dope is hope"—and an apocryphal hero—"The Psychedelic Killer," a gunship pilot who goes into battle in Da-Glo helmet and a marijuana high.

The "head" count among the 500,000 GI's in Vietnam is naturally difficult to determine. A study called "Marijuana Use in Vietnam: A Preliminary Report," stated that 35 per cent of the troops turn on. The study was conducted by Army psychiatrist Capt. Wilfred Postell and appeared in the official Vietnam Medical Bulletin. The drug rate is highest in units where men hail from metropolitan centers like New York City and San Francisco, and the high rate in intelligence and mechanized units suggests that education may be a factor. Curiously, most mess cooks are said to be heads.

"Vietnam is a very concentrated experience," explains one soldier. "It's like some giant corporation where you can't quit and everybody has gone crazy." The marijuana weed (cannabis) grows over much of Vietnam and therefore is even easier to get in Vietnam than on any metropolitan U.S. campus. In almost any city, says a GI, "all you have to do is shuffle around until some mama-san offers it to you." In the field, troops receive regular visits from peddlers. On a couple of occasions a 2½-ton Army truck and a helicopter were reportedly "fragged," or detached, on special marijuana missions.

The Military Police have stepped up busts and are putting special pressure on Vietnamese police to arrest native salesmen. The Army has also undertaken a psychological operation (psyops) program that uses posters (MARIJUANA MEANS TROUBLE) and radio programs featuring cool, Peter Gunn-style music. Punishment for convicted GI's ranges from a two-week restriction to barracks to five years' imprisonment at hard labor. None of this, however, has done much to discourage the use of pot. Says an Army psychiatrist: "The lower-level unit commander is reaching an accommodation with pot smokers. If he stopped them all it would decimate his outfit. So he sees no evil and as long as they stay out of trouble he doesn't bother them."

CANADA AND NATO

Mr. MANSFIELD. Mr. President, on April 3 the Prime Minister of Canada, the Right Honorable Pierre Elliott Trudeau, issued a statement regarding Canada's future participation in NATO. The Prime Minister announced a decision to withdraw elements of the Canadian forces which have been stationed in Europe. His statement appears to have perturbed some of the NATO nations. Notwithstanding, it was a thoughtful decision which was designed to take effect in due course and which cannot, in any sense, be construed as disruptive. Rather, it might well act, in my opinion, as a healthy stimulant to bring about general reassessments and readjustments in the organization.

In this connection, President Nixon's remarks on the 20th anniversary of NATO ought also to be noted carefully in NATO circles. The President seems to me to make clear that what made for an effective organizational structure two decades ago is not necessarily the same today. That is not to doubt the importance of the mutual security concept of the NATO nations and of the need for consultation and cooperation to that end. These considerations, as Mr. Trudeau has indicated, will continue to guide Canada's policy in its continued relationship as a member of NATO as I would hope they will guide ours.

Nevertheless, the Canadian Government has broken new ground. It has taken the first steps to bring about a review of NATO—what it stands for in 1969, and where it intends to go in the years ahead. By announcing that Canadian troops will gradually be withdrawn from assignment in Europe, after appropriate consultation with other members of NATO, the Prime Minister has brought about a much-needed change in direction. Indeed, it might well be emulated by the United States and other members before the 21st anniversary of the organization.

It is an anachronism for the United States to remain the mainspring around which NATO evolves. The time for an overwhelming American responsibility in NATO has passed; the time has arrived for sharing more equitably that responsibility. The continued stationing of 600,000 U.S. troops and dependents in Western Europe into the indefinable future is not in keeping with the needs of this Nation nor, in my judgment, with the needs of Europe. The cost is excessive to us. The deployment is unnecessary in this day and age. It derives from an era of the past and is not in accord with the realities of today.

Our military commitments in Western Europe should be revised. Our bases in Western Europe should be reduced. Our policy should be oriented to 1969 and not held captive to 1949. That apparently is what is happening in Canadian policy. It would be my hope that it will begin to happen with respect to the policy of this Government.

Mr. President, I ask unanimous consent that the statement made on April 3, 1969, in Ottawa, by the Prime Minister, the Right Honorable Pierre Elliott Trudeau, be printed at this point in the RECORD.

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

CANADIAN DEFENCE POLICY STATEMENT BY THE PRIME MINISTER, RIGHT HONORABLE PIERRE ELLIOTT TRUDEAU, APRIL 3, 1969

A Canadian defence policy, employing in an effective fashion the highly skilled and professional Canadian armed forces, will contribute to the maintenance of world peace. It will also add to our own sense of purpose as a nation and give renewed enthusiasm and a feeling of direction to the members of the armed forces. It will provide the key to the flexible employment of Canadian forces in a way which will permit them to make their best contribution in accordance with Canada's particular needs and requirements.

The Government has rejected any suggestion that Canada assume a non-aligned or neutral role in world affairs. Such an option would have meant the withdrawal by Canada from its present alliances and the termination of all co-operative military arrangements with other countries. We have decided in this fashion because we think it necessary and wise to continue to participate in an appropriate way in collective security arrangements with other states in the interests of Canada's national security and in defence of the values we share with our friends.

Canada requires armed forces within Canada in order to carry out a wide range of activities involving the defence of the country also supplementing the civil authorities and contributing to national development.

Properly equipped and deployed, our forces will provide an effective multi-purpose maritime coastal shield and they will carry out operations necessary for the defence of North American airspace in co-operation with the U.S.A. Abroad, our forces will be capable of playing important roles in collective security and in peace-keeping activities.

The structure, equipment and training of our forces must be compatible with these roles and it is the intention of the Government that they shall be. Our eventual forces will be highly mobile and will be the best-equipped and best-trained forces of their kind in the world.

The precise military role which we shall endeavour to assume in these collective arrangements will be a matter for discussion and consultation with our allies and will depend in part on the role assigned to Canadian forces in the surveillance of our own territory and coast lines in the interests of protecting our own sovereignty. As a responsible member of the international community, it is our desire to have forces available for peace-keeping roles as well as for participation in defensive alliances.

Canada is a partner in two collective defence arrangements which, though distinct, are complementary. These are the North Atlantic Treaty Organization and the North American Air Defence Command. For twenty years NATO has contributed to the maintenance of world peace through its stabilizing influence in Europe. NATO continues to contribute to peace by reducing the likelihood of a major conflict breaking out in Europe where, because of the vital interests of the two major powers are involved, any outbreak of hostilities could easily escalate into a war of world proportions. At the same time it is the declared aim of NATO to foster improvements in East-West relations.

NATO itself is continuously reassessing the role it plays in the light of changing world conditions. Perhaps the major development affecting NATO in Europe since the organization was founded is the magnificent recovery of the economic strength of Western Europe. There has been a very great change in the ability of European countries themselves to provide necessary conventional defence forces and armaments to be deployed by the alliance in Europe.

It was, therefore, in our view entirely appropriate for Canada to review and re-examine the necessity in present circumstances for maintaining Canadian forces in Western Europe. Canadian forces are now committed to NATO until the end of the preesnt year. The Canadian force commitment for deployment with NATO in Europe beyond this period will be discussed with our allies at the Defence Planning Committee Meeting in May. The Canadian Government intends, in consultation with Canada's allies, to take early steps to bring about a planned and phased reduction of the size of the Canadian forces in Europe.

We intend as well to continue to co-operate effectively with the U.S.A. in the defence of North America. We shall accordingly seek early occasions for detailed discussions with the U.S. Government of the whole range of problems involved in our mutual co-operation in defence matters in this continent. To the extent that it is feasible we shall endeavor to have those activities within Canada which are essential to North American defence performed by Canadian forces.

In summary, Canada will continue to be a member of the NATO and to co-operate closely with the U.S. within NORAD and in other ways in defensive arrangements. We shall maintain appropriate defence forces which will be designed to undertake the following roles:

(A) The surveillance of our own territory and coast lines, i.e., the protection of our sovereignty;

(B) The defence of North America in co-operation with U.S. forces;

(C) The fulfillment of such NATO commitments as may be agreed upon; and

(D) The performance of such international peace-keeping roles as we may, from time to time, assume.

The kind of forces and armaments most suitable for these roles is now being assessed in greater detail in preparation for discussion with our allies.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SCOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

SOCIAL SECURITY BENEFITS SHOULD BE INCREASED BY 15 PERCENT AND THE EARNINGS LIMITATION RAISED TO $3,000

Mr. YOUNG of Ohio. Mr. President, it is with a feeling of deep regret that I learned that President Nixon proposes to recommend an increase of only 7 percent in cash payments to the nearly 25 million men, women, and children who are the recipients each month of social security benefits.

Our social security system is an actuarially sound insurance system concerning which I am knowledgeable and very proud. As Ohio Congressman at Large, serving my second term in 1935, I spoke out in favor of and voted for the creation of the social security system. Many conservative colleagues in the House of Representatives and in the Senate at that time termed social security "state socialism." This great program, which will endure as long as our Nation endures and will be remembered as the greatest domestic legislative achievement of the administration of Franklin D. Roosevelt, was termed state socialism not only by ultra-conservative elements in the Nation at that time, but the Republican national platform of 1936 denounced the program and pledged that if its candidate for President were elected he would urge repeal of the Social Security Act. The claim those opponents made at that time was that this was cruelly regimenting the American people. Despite the fact that the Republican Party in 1936 offered the Nation a fine candidate for president of the United States in the person of Gov. Alf Landon of Kansas, he carried but two States of our 48.

Mr. President, if any political party in 1968 had pledged repeal of the Social security law or were to do that in 1972, that party would not obtain a majority in even one of our 50 States. Time and events have proved that since the enactment of the social security law, under which checks totaling more than $23 billion in social security benefits were paid last year to almost 25 million beneficiaries, there has been and is no possibility of a cruel depression such as was experienced commencing in 1930.

Where would the American people have been without that law? Think of the distressful situation of our country during those three recession periods of the Eisenhower administration. Where would they have been except for social security and the payments that came in every month to the beneficiaries of the social security system? Those recessions would have become great, deep, and sorrowful depressions. No one today seriously questions the need for our social security system or its importance in promoting economic and social stability.

Americans now know that private charities, breadlines, and soup kitchens must never again be the answer of American intelligence and sense of justice to the problems of unemployment and indigent old age.

On the third day of every month in my State of Ohio 1,200,000 men, women and children receive brown envelopes in the mail from the U.S. Treasury with social security checks totaling more than $100 million. That amount will be higher 6 months from now. More fatherless children, more elderly men and women and more widows will be receiving larger sums. The impact of the spending of such a tremendous sum is helping to make my State one of the most prosperous in the Nation.

The present social security system has a surplus of $25,714 million in its general fund and an added surplus of $3,025 million in its disability fund. Instead of increasing social security benefit payments including disability payments by a mere 7 percent, I urge that this Congress increase these payments by 15 percent. This could readily be done, and social security would remain as it is now, an actuarially sound insurance system.

As a member of the Ways and Means Committee of the House of Representatives back in 1949, I helped draft the present expanded and liberalized social security law. Since then, Congress has made changes in the act in keeping with fast-changing times. We have a duty to further expand and liberalize this program to assure that Americans will enjoy a measure of security and dignity in their old age.

I would never deviate from my determination that social security must remain actuarially sound. The chief actuary of this system, Robert J. Myers, who was appointed to that position by President Eisenhower, has stated that social security is an actuarially sound insurance system, and I am certain that he will testify before the Committee on Finance that if a 15-percent increase in social security benefit payments is made all along the line, this would remain an actuarially sound insurance system.

Here is an opportunity, Mr. President, to render real and needful public service to the American people by increasing in a proper manner and to a proper extent these benefits, instead of providing an increase of less than half the amount that should be made.

In addition, Mr. President, we have a duty to increase the ceiling on earnings that recipients may earn and still keep their benefits intact. The present ceiling of only $1,680 annually is inadequate. It imposes a cruel financial burden on people still able to work after 65 and denies them a right which they have earned by their own contributions into the social security fund. It is reasonable to look forward to dramatic new

breakthroughs in the search for cures for cancer and heart disease that will push higher and higher the life expectancy of Americans. Men and women of 65, and 70, and 75, will—and many now do—have the ability to participate in gainful employment after retirement.

I propose that the earnings limitation be increased to $3,000 per year at this time and that a new formula should be written and applied to earnings in excess of $3,000 per annum. This would encourage beneficiaries to continue to work and by their work add to the general prosperity of our Nation.

It is unfair to bar these men and women from receiving social security retirement payments for which they have paid premiums during their more active years. This can be remedied at no cost whatsoever to taxpayers by increasing the earnings limitation.

Let us enact into law this year a meaningful increase in social security benefits of at least 15 percent instead of a mere 7 percent which would barely cover the increased cost of living since 1967, the last year social security benefits were raised. At the same time let us further liberalize and expand the social security system, the most humane and advanced social legislation in our Nation's history.

S. 1805—INTRODUCTION OF A BILL TO ESTABLISH A CONNECTICUT RIVER NATIONAL RECREATION AREA

Mr. RIBICOFF. Mr. President, I introduce, for appropriate reference, a bill to establish a Connecticut River national recreation area. This bill is another step in the long journey to preserve in this Nation a decent, livable environment for the future.

The subject of this legislation is the Connecticut River which flows for more than 400 miles southward through the heartland of New England from its mountain source to Long Island Sound. It is a river of changing characters—a swift flowing mountain stream to the north; in the south, a broad, majestic estuary. Throughout, it is a river of varied beauty, historic interest and untapped recreation potential.

Situated in the center of historic New England, and in part surrounded by the great urban sprawl of industrial America, the Connecticut River provides an unmatched array of the natural resources which are fast disappearing in our modern society. The preservation and enhancement of these resources is of both regional and national concern.

We in New England are the fortunate inheritors of a river which remains largely unspoiled. Despite pollution and commercial development, most of the river valley still retains its unique charm. Even close to the river's mouth its banks remain nearly wild in places. In the midst of the populous northeast the Connecticut River stands as a proud showcase for nature's handiwork.

The northeastern United States crowds a quarter of our Nation's population into a tenth of the land area. This ratio—which is likely to remain constant—means that within a few decades we must be prepared to live with twice as many people on the same land area. In Connecticut alone there will be close to 6 million people by the year 2000. The small towns and green, open spaces which have nourished past generations of Americans in Connecticut and New England threaten to become only a memory. It must be of the greatest concern to all of us that we preserve the opportunity for millions of Americans to enjoy these surroundings.

The beauty and potential of the Connecticut River have long been a beacon to dedicated conservationists and a haven for those who live and work in the valley. But these values are now severely threatened. Today, the price of our carelessness is cheap. In a few years it will be prohibitive. If we are to save this river—if we are to take this most important step to insure the continued vitality of the New England environment—then we must act now, before it is too late.

We have a chance here to guide the future. And we can no longer afford to turn our backs on tomorrow. By accepting this opportunity we test ourselves and our success or failure will be measured for generations to come.

This bill will establish a 56,700-acre national recreation area divided into three units along the Connecticut River. Actual Federal land acquisition would be limited to 19,000 acres or less. Each unit will preserve and promote the unique natural resources of its location. The authorization of this national recreation area will be a landmark piece of conservation legislation for New England and the entire Nation.

In 1966, the entire senatorial delegation from Vermont, New Hampshire, Massachusetts, and Connecticut introduced legislation authorizing a full study of the Connecticut River Valley. Under that legislation, enacted in 1966, the Bureau of Outdoor Recreation in the Department of the Interior, carried out a detailed, 2-year study. The Department's report, "New England Heritage," was made public in September 1968. The report gave us, for the first time, a regional format in which we can work to restore the Connecticut River Valley to its original beauty.

The bill which I introduce today incorporates many of the major recommendations of "New England Heritage." It calls for a united and sustained effort by all levels of government and the private sector to preserve the great natural heritage which is ours in the valley.

The bill creates no Federal juggernaut to steamroller over the area. Quite the contrary, it places a high premium on the importance of preserving the beauty and tranquillity which are the valley's most precious qualities. A Connecticut River national recreation area will be designed to protect the scenic green forests and peaceful towns that are the heritage of New England—to do otherwise would contradict the purpose of the legislation.

The legislation recognizes that development of the valley will take place in the future. The purpose of the bill is to insure that future development is encouraged to take place in a manner which does not detract from the beauty of the river valley.

Throughout the study and the drafting of this legislation, the people of New England have been asked to participate in planning for the future. They have responded, and their efforts are the foundation for this legislation. Too often, in similar circumstances, the individual citizen and township have been left out of the planning process. This will not happen in the Connecticut Valley. When public hearings are held on this bill before the appropriate Senate committee, I will specifically request of the chairman that at least some of these hearings take place in New England so that the citizens can be heard.

In this legislation, I have insisted on the greatest concern for the private individual who lives and works in the valley. Similarly, this bill tries to take into account the legitimate interests of towns and municipalities in the affected area. This concern is reflected in several ways.

First, direct Federal acquisition of land is held to an absolute minimum. In every case, the land which must be acquired for the purpose of this plan has been carefully selected to avoid unnecessary disruption of the legitimate interests of property owners. The land to be taken is mainly undeveloped, and, on the whole, the Federal condemnation power has been severely circumscribed, to be used only as the last resort.

Second, the certain areas where a "conservation zone" will be established and the Secretary of the Interior will be authorized to set standards for local zoning laws the Secretary must act in concert with local efforts and with full respect for the well being of the local citizens and towns.

Third, a Recreation Area Committee made up of local and State representatives will be established for each unit. These committees will provide a direct channel of communication to the Secretary of the Interior with respect to matters concerning the establishment and development of that unit. Additionally, each committee will have the power to prohibit arbitrary changes of boundaries and zoning standards.

The Connecticut River national recreation area will be a unique venture in conserving our natural heritage. The recreation area will encompass parts of a river valley in the midst of a heavily populated and highly developed part of the country. We can no longer limit our conservation efforts to the wide open spaces in the Far West. There is a dire need for open space and protection of scenic and recreation values in the eastern United States. However, we must also recognize that mere condemnation of large parcels of valuable real estate will not suffice in New England. A new approach is needed.

This bill calls for cooperation—cooperation between the people, and all levels of government—in a joint venture to preserve the Connecticut River.

There will be established a three-unit national recreation area to be administered by the National Park Service. The three units, encompassing parts of four States would serve as the keystones for a concerted conservation and recreation program in the Connecticut River Valley.

The bill also defines a Connecticut River Valley corridor which includes the whole river and the first tier of towns on either shore. Far less than 1 percent of the corridor would come under direct Federal control. However, each Federal area would be a nucleus of cooperative efforts to protect the valley. The bill would also call for Federal financial and technical assistance for local and State efforts in the corridor. In essence, this bill establishes a common framework toward a common goal.

GATEWAY UNIT

The gateway unit in Connecticut would include 23,500 acres along the southernmost portion of the Connecticut River. Here, on its final trek toward the sea, the river flows peacefully through one of the most scenic areas in America. In conjunction with the Cockaponsett State Forest, the gateway unit would serve to protect a broad expanse of scenic beauty and recreation potential in the lower Connecticut Valley. Small sections of the proposed unit are already in public hands, and the acquisiton of surrounding lands would serve to increase the area available for the enjoyment of the tranquil surroundings.

In the gateway unit, the Federal Government would acquire direct title to not more than 5,000 acres of land. Most of this area is presently undeveloped and it includes 870 acres of valuable tidal marshland which provide sustenance and sanctuary for many of our aquatic and marine species.

The remaining 17,500 acres would remain in private hands under locally enacted zoning ordinances approved by the Secretary of the Interior. This "conservation zone" would shield the area from land uses and abuses which would detract from the beauty of the lower valley. However, it is not contemplated that such a "conservation zone" would inhibit the constructive growth of commerce and industry or interfere with the well-being of the citizens in the area.

As in the other proposed units, the gateway unit would not be developed or administered in such a way as to disrupt the presently existing environment. The emphasis will be on preserving and protecting the natural conditions which now prevail. By its very nature the area of the lower valley will not sustain a high degree of intensive recreational use. The purposes of this legislation, therefore, give primary emphasis to maintaining the natural, scenic qualities in their peaceful surroundings.

MOUNT HOLYOKE UNIT

In Massachusetts, the Federal Government would be authorized to create a national park area of 12,000 acres on the east side of the Connecticut River north of Springfield. At this point, the Connecticut has slashed through a ridge of mountains creating a scenic water gap between the Mount Holyoke Range to the northeast, and the Mount Tom Range to the southwest. The Mount Holyoke unit would embrace the bulk of the Mount Holyoke Range, and suggested complementary State action to expand existing public lands around Mount Tom could provide an unprecedented array of outdoor activities on both land and water in direct proximity to one of the heavily populated areas in the valley.

The boundaries of the proposed Mount Holyoke unit have been carefully drawn to exclude the Hampshire College campus and the majority of private residences on the periphery of the area. Except where land is presently required for public purposes, residents within the boundaries could elect to maintain a life tenancy.

Over half a million people live in the Springfield-Chicopee-Holyoke area. New interstate highways bring the residents of Boston and New York City hours closer. The Mount Holyoke unit could serve as the essential catlyst for concerted efforts to protect that scenic expanse of the river from exploitation.

COOS SCENIC RIVER UNIT

Near its northern source the Connecticut River could provide superb recreational opportunities in the middle of a near wilderness scene. Some of the best trout fishing in the country is available and the camper and hiker can enjoy his sport in scenic surroundings. The Coos Scenic River unit of the Connecticut River Valley area would include an 82-mile section of the upper Connecticut River. Federal acquisition of land would be limited to 1,000 acres equally divided between New Hampshire and Vermont. The acquisition would take place along the stretch of the river from Lake Francis to Moore Reservoir, and would guarantee public access to the river and the establishment of some primitive camping sites. The bill would also authorize the acquisition of scenic and access easements from private property owners of some 20,200 acres of land immediately adjacent to the river. Approximately 12,000 of these acres would be in New Hampshire—the remainder on the Vermont shore. These easements will provide protection of the scenic beauty of the unit while maintaining the value of the privately owned land. The ridges and escarpments could also be protected by less restrictive easements without significant loss to the landowner. By these devices, the local tax rolls can be maintained while preserving for future enjoyment this most beautiful stretch of the river.

CONNECTICUT VALLEY SCENIC TRAIL

In addition to the three national parks to be established along the Connecticut River, this legislation authorizes the development of a Connecticut Valley scenic trail as a unit of the national trail system. This trail would be primarily a footpath of some 300 miles beginning near Hanover, N.H. and following the river north and east to Third Connecticut Lake, then bending southward to rejoin the Appalachian Trail at the Presidential Mountain Range. Much of the trail would be located in the Coos Scenic River unit. Where existing facilities are not already available, overnight shelters could be provided at reasonable intervals. A minimal amount of Federal acquisition would be required for the trail, and it is hoped that the States would assist in its development.

CONNECTICUT VALLEY TOURWAY

The bill also authorizes the designation of a Connecticut Valley tourway running the length of the valley. This tourway would facilitate access to the scenic and historic heritage of the valley. To every extent practicable the tourway would use existing roads and would emphasize the features of the valley without altering them. Alternate routes could be designated to allow access to special points of interest. Maps and a minimum of signs would be used to inform the public of the attractions on route. Great care would be taken to maintain the scenic and rural quality of the roadway.

The qualities we seek to preserve in the valley would be destroyed by additional construction of superhighways. Nevertheless, much of the existing road system must be maintained by local and State governments. The expense of maintenance if traffic should increase may prove onerous. Therefore, this bill calls upon the Secretary of Transportation to consult with local and State representatives in an effort to relieve these burdens before designating a tourway.

CONNECTICUT RIVER VALLEY CORRIDOR

"New England Heritage" contained a number of farsighted recommendations for enhancing the total environment of the Connecticut River Valley. However, the Federal Government cannot and should not carry the full burden or usurp control from State and local jurisdictions. In many cases, enlightened local and State officials have led the way toward preserving the Connecticut. I am confident these efforts will continue, and many of the further steps required to protect the environment in the area may be left to local and State determination and action.

To facilitate coordinated planning among the various levels of government, this bill creates the concept of a Connecticut River Valley corridor. The Secretary of the Interior is instructed to give particular emphasis to encouraging and coordinating the conservation and development of outdoor recreation resources inside the corridor but outside the three designated national recreation areas. In addition, the Secretary shall provide assistance in developing means to promote the use of privately owned lands in ways consistent with the purposes of the entire scheme.

All agencies of the U.S. Government are required to consult with the Department of the Interior when their actions or projects may have an adverse effect on the recreation resources of the corridor. The Secretary shall have ample time to study the plans and make his recommendations.

This bill will also instruct the Secretary of Agriculture to study and submit a report on, within 1 year, the means available for maintaining the rural, open space character of the Connecticut River Valley.

To facilitate the planning activities by State governments which will lead to a set of coordinated conservation efforts along the Connecticut River, there is authorized in this bill the amount of $100,000 to be divided among the four affected States. This money, in conjunction with the technical assistance which the Sec-

retary is authorized to render upon request, will provide a meaningful beginning to the necessary comprehensive efforts required in the years ahead.

ADVISORY COMMITTEES

Mr. President, while drafting this legislation, I have been greatly encouraged by the dedicated efforts of citizens who live in the Connecticut Valley to make constructive and useful suggestions regarding the implementation of the recommendations of "New England Heritage." The people of the valley know, perhaps more than anyone, the beauties and potential of the river. Certainly more than anyone they have contributed to preserving these assets. Recognition of the success of these efforts is inherent in the report. For had not the private citizens and towns along the river initiated efforts to save it, there would have been no need for a study or a national recreation area. The river would have been lost years ago. That the river is worth saving today is tribute to the concern of generations of New Englanders.

The development and administration of a national recreation area can only benefit from contributions to be made by local and State representatives who are intimately familiar with the area. Therefore, this bill would establish an advisory committee for each of the three units along the river. The committee would be largely made up of local representatives to be appointed from recommendations of the towns adjacent to the unit. Other members would come from regional planning bodies and the State governments.

Each committee would have direct access to the Secretary of the Interior regarding all matters pertaining to the development and administration of the recreation area unit. Consultation would be on a regular basis, and all reasonable expenses borne by the Federal Government.

The committee for each area would be authorized to approve or disapprove any changes in boundaries of the particular units as well as any proposed alterations in zoning standards governing the conservation zone.

Mr. President, this bill lays the foundation for a concerted attack on the dangers which threaten the continued vitality of the Connecticuf River Valley. Despite the encroachment of modern civilization with its smokestacks, superhighways, and bright lights, the Connecticut remains what Timothy Dwight once called "The Beautiful River." Its peaceful and tranquil setting beckon immediate action by all of us concerned with preserving a quality environment for the future. We must act now if we are to restore and protect the Connecticut River Valley.

But time is short. With this legislation, we have the opportunity—perhaps our last great opportunity—to make certain that this priceless resource is preserved.

For years we have recognized the great good fortune that has protected the Connecticut from ruin. But our luck cannot hold forever, and the future must not be left to chance.

This bill provides a blueprint for action which will insure that today's beauty will also be tomorrow's.

Mr. President, I am pleased to have join me in cosponsoring this legislation Senators BROOKE, DODD, KENNEDY and MCINTYRE.

I ask unanimous consent that the 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 (1805) to preserve and promote the resources of the Connecticut River Valley, and for other purposes, introduced by Mr. RIBICOFF (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. 1805

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

STATEMENT OF POLICY

SECTION 1. The Congress finds that the Connecticut River and the first tier of towns bordering the river in the States of Connecticut, Vermont, and New Hampshire and the Commonwealth of Massachusetts, as generally depicted on the map entitled "Connecticut River Valley Corridor", numbered ———, and dated ———, which is on file and available for public inspection in the offices of the National Park Service, Department of the Interior, possess unusual scenic, ecological, scientific, historic, recreational and other values contributing to public enjoyment, inspiration, and scientific study. The Congress further finds that it is in the best interests of the citizens of the United States for the United States to take action to preserve and promote such values for the enjoyment of present and future generations, to preserve the natural ecological environment and develop the recreational potential of the area, and to encourage maximum complementary action by State and local governments and private individuals, groups, and associations.

CONNECTICUT RIVER NATIONAL RECREATION AREA

SEC. 2. In order to provide for the public outdoor recreation use and enjoyment of portions of the Connecticut River Valley Corridor, and for the conservation of the scenic, scientific, historic, ecological and other values contributing to public enjoyment, consistent with the well being of present and future residents of the area, there is hereby established the Connecticut River National Recreation Area (hereinafter referred to as the "recreation area"). The recreation area shall be composed of (1) a Gateway Unit comprising not more than 23,500 acres in the State of Connecticut, (2) a Mount Holyoke Unit comprising not more than 12,000 acres in the Commonwealth of Massachusetts, and (3) a Coos Scenic River Unit comprising not more than 21,200 acres in the States of Vermont and New Hampshire. The boundaries of each unit shall be as generally delineated on the map referred to in section 1 of this Act. The Secretary of the Interior (hereinafter referred to as the "Secretary") may revise the boundaries of any unit from time to time with a view to carrying out the purposes of this Act, with the approval of a majority of the Advisory Committee for such unit as referred to in section 8 of this Act, but the total acreage within the revised boundaries of any unit shall not exceed the acreage limitation for the unit specified in this section.

ACQUISITION OF PROPERTY FOR RECREATION AREA GATEWAY UNIT

SEC. 3. (a) Within the boundaries of the Gateway Unit, the Secretary may acquire without the consent of the owner not to exceed five thousand acres of privately owned lands, waters, and interests therein which he determines are presently needed to carry out the purposes of this Act: *Provided*, That the Secretary may acquire a fee title only in cases where, in his judgment, the acquisition of scenic easements or other less than fee interests would not be adequate to carry out the purposes of this Act. The remaining privately owned property within such unit may not be acquired by the Secretary without the consent of the owner or owners (hereinafter referred to as "owner") for one year following the date of enactment of this Act, and thereafter so long as an appropriate local zoning agency shall have in force and applicable to such a property a duly adopted, valid zoning ordinance approved by the Secretary. In order to carry out the provisions of this section, and following public hearings, the Secretary shall issue regulations, which may be amended from time to time, with the approval of a majority of the Advisory Committee of the unit, specifying standards that are consistent with the purposes of this Act.

(b) The standards specified in such regulations shall have the object of (i) regulating new commercial or industrial uses of such property consistent with the purposes of this Act, and (ii) promoting the protection and development for purposes of this Act of such property by means of acreage, frontage, setback design and subdivision controls and by prohibiting the cutting of timber, burning of undergrowth, removing soil or other landfill and dumping or storing refuse in such a manner that would detract from the natural or traditional riverway scene: *Provided*, That such standards shall not discourage the constructive development and use of land for industrial and commercial purposes which are consistent with the purposes of this Act.

(c) Following issuance of such regulations the Secretary shall approve any zoning ordinance or any amendment to any approved zoning ordinance submitted to him that conforms to the standards contained in the regulations in effect at the time of the adoption of the ordinance or amendment. Such approval shall remain effective for so long as such ordinance or amendment remains in effect as approved.

(d) No zoning ordinance or amendment thereof shall be approved by the Secretary which (i) contains any provisions that he considers adverse to the protection and development of such property in accordance with the purposes of this Act, or (ii) fails to have the effect of providing that the Secretary shall receive notice of any variance granted under, or any exception made to, the application of such ordinance or amendment.

(e) If any property, with respect to which the Secretary's authority to acquire by condemnation has been suspended according to the provisions of this section, is made the subject of a variance under, or becomes for any reason an exception to, such zoning ordinance, or is subject to any variance, exception, or use that fails to conform to any applicable standard contained in regulations of the Secretary issued pursuant to this section and in effect at the time of passage of such ordinance, the Secretary may terminate the suspension of his authority to acquire such property by condemnation: *Provided*, That the owner of any such property shall have 90 days after written notification from the Secretary to discontinue the variance, exception, or use referred to in such notification.

(f) The Secretary shall furnish to any party in interest, upon request, a certificate

indicating the property with respect to which the Secretary's authority to acquire by condemnation is suspended.

MOUNT HOLYOKE UNIT

SEC. 4. Within the boundaries of the Mount Holyoke Unit, the Secretary may acquire without the consent of the owner not to exceed twelve thousand acres of lands, waters, and interests therein: *Provided,* The Secretary may acquire a fee title only in cases where, in his judgment, the acquisition of scenic easements or other less than fee interests would not be adequate to carry out the purposes of this Act.

COOS SCENIC RIVER UNIT

SEC. 5. Within the boundaries of the Coos Scenic River Unit, the Secretary may acquire a fee title without the consent of the owner not to exceed one thousand acres of lands, waters, and interests therein. Other interests in the remaining privately owned property within such unit may not be acquired without the consent of the owner so long as the property is devoted to uses compatible with the purposes of this Act.

ADDITIONAL PROPERTY ACQUISITION PROVISIONS

SEC. 6. (a) The Secretary is authorized to acquire the lands, waters, and interests therein (including scenic easements) within each unit of the recreation area by donation, negotiated purchase with donated or appropriated funds, transfer, exchange or condemnation except that such authority to acquire by condemnation shall be exercised only in the manner and to the extent specifically provided in sections 3, 4 and 5 of this Act. When a tract of land lies partly within and partly without the boundaries of a unit, the Secretary may acquire the entire tract in order to avoid the payment of severance costs. Any lands so acquired outside the boundaries of a unit may be exchanged by the Secretary for any non-federal land within such boundaries, and any portion of said land not utilized for exchange may be disposed of in accordance with the provisions of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended (40 U.S.C. § 471 et seq.). In exercising his authority to acquire property by exchange, the Secretary may accept title to any non-federal land located within the boundaries of a unit and convey to the grantor any federally owned land under his jurisdiction which is within the same State or States as the unit and which he classified as suitable for exchange or other disposal. The values of the properties so exchanged shall be approximately equal or, if they are not approximately equal, shall be equalized by the payment of cash to the grantor or to the Secretary as the circumstances require.

(b) With the exception of any lands which the Secretary determines are presently needed for public use facilities to carry out the purposes of this Act, any owner of improved property within any unit of the recreation area on the date of its acquisition by the Secretary may elect, as a condition to such acquisition, to retain a right of use and occupancy of the improved property for noncommercial residential and agricultural purpose for a period ending at the death of the owner or his spouse, whichever occurs later, or for a fixed term not to exceed twenty-five years. The Secretary shall pay to the owner the fair market value of such date of any right retained by the owner. Any retained right of use and occupancy may be transferred or assigned. Whenever the Secretary finds that the property or any portion thereof has ceased to be used for non-commercial residential purposes, he may terminate the right of use and occupancy upon tendering to the holder thereof an amount equal to the fair market value of the portion of said right which remains unexpired on the date of termination.

(c) As used in this section, the term "improved property" shall mean a one-family dwelling the construction of which was begun before January 1, 1969, together with so much of the land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling and land for noncommercial residential or agricultural purposes, together with any structures accessory to the dwelling which are situated on the land so designated: *Provided,* That the Secretary may exclude from the land so designated any water bodies together with so much of the adjacent land as he deems necessary for public access thereto.

(d) Any property or interests therein within a unit of the national recreation area which are owned by a State or by any political subdivision thereof or permanently preserved for conservation purposes under the ownership of a nonprofit, nonstock organization may be acquired only by donation. Notwithstanding any other provision of law, any federal property located within a unit of the recreation area may, with the concurrence of the agency having custody thereof, be transferred to the administrative jurisdiction of the Secretary, without transfer of funds, for administration by him as part of the recreation area.

ADMINISTRATIVE PROVISIONS

SEC. 7. (a) The Secretary shall administer and protect the recreation area with the primary aim of conserving the natural resources located within it and preserving the recreation area in as nearly its natural state and condition as possible. No development or plan for the convenience of visitors shall be undertaken in the recreation area which would be incompatible with accepted ecological principles, the preservation of the physiographic conditions now prevailing or with the preservation of such historic sites and structures as the Secretary may designate.

(b) The recreation area shall be administered, protected, and developed by the Secretary in accordance with the provisions of this Act and the Act of August 25, 1916 (39 Stat. 535), as amended, and supplemented (16 U.S.C. § 1 et seq.) except that the Secretary may utilize any other statutory authority available to him for the conservation and management of natural resources to the extent he finds such authority will further the purposes of this Act.

(c) The Secretary shall permit hunting, fishing, and trapping on lands and waters under his jurisdiction within the recreation area in accordance with the applicable laws of the States concerned and of the United States, except that the Secretary may designate zones where, and establish periods when, no hunting, no fishing or trapping shall be permitted for reasons of public safety, fish or wildlife management, administration, or public use and enjoyment. Except in emergencies, any regulations of the Secretary prescribing any such restrictions shall be issued only after consultation with the appropriate agency of the State concerned.

(d) The Federal Power Commission shall not authorize the construction, operation, or maintenance within the national recreation area of any dam, water conduit, reservoir, powerhouse, transmission line, or other project works under the Federal Power Act (41 Stat. 1063), as amended (16 U.S.C. 791a et seq.): *Provided,* That the provisions of that Act shall continue to apply to any project, as defined in that Act, already licensed.

(e) Designated National Park Service employees of the recreation area may make arrests for violations of any Federal laws or regulations applicable to the area, and they may bring the accused person before the nearest magistrate judge, or court of the United States having jurisdiction in the premises.

ADVISORY COMMISSIONS

SEC. 8. (a) There is hereby established an advisory commission for each unit of the recreation area.

(b) Each commission shall be composed of members appointed for a term of two years by the Secretary as follows:

(1) a member appointed to represent each State in which the unit is located and such appointments shall be made from recommendations of the Governors of such States;

(2) a member appointed to represent the appropriate regional planning commissions or agencies of each State in which the unit is located and such appointment shall be made from recommendations of the heads of such commissions;

(3) a member appointed to represent each town referred to in section 1 of this Act that is directly affected by the establishment of the unit and such appointments shall be made from recommendations of the governing body of such towns; and

(4) a member to be designated by the Secretary.

(c) The Chairman of each commission shall be elected by the membership thereafter for a term not to exceed two years. Any vacancy in each commission shall be filled in the same manner in which the original appointment was made.

(d) All members of the commissions shall serve without compensation as such. The Secretary is authorized to pay the expenses reasonably incurred by the commissions in carrying out their responsibilities under this Act on the presentation of vouchers signed by the Chairmen.

(e) The Secretary or his designate shall consult regularly with the appropriate commission with respect to matters relating to the development of each unit of the recreation area, and with respect to carrying out the provisions of this Act, including the acquisition of lands for the recreation area, the issuance of regulations specifying standards for zoning ordinances, and the administration of the recreation area.

(f) Each Commission shall make available to the Secretary an annual report reviewing matters relating to the development of each unit of the recreation area, including land acquisition and the zoning standards policies, and shall make recommendations thereto.

CONNECTICUT RIVER VALLEY CORRIDOR

SEC. 9. (a) The Secretary, in accordance with authority contained in the Act of May 28, 1963 (77 Stat. 49) and in consultation with the New England River Basin Commission and the advisory commissions established by section 8, of this Act, shall encourage coordinated planning for the conservation and development of the outdoor recreation resources of the Connecticut River Valley Corridor, as depicted on the map referred to in section 1 of this Act. The Secretary shall give particular attention to encouraging and coordinating the conservation and development of the outdoor recreation resources of the corridor that are outside the boundaries of the recreation area, and he is authorized to provide technical assistance to State and local governments and private individuals, groups, and associations with respect to the conservation and development of such resources. The Secretary is authorized to establish a regional office of the Bureau of Outdoor Recreation within the boundaries of the Connecticut River Valley in order to facilitate the planning and coordination under this section.

(b) The Secretary shall encourage State, regional, county, and municipal bodies to adopt and enforce adequate master plans and zoning ordinances which will promote the use and development of privately owned lands within the corridor in a manner consistent with the purposes of this section, and is authorized to provide technical assistance to such bodies in the development of such plans and ordinances.

(c) The Secretary shall cooperate with the appropriate State and local agencies to provide safeguards against pollution of the Connecticut River and unnecessary impairment to the scenery thereof.

(d) In order to avoid, insofar as possible, decisions or actions by any department, agency, or instrumentality of the United States which could have a direct and adverse effect on the outdoor recreation resources of the corridor, all departments, agencies, and instrumentalities of the United States shall consult with the Secretary concerning any plans, programs, projects, and grants under their jurisdiction within the corridor. Any Federal department, agency, or instrumentality before which there is pending an application for a license for any activity which could have such effect on the outdoor recreation resources of the corridor shall notify the Secretary, and, before taking final action on such application, shall allow the Secretary ninety days to present his views on the matter.

(e) The Secretary of Agriculture shall study means of preserving the agricultural forest and rural open space character of the corridor, and shall submit a report of his findings and recommendations to the President and Congress within one year after the date of this Act.

(f) There is hereby authorized to be appropriated the sum of $100,000 to be equally divided among the State governments in Vermont, New Hampshire, Massachusetts and Connecticut.

NATIONAL SCENIC TRAIL

SEC. 10. (a) In order to promote public access to, travel within, and enjoyment and appreciation of the Connecticut River Valley Corridor, there is hereby established the Connecticut Valley National Scenic Trail as a unit of the National system of trails established by the National Trails System Act (82 Stat. 919). Insofar as practicable, the right-of-way for such trail shall comprise the trail depicted on the map referred to in section 1 of this Act. The Connecticut Valley National Scenic Trail shall be administered primarily as a footpath.

(b) The selection of the trail right-of-way, the acquisition of property therein, and the development, operation, maintenance, and administration of the trail shall be in accordance with the provisions of this section and the provisions of section 7 of the National Trail System Act applicable to national scenic trails.

CONNECTICUT VALLEY TOURWAY

SEC. 11. (a) In order further to promote travel within an enjoyment and appreciation of the Connecticut River Valley Corridor, the Secretary of Transportation, in consultation with the Secretary of the Interior and the other Federal and State agencies involved, may designate a Connecticut Valley Tourway. The tourway shall comprise, to the extent practicable, existing roads within the corridor. Such designation of existing roads which are part of the Federal-Aid Highway System shall in no way modify the rules and procedures applicable to the maintenance, improvement or beautification of such roads under the provisions of the Federal-Aid Highway Act, as amended. The Secretary of Transportation, under appropriate agreements with the Federal or State agencies administering the lands involved, may provide for the erection and maintenance of interpretative devices and makers along the tourway for the benefit of the public, and he shall encourage the State agencies to utilize to the fullest extent funds available to them under the Federal-Aid Highway Act to preserve the scenic character of the tourway and control adverse or nonconforming uses on the roads so designated.

(b) Before the Secretary of Transportation shall designate a Connecticut Valley Tourway, the Secretary shall name a standing committee representing State and local interests to review means to safeguard the scenic rural character of the area and to relieve unnecessary burdens on local municipalities accruing from increased traffic.

SHORELINE EROSION CONTROL

SEC. 12. The Secretary of the Interior and the Secretary of the Army shall cooperate in the study and formulation of plans for shoreline erosion control of the Connecticut River; and any protective works for such control undertaken by the Chief of Engineers, Department of the Army, shall be carried out in accordance with a plan that is acceptable to the Secretary of the Interior and is consistent with the purposes of this Act.

APPROPRIATIONS

SEC. 13. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, but not more than $46,000,000 shall be appropriated for the acquisition of lands, waters, or interests therein.

Mr. DODD. It is a pleasure to serve with my distinguished colleague from Connecticut as a principal sponsor of a bill for the creation of the Connecticut River national recreation area.

The proposed Connecticut River national recreation area has been under careful study by the Department of the Interior since October of 1966. It has been found to be both highly feasible and eminently desirable.

In this era of growing population, of ever increasing pressure and complexity in urban life and of continuing pollution and despoilation of our recreational resources, it is imperative that measures be taken to preserve areas of natural beauty and to permit their use and enjoyment by present and future generations.

By the year 2000, a single metropolis will cover the entire east coast of the United States from north of Boston to south of Washington, D.C. By that date, the population of this area is expected to grow to 72 million. Much of the rural area that still remains on the northeast and mid-Atlantic coasts will be required for residential areas to house these people, industrial parks to employ them, jetports, highways and railroad lines to transport them, and shopping centers to distribute the goods they will require.

Larger numbers of people, however, will also require larger amounts of land for recreation and relaxation. Provisions such as the one now proposed must be made to insure that these fundamental needs will be met.

The Connecticut River Valley offers tremendous potential for projects of this nature. It is both centrally located and easily accessible. At present, the area is served by seven interstate or limited access highways. In 1960, over 50 percent of the total population of New England lived within 50 miles of the river. Further, despite encroachment and increasing pollution, there remain large areas of natural wood and marshland along its banks which are highly suitable for development as outdoor recreational areas.

This bill provides for the acquisition by the Federal Government of three such areas: one in Connecticut, one in Massachusetts, and one on the northern borders of Vermont and New Hampshire. These areas have been carefully selected to provide a maximum of scenic beauty and recreational potential and to cause minimum disruption of existing residential, commercial, agricultural and transportation facilities.

In addition, the bill looks toward healthy cooperation between State, local and private organizations to protect other undeveloped areas. For example, local communities are encouraged to pass zoning restrictions to conform with State and Federal guidelines and to coordinate the development of master plans for the future use and conservation of the land within their boundaries.

Finally, the Secretary of Agriculture is called upon to study means of preserving additional agricultural and rural open space within the Connecticut River Valley area.

I fully support the bill. Its proposals are original and well-planned, and they take us a step in the right direction toward meeting one of our greatest needs

I am proud to join my colleagues from New England in urging its enactment.

Mr. KENNEDY. Mr. President, I am pleased to cosponsor legislation to create a Connecticut River national recreation area. The bill which is being introduced today provides for development of three conservation and recreation areas along the banks of the Connecticut—at the gateway where it flows into Long Island Sound, in the Mount Holyoke Range area of Massachusetts, and along the upper river in Vermont and New Hampshire. Passage of the legislation will be a major step in restoring the beauty of the Connecticut River Valley and preserving our natural heritage.

Three years ago, I joined with Senator Ribicoff and my New England colleagues on legislation to study the possible development of the Connecticut River and its surrounding towns as a national recreation area. That study, carried out by the Department of the Interior, found conditions, both natural and man-made, which temporarily limit the area's recreation use:

Water quality covering the entire pollution class scale and only 7 percent of the river's length presently suitable for primary contact recreation use.

Severely depleted fish and wildlife populations, and much of the river incapable of supporting a productive sports fishery.

Boating limited by natural and artificial obstructions. Virtually no public swimming areas on the river.

A lack of public picnic facilities along the river, especially near urban concentrations.

Foot, bicycling, and horseback trail mileage inadequate for present needs, with the greatest deficiencies near urban areas.

Public camping opportunities limited to a few, small, scattered areas.

The bill which has been introduced by Senator RIBICOFF today and which I have cosponsored would carry out recommendations of the report and make the Connecticut River national recreation area a reality.

The bill defines a "Connecticut River Valley Corridor," composed of the Connecticut River and the first tier of towns bordering the river in Connecticut, Massachusetts, Vermont, and New Hampshire. The aim of the legislation is to develop the recreation potential of this

corridor and to preserve and protect it from scenic pollution.

A small area within the corridor, less than 1 percent of the total area, will come under Federal jurisdiction and be developed as a nucleus for efforts to save the valley. This 56,700-acre national recreation area, to be administered by the National Park Service, will be composed of three units encompassing all four States.

The gateway unit would cover 23,500 acres at the mouth of the Connecticut River where it flows into Long Island Sound. The Coos Scenic River unit would include 21,200 acres in Vermont and New Hampshire, up near the Canadian border. The Mount Holyoke unit would be a 12,000 acre national park area east of the Connecticut between Springfield and Northampton.

The Mount Holyoke unit, in my own State of Massachusetts, would include the riverfront area and would run for about 7 miles back along the heavily forested Mount Holyoke Range, well beyond the notch. The area would be developed for camping, hiking, picnicking, fishing, boating, swimming, sightseeing, and other recreation activities.

Of the 12,000 acres, the Federal Government would be entitled to acquire full title to lands only where lesser interests would not be adequate to carry out the aims of the recreation area. For the most part, it would obtain scenic easements, whereby the owner of property would agree to restrict the use of his land to preserve scenic and environmental qualities. Even where property is acquired outright, the Government in most cases would give the few owners affected a life estate.

It is hoped that as a complementary action the State would develop and expand Mount Tom State reservation.

Indeed, a major thrust of the bill is to encourage cooperation and commitment at all levels—Federal, State, local, and private. The bill provides for technical assistance grants to help support such efforts.

Other provisions of the bill include:

A 300-mile Connecticut Valley Trail for hiking enthusiasts;

A winding tourway for motorists along the full length of the river;

Establishment of scenic easements wherever possible along the river—restricting use of land without taking it out of private hands.

Creation of advisory commissions, to be composed of State and local officials, and representatives of regional planning commissions or agencies.

It is my understanding that full Senate hearings and consultation with local leaders and interested citizens will be held on the bill.

In the distant past, the Connecticut River was a valuable asset to Massachusetts and New England. It afforded fish, power and recreation.

In the recent past, however, the fish and birds have been killed by noxious pollutants. People seeking to use the Connecticut for recreation have been driven off by smells and filth.

We can and must act now to lay the base for restoring the Connecticut River to its place as an asset to be proud of. And our concern must be not only for the river itself, but for its surrounding areas. The Connecticut River Valley already has 1.7 million people and will have over 3 million by the year 2000. Action is long overdue to assure that this and similar regions of natural beauty do not become ravaged further by the destruction of the trees and foliage, by the laying of concrete and asphalt, and by the continued spoilage of the waters of the river and its tributaries. Ways must be found to prevent further deterioration and to recapture some of the beauty which has already been lost. Our children and their children need to have places set aside for recreation and to be able to enjoy swimming, boating, fishing, and the many other forms of relaxation.

Progress now is being made to clean up the river. In the U.S. Senate, I have supported with my colleagues far-reaching water pollution controls which are starting to have an effect. And here in the State, people are working together with a renewed sense of concern.

Indeed, while much work remains, it has been predicted that within a few years many sections of the river may again be swimmable.

But even as water pollution decreases, a broader danger to our natural environment has become more serious—the unchecked industrial and commercial development which now threatens the banks and surrounding areas which add so much to the overall charm and appeal of the Connecticut.

Already, along many portions of the river, ugly factories are violating the scenic beauty of the area and dumping pollutants into the river. And ironically, as the river itself becomes fit for swimming, boating and fishing, the expected influx of people to the area threatens to bring hot dog stands, trailer parks, billboards, unsightly construction and other eyesores which will spoil the natural environment of the river valley.

The Connecticut River national recreation area will meet these problems and enhance the natural beauty of the area. I look forward to swift action, with full consultation with citizens back home.

Finally, Mr. President, I would like to commend my colleague from Connecticut, Senator RIBICOFF, for his strong commitment and efforts to develop the Connecticut River national recreation area. As the primary sponsor of the original legislation calling for a study, and now of legislation to enact its recommendations, he has worked hard and is achieving results. It is a pleasure to join once again and continue to work with him in this effort.

I strongly support developing the Connecticut River national recreation area.

ORDER OF BUSINESS

Mr. COOK. Mr. President, I ask unanimous consent that I may proceed for 5 minutes.

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

SENATE JOINT RESOLUTION 91—INTRODUCTION OF A JOINT RESOLUTION ESTABLISHING THE FEDERAL COMMITTEE ON NUCLEAR DEVELOPMENT

Mr. COOK. Mr. President, I introduce, for appropriate reference, a joint resolution on behalf of myself and Senators COOPER, MANSFIELD, MATHIAS, METCALF, WILLIAMS of New Jersey, PACKWOOD, STEVENS, SCHWEIKER, and RANDOLPH. The joint resolution, if passed, would establish the Federal Committee on Nuclear Development whose purpose it would be to assess and evaluate the current atomic energy program of the United States.

I claim no pride of authorship in this matter, as it was introduced in substantially the same form in the last Congress by my predecessor, Hon. Thruston Morton. At that time, February 28, 1968, he pointed out in great detail the history of peaceful development of atomic energy subsequent to World War II and described the current feeling among many in the scientific community that a review of the direction of our atomic energy program was greatly needed. My remarks today will be confined to a summation of Senator Morton's very comprehensive treatment of the subject.

Congress instructed the Atomic Energy Commission when it was established by the Atomic Energy Act in 1954 to promote and encourage the development of atomic energy. At least $2½ billion have been spent in the interim period to make nuclear plants efficient and able to compete with other power sources such as coal and oil. We appropriated these large sums for developing a new power source knowing full well that it would not be needed until 50 to 100 years hence when our supply of fossil fuels might begin to run short.

Congress adopted this atomic energy program, which resulted in a new technical development becoming, for the first time in our history, a Government monopoly. There is no question that the ability to create electrical energy through atomic fission is an amazing accomplishment but we also understand now what we did not realize in 1945—that atomic energy is no panacea.

Some might consider this resolution in some way a repudiation of the outstanding work of the Joint Committee on Atomic Energy. I assure Senators that I have nothing but the highest regard for the Members of the Congress who serve on this committee and I think they have ably carried out the original mandate of Congress which was to promote the peaceful uses of atomic energy. Unfortunately, the act made no provision for consideration of the need for nuclear energy, the fate of competing fuels, and the effect on the economy.

There are many indications now that we have moved too quickly, without the proper safeguards, into the atomic energy field. Early enthusiasts who appear to have become somewhat disillusioned about the program and are now calling for a reappraisal include David Lilienthal, who was the first Chairman of the Atomic Energy Commission. These ex-

perts tell us that the potential hazards of nuclear power are threefold:

First. The emanation of radioactive substances into the air and into the water of streams used for cooling the plants themselves.

Second. The expensive and difficult problem of safely handling waste material which remains after the useful life of the nuclear fuel has terminated.

Third. And the possibility, even though remote, that an accident would result in the sudden release of radioactive material into the atmosphere.

Undoubtedly, the possibilities of unprecedented damage to human and animal life were not realized by Congress when it decided to develop the civilian nuclear power complex, but this does not absolve us of the responsibility today, in the light of new evidence, to reevaluate the direction of this program both in terms of costs and safety to the public.

Mr. President, is is my strong belief that the Members of the Joint Committee on Atomic Energy have diligently carried out the original mandate of Congress which was to promote the use of civilian nuclear energy. It is the original mandate I question today, and certainly not the efforts of my colleagues on this committee. The resolution which I am introducing calls for a comprehensive review of the whole Government participation in the atomic energy program including the original mandate. It is for this reason that I have suggested we call upon cabinet officers, scientists, laymen, and Members of Congress who are not on the Joint Committee on Atomic Energy, to conduct this study. Since the problem is urgent and time is of the essence, this committee on nuclear development is required to make a report of its findings to the Congress within 2 years of its authorization. We owe it to ourselves and our descendents to objectively evaluate the future direction of this phenomenon of atomic energy which could mean much to the development of the Nation or to the contrary, become the vehicle for rendering our environment unfit for habitation. I urge Senators to support this effort to find the proper balance between progress and safety.

I ask unanimous consent that the joint resolution be appropriately referred and that its text be printed in the RECORD at this point.

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

The joint resolution (S.J. Res. 91) establishing the Federal Committee on Nuclear Development, introduced by Mr. COOK (for himself and other Senators), was received, read twice by its title, referred to the Joint Committee on Atomic Energy, and ordered to be printed in the RECORD, as follows:

S.J. RES. 91

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. There is hereby established the Federal Committee on Nuclear Development (hereinafter referred to as the "Committee").

MEMBERSHIP AND ORGANIZATION OF THE COMMITTEE

SEC. 2. (a) The Committee shall be composed of a Chairman, who shall be a member of the general public having no ties to or connections with either the atomic energy industry or any competitive industry, and twenty other members as follows:

(1) Four Members of the House of Representatives, two from each political party, appointed by the Speaker of the House of Representatives, none of whom shall be members of the Joint Committee on Atomic Energy;

(2) Four Members of the Senate, two from each political party, appointed by the President pro tempore of the Senate, none of whom shall be members of the Joint Committee on Atomic Energy;

(3) The Secretary of the Interior;

(4) The Secretary of Commerce;

(5) The Secretary of Labor;

(6) The Secretary of Health, Education, and Welfare; and

(7) Eight members of the general public who are specially qualified to consider and evaluate the technical, economic, and sociological impact of the atomic energy program.

(b) The Chairman, and the members specified in paragraph (7) of subsection (a), shall be appointed by the President by and with the advice and consent of the Senate.

(c) Each member specified in paragraphs (3) through (6) of subsection (a) may designate another officer of his department to serve on the Committee in his stead.

(d) Any vacancy in the Committee shall not affect its powers, but shall be filled in the same manner as the original appointment.

(e) The Committee may issue such rules and regulations as it deems advisable to conduct its activities.

DUTIES OF THE COMMITTEE

SEC. 3. (a) The Committee shall study, review, and evaluate the present provisions of the Atomic Energy Act of 1964 and examine the atomic energy program of the United States generally, with the specific objectives of ascertaining whether the existing civilian nuclear program is responsive to the public need, assessing the validity of the assumptions upon which the existing program is built, and determining what changes, if any, should be made in that program. In this connection the Committee shall consider and assess (1) the impact of the atomic energy industry upon competitive industries; (2) methods for effectively integrating atomic energy into the general energy complex of the United States so that reasonable priorities may be determined; and (3) the potential impact of atomic development upon the health and safety of the American public.

(b) The study and review provided for in subsection (a) shall be completed within two years and the Committee shall, at that time, submit a report of its findings to the President and the Congress, and shall make such report available to the public. Ninety days after the submission of such report, the Committee shall cease to exist.

POWERS OF THE COMMITTEE

SEC. 4. (a) The Committee, or, on the authorization of the Committee, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this joint resolution, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Committee or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Committee, or such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 to 104, inclusive, of the Revised Statutes of the United States (2 U.S.C. 192–194, inclusive) shall apply in the case of failure of any witness to comply with a subpena or to testify when summoned under authority of this section.

(b) The Committee is authorized to secure directly from any department, bureau, agency, board, commission, office, independent establishment, or instrumentality of the executive branch of the Federal Government information, suggestions, estimates, and statistics for the purpose of this joint resolution; and each such department, bureau, agency, board, commission, office, independent establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Committee, upon request made by the Chairman.

COMPENSATION OF MEMBERS

SEC. 5. The members of the Committee specified in paragraphs (1) through (6) of section 2(a) shall serve without additional compensation. The Chairman and the members appointed under paragraph (7) of section 2(a) shall receive $100 per diem when engaged in the performance of the duties of the Committee. All members of the Committee shall receive reimbursement for necessary traveling and subsistence expenses incurred by them in the performance of the duties of the Committee.

STAFF AND FACILITIES

SEC. 6. (a) The Committee shall have power to appoint and fix the compensation of such personnel as may be necessary to carry out its duties without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) The Committee may also procure (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates), temporary and intermittent services to the same extent as is authorized for the executive departments by section 3109 of title 5, United States Code, but at rates not to exceed $50 per diem for individuals.

(c) To the extent of available appropriations, the Committee may obtain, by purchase, rental, donation, or otherwise, such property, facilities, and additional services as may be needed to carry out its duties.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this joint resolution.

PRESIDENT NIXON'S DOMESTIC PROGRAM

Mr. BAKER. Mr. President, I rise to support the legislative priorities in the domestic program enunciated yesterday by President Nixon. The 10 proposals which the President announced he will soon send to Congress reflect a responsible approach and indicate that the goal of this administration will be a constructive, well-studied response to the domestic problem of our country.

In his message the President indicated that the early days of his administration have been devoted to the pursuit of peace abroad and to the development of new structures and new programs for the pursuit of progress at home. As it should be, peace has been

the first priority. At the same time, however, the development of the first Nixon legislative program demonstrates a keen awareness of the domestic problems at home.

Of the proposals announced yesterday, I am most pleased at the suggestion of the President for a system of tax sharing by the Federal Government with State and local governments. On March 24 I introduced, along with 20 additional cosponsors, the Tax Sharing Act of 1969, a measure which would require the regular distribution of a specified portion of the Federal individual income tax to the States primarily on the basis of population with virtually no conditions attached. In my introductory remarks I indicated that while I am not wed unyieldingly to the specific terms and provisions of the bill I introduced, I am firmly committed to the concept of tax sharing. For this reason I am hopeful that the President's action will provide the needed impetus for hearings and the enactment by Congress of a tax-sharing plan.

I will not reiterate at this time the fiscal arguments in support of this concept. We are all painfully aware of the fiscal plight that confronts our State and local governments. We are also painfully aware, on this day of April 15 in particular, of the efficiency of the Federal Government in collecting revenue. The enactment of tax sharing would allow the Federal Government to relieve the intense fiscal pressure on State and local governments and would, at the same time, serve the tradition of federalism by instilling in State and local governments a new vitality and independence.

Again, I commend the President on the program which he announced yesterday.

ORDER OF BUSINESS

Mr. GOLDWATER. Mr. President, I ask unanimous consent to proceed for approximately 12 minutes, disregarding the morning hour rule.

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

THE MILITARY-INDUSTRIAL COMPLEX

Mr. GOLDWATER. Mr. President, as a member of the Armed Services Committee, and as a member of the Senate Preparedness Subcommittee, I am greatly interested in the growing preoccupation of some groups and individuals these days with the so-called military-industrial complex in the United States. Indeed, if I were a psychologist, I might be tempted to the conclusion that the left wing in American politics has developed a "complex over a complex."

Judging from the view expressed by many of our public officials and commentators the so-called military-industrial complex would seem to be responsible for almost all of the world's evils.

Certainly, a determined effort is underway to place at its doorstep almost full responsibility for the unfortunate war in Vietnam and the high cost of American defense.

We further find great attention being paid to the number of former military officers who have gone to work for defense-related industry. It has been shown with considerable flourish and headshaking that some 2,000 former members of the U.S. armed services in the grades of colonel and above, now are employed by companies that do business with the Defense Department. This revelation seemed to imply some kind of an unholy but nonspecific alliance on the part of industry and onetime military officers to cheat and defraud the American taxpayer.

In presenting information on former military men employed by defense industries to the Senate on March 24, the Senator from Wisconsin (Mr. PROXMIRE) was careful to say that he was not charging any general wrongdoing on anybody's part, and that he had found no evidence that any conspiracy exists. I know that these retired people appreciate that conclusion.

He seemed most concerned, though, about a condition he described as "the old school tie" and the fact that many former high-ranking officers working in defense industry still retain personal friendships with some men still in the services.

He accurately observed:

> There is a continuing community of interest between the military, on one hand, and these industries on the other.

Now, Mr. President, I do not see how anyone could deny either the fact that friendships continue or that a community of interest exists between the military and the people who supply them with the tools of their trade.

Consequently, I am quite mystified to understand why this situation strikes the Senator from Wisconsin as—and I use his exact words—"Most dangerous and shocking."

I am sure that the Senator would agree that former Members of Congress now working for industries that do business with the U.S. Government still retain friendships with present Members of the House and Senate.

I am also sure that he would agree former Government officials now employed by companies doing business with the Government retain "old school tie" relationships with friends they made while in the Government and with friends still working in the Government. This situation even exists, I believe, with some officials who once worked for Government regulatory agencies and now are employed by industries which are being regulated. But apparently the critics of the military-industrial complex do not find situations like this shocking and dangerous.

Mr. President, perhaps the "old school tie" is more binding if it happens to be the khaki-colored type worn by military men. Critics of the military seem to think so.

In that connection, I should like to point out that the figure of 2,000-plus retired military officers working for defense-related industries is impressive only when it is permitted to stand by itself and without the proper explanation. These 2,000 officers are employed by 100 of the largest corporations in the world. They are employed by industries which do many billions of dollars worth of business every year. These 2,000 former military men are only a very small fraction of the tens of thousands of employees who work for these 100 industries—less than 1 percent. What is more, they represent only a small portion of the military officers who have been retired.

I am informed by the Pentagon that the number of former military officers receiving retired pay as of June 1968, totaled 232,892. I also discovered that since the end of World War II, some 36,800 officers in the highest grades, colonels and above, have been retired. A total of 21,484 were retired between the years 1961 and 1968.

Mr. President, I believe these figures make it amply clear that high ranking military officers are not rushing into retirement at the beckoning of defense contractors.

Be that as it may, I believe it is long past time when these questions relating fundamentally to the defense of this Nation should be placed in their proper perspective. Let us take the military-industrial complex and examine it closely. What it amounts to is that we have a big Military Establishment, and we have a big industrial plant which helps to supply that establishment. This apparently constitutes a complex. If so, I certainly can find nothing to criticize but much to be thankful for in its existence.

Ask yourselves, for example, why we have a large, expensive Military Establishment and why we have a large and capable defense industry. The answer is simply this: We have huge worldwide responsibilities. We face tremendous worldwide challenges. In short, we urgently require both a big defense establishment and a big industrial capacity. Both are essential to our safety and to the preservation of freedom in a world fraught with totalitarian aggression.

Merely because our huge responsibilities necessitate the existence of a military-industrial complex does not automatically make that complex something we must fear or feel ashamed of.

You might consider where we would be in any negotiations which might be entered into with the Soviet Union if we did not have a big military backed by a big industrial complex to support our arguments.

You might wonder how we could possibly pretend to be interested in the freedom of smaller nations if the only military industrial complex in the world was possessed by Communist Russia or Communist China.

Mr. President, in many respects I am reminded of the problem which confronted our Nation in the early days of World War II.

The madman Hitler was running rampant. Freedom was being trampled throughout all of Europe. Suddenly the United States found itself forced to fill the role of the "arsenal of democracy." This Nation had to start from scratch and finally outproduce the combined efforts of the Axis Powers. And we had to do it quickly. The very existence of freedom in the world as we knew it in the early 1940's depended on it. And how did we perform this miracle? Well, I will tell you that we performed it with the help of an industrial giant called an in-

tegrated steel industry. Although this industry and others like it performed miracles of production at a time when the chips were down all over the world, it still was the subject of long and harassing investigation after the war because of its "bigness." Incredible as it seems, the very size of an industry which enabled us to defeat the Fascists armies and remain free became the reason for investigation by liberals in the Congress during the immediate postwar period.

We never, Mr. President, seem to understand that size is not necessarily an evil.

When the Russian sputnik went up, this Nation was deeply concerned. And that concern had to do with our inability at that time to duplicate the Soviet feat. Now that we have the industrial capacity to equal the Russians in space or in matters related to defense, there seems to be a nationwide effort to make us feel guilty.

What would the critics of the military-industrial complex have us do? Would they have us ignore the fact that progress occurs in the field of national defense as well as in the field of social sciences? Do they want us to turn back the clock, disband our Military Establishment, and do away with our defense-related industrial capacity?

Mr. President, do these critics of what they term a military-industrial complex really want us to default on our worldwide responsibilities, turn our back on aggression and slavery, and develop a national policy of selfish isolation?

Rather than deploring the existence of a military-industrial complex, I say we should thank heavens for it. That complex gives us our protective shield. It is the bubble under which our Nation thrives and prospers. It is the armor which is unfortunately required in a world divided.

For all those who complain about the military-industrial complex, I ask this question: "What would you replace it with? Would you have the Government do it" Well, our Government has tried it in the past, and failed—dismally so.

What is more, I believe it is fair to inquire whether the name presently applied is inclusive enough. Consider the large number of scientists who contributed all of the fundamental research necessary to develop and build nuclear weapons and other products of today's defense industries. Viewing this, should not we call it the "scientific-military-industrial complex"?

By the same token, do not forget the amount of research that has gone on in our colleges and universities in support of our defense-related projects. Maybe we should call it an "educational-scientific-military-industrial complex." Then, of course, the vast financing that goes into this effort certainly makes the economic community an integral part of any such complex. Now we have a name that runs like this: "An economic-educational-scientific-military-industrial complex."

What we are talking about, Mr. President, is an undertaking which grew up from necessity. It is the product of American initiative, incentive, and genius responding to a huge global challenge. It is, perhaps, the most effective and efficient complex ever built to fill a worldwide function. Its ultimate aim is peace in our time, regardless of the aggressive, militaristic image which the left wing is attempting to give it.

Mr. President, I do not find the employment of military officers by 100 of the largest companies in this Nation alarming or menacing. Many of those officers were technically trained to provide special services, many of which are required by the companies involved. And I hasten to point out that these same companies employ other free Americans, some of them former Senators, some of them former Congressmen, some of them former civilian employees of the Government.

It is my contention that a retired military officer is a private citizen. He has a right to seek employment wherever he can. It is only natural that he should look to sources of employment which involve matters he was trained to work in. The fact that he once was an Army officer and the company he works for does business with the Army does not automatically insure an undesirable relationship from the public viewpoint. I would like to say that anyone who has evidence of wrongdoing, of deliberate and unlawful favoritism in the dealings which involve defense industries and former military officers should come forth and make the circumstances clear. I say that anyone who has evidence that a conspiracy exists between the Pentagon on one hand and former military officers on the other should say so and produce evidence to back it up. I say that anyone who charges that a "military elite" is at work trying to turn the United States into an aggressive nation should stop dealing in generalities and come forward with names, specific dates, meeting place locations, and all the rest of the kind of data it takes to back up such a charge.

The VICE PRESIDENT. The Senator's time has expired.

Mr. GOLDWATER. I ask unanimous consent that I may proceed for perhaps 6 minutes.

The VICE PRESIDENT. Without objection, the Senator from Arizona is recognized for an additional 6 minutes.

Mr. GOLDWATER. So far, Mr. President, I have yet to hear of any specific case of wrongdoing involving former military officers working for companies that do business with the Pentagon. In fact, I believe the record will show that the largest single cloud ever to hang over the so-called military-industrial complex stemmed from decisions made by civilian officers in the Department of Defense.

I am, of course, speaking about the incredible circumstances surrounding the awarding of the largest defense contract in the history of the world to a company whose bid had been rejected by nearly all the military specialists and nonmilitary specialists and evaluation boards in the Pentagon. The contract was the multi-billion dollar TFX contract which former Defense Secretary Robert McNamara, former Navy Secretary Fred Korth, and former Under Secretary of Defense Roswell Gilpatric jammed down the throats of the Navy and Air Force.

This was undoubtedly the costliest fumble in American history. It has never been properly dealt with and I suggest to those, especially those in this body, who are sincerely interested in the dangers of a military-industrial complex becoming too powerful in this Nation that a full investigation be launched into all aspects of the TFX–F111 fiasco. I would recommend that the activities of all present and former military and civilian officials involved in the awarding of the TFX contract be examined.

I find it highly interesting, by the way, that one of those most directly involved in this questionable decision—Mr. Gilpatrick—is now part of the panel of experts being consulted by a Member of the U.S. Senate in connection with his campaign to defeat the deployment of a missile defense in this country.

Mr. President, I hope I shall be fully understood in this respect. If there is wrongdoing, whether of a conflict-of-interest nature or something else in our Defense Establishment, I want it investigated and stopped and the guilty parties punished. And this goes for wrongdoing by anyone concerned, whether he be a military man, a former military man, a defense industry executive, or a civilian officer of the Government. I feel that this is our true concern. Maybe the hugeness of the system which we are now compelled to maintain does lend itself to improprieties.

If so, let us concern ourselves with such improprieties and find means to deal with them legislatively. This is the constructive way to proceed. It does no good for us to gaze with awe on the tremendous increase in defense expenditures with which the McNamara era saddled us and then pretend that denunciation of a military-industrial complex will somehow make it all right.

In the attacks on the military also you will find repeated reference to a speech once made by former President Eisenhower.

But I would remind you that when Dwight Eisenhower mentioned the possibility of unwarranted influence being acquired by such a complex, he had some other profound things to say. I want to quote one passage in particular.

He said:

> We face a hostile ideology—global in scope, atheistic in character, ruthless in purpose and insidious in method. Unhappily the danger it poses promises to be of indefinite duration.
>
> To meet it successfully, there is call for, not so much the emotional and transitory sacrifices of crisis, but rather those which enable us to carry forward steadily, surely, and without complaint the burdens of a prolonged and complex struggle—with liberty the stake. Only thus shall we remain, despite every provocation, on our charted course toward permanent peace and human betterment . . . .
>
> A vital element in keeping the peace is our military establishment. Our arms must be mighty, ready for instant action, so that no potential aggressor may be tempted to risk his own destruction.

As I have pointed out, many of the problems that are being encountered in the area of national defense today stem

not so much from a military-industrial complex as they do from the mistakes and miscalculations of a "civilian complex" or perhaps I should say a "civilian-computer-complex." My reference here, of course, is to the Pentagon hierarchy of young civilians—often referred to as the "whiz kids"—which was erected during the McNamara era in the questionable name of "cost effectiveness." And this complex, Mr. President, was built in some measure to shut out the military voice in a large area of defense policy decisionmaking.

I suggest that the military-industrial complex is not the all-powerful structure that our liberal friends would have us believe. Certainly nobody can deny that this combination took a drubbing at the hands of Mr. McNamara and his civilian cadres during the past 8 years.

If the military-industrial complex had been as strong and as cohesive as its critics would have us believe, it is entirely possible this Nation and its taxpayers would not today be facing the need for rebuilding the defenses of freedom. I have already mentioned one example. The TFX decision which has proven to be such a costly fiasco was made by the civilian complex against the advice of experienced military men.

If the military-industrial complex had been the irresistible giant its critics describe, we would certainly today be better equipped. We would undoubtedly have a nuclear-powered Navy adequate to the challenge presented by the Soviet naval might. We would certainly have in the air—and not just on a drawing board—a manned, carry-on bomber. We would never have encountered the kind of shortages which cropped up in every area of the military as a result of the demands from Vietnam. There would have been no shortage of military helicopters. There would have been no shortage of trained helicopter pilots. There would have been no need to use outdated and faulty equipment. No concern ever would have arisen over whether our supply of bombs was sufficient to the task in Southeast Asia.

In conclusion, Mr. President, I want to point out that a very strong case can be made for the need for a more powerful military-industrial complex than we have had during the past 8 years. At the very least, I wish to say that the employment practices of industries doing business with the Pentagon—practices which lead them to hire the most knowledgeable men to do their work—are no cause for shock. Nor are these practices dangerous to the American people.

I have great faith in the civilian leaders of our Government and of our military services. I have no desire to see the voice of the military become all-powerful or even dominant in our national affairs. But I do believe that the military viewpoint must always be heard in the highest councils of our Government in all matters directly affecting the protection and security of our Nation.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the complete text of President Eisenhower's farewell radio and television address to the American people.

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

FAREWELL RADIO AND TELEVISION ADDRESS TO THE AMERICAN PEOPLE, JANUARY 17, 1961

(Delivered from the President's Office at 8:30 p.m.)

My fellow Americans: Three days from now, after half a century in the service of our country, I shall lay down the responsibilities of office as, in traditional and solemn ceremony, the authority of the Presidency is vested in my successor.

This evening I come to you with a message of leave-taking and farewell, and to share a few final thoughts with you, my countrymen.

Like every other citizen, I wish the new President, and all who will labor with him, Godspeed. I pray that the coming years will be blessed with peace and prosperity for all.

Our people expect their President and the Congress to find essential agreement on issues of great moment, the wise resolution of which will better shape the future of the Nation.

My own relations with the Congress, which began on a remote and tenuous basis when, long ago, a member of the Senate appointed me to West Point, have since ranged to the intimate during the war and immediate post-war period, and finally, to the mutually interdependent during these past eight years.

In this final relationship, the Congress and the Administration have, on most vital issues, cooperated well, to serve the national good rather than mere partisanship, and so have assured that the business of the Nation should go forward. So, my official relationship with the Congress ends in a feeling, on my part, of gratitude that we have been able to do so much together.

II

We now stand ten years past the midpoint of a century that has witnessed four major wars among great nations. Three of these involved our own country. Despite these holocausts America is today the strongest, the most influential and most productive nation in the world. Understandably proud of this preeminence, we yet realize that America's leadership and prestige depend, not merely upon our unmatched material progress, riches and military strength, but on how we use our power in the interests of world peace and human betterment.

III

Throughout America's adventure in free government, our basic purposes have been to keep the peace; to foster progress in human achievement, and to enhance liberty, dignity and integrity among people and among nations. To strive for less would be unworthy of a free and religious people. Any failure traceable to arrogance, or our lack of comprehension or readiness to sacrifice would inflict upon us grievous hurt both at home and abroad.

Progress toward these noble goals is persistently threatened by the conflict now engulfing the world. It commands our whole attention, absorbs our very beings. We face a hostile ideology—global in scope, atheistic in character, ruthless in purpose, and insidious in method. Unhappily the danger it poses promises to be of indefinite duration. To meet it successfully, there is called for, not so much the emotional and transitory sacrifices of crisis, but rather those which enable us to carry forward steadily, surely, and without complaint the burdens of a prolonged and complex struggle—with liberty the stake. Only thus shall we remain, despite every provocation, on our charted course toward permanent peace and human betterment.

Crises there will continue to be. In meeting them, whether foreign or domestic, great or small, there is a recurring temptation to feel that some spectacular and costly action could become the miraculous solution to all current difficulties. A huge increase in newer elements of our defense; development of unrealistic programs to cure every ill in agriculture; a dramatic expansion in basic and applied research—these and many other possibilities, each possibly promising in itself, may be suggested as the only way to the road we wish to travel.

But each proposal must be weighed in the light of a broader consideration: the need to maintain balance in and among national programs—balance between the private and the public economy, balance between cost and hoped for advantage—balance between the clearly necessary and the comfortably desirable; balance between our essential requirements as a nation and the duties imposed by the nation upon the individual; balance between actions of the moment and the national welfare of the future. Good judgment seeks balance and progress; lack of it eventually finds imbalance and frustration.

The record of many decades stands as proof that our people and their government have, in the main, understood these truths and have responded to them well, in the face of stress and threat. But threats, new in kind or degree, constantly arise. I mention two only.

IV

A vital element in keeping the peace is our military establishment. Our arms must be mighty, ready for instant action, so that no potential aggressor may be tempted to risk his own destruction.

Our military organization today bears little relation to that known by any of my predecessors in peacetime, or indeed by the fighting men of World War II or Korea.

Until the latest of our world conflicts, the United States had no armaments industry. American makers of plowshares could, with time and as required, make swords as well. But now we can no longer risk emergency improvisation of national defense; we have been compelled to create a permanent armaments industry of vast proportions. Added to this, three and a half million men and women are directly engaged in the defense establishment. We annually spend on military security more than the net income of all United States corporations.

This conjunction of an immense military establishment and a large arms industry is new in the American experience. The total influence—economic, political, even spiritual—is felt in every city, every State house, every office of the Federal government. We recognize the imperative need for this development. Yet we must not fail to comprehend its grave implications. Our toil, resources and livelihood are all involved; so is the very structure of our society.

In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the miliary-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist.

We must never let the weight of this combination endanger our liberties or democratic processes. We should take nothing for granted. Only an alert and knowledgeable citizenry can compel the proper meshing of the huge industrial and military machinery of defense with our peaceful methods and goals, so that security and liberty may prosper together.

Akin to, and largely responsible for the sweeping changes in our industrial-military posture, has been the technological revolution during recent decades.

In this revolution, research has become central; it also becomes more formalized, complex and costly. A steadily increasing share is conducted for, by, or at the direction of, the Federal government.

Today, the solitary inventor, tinkering in his shop, has been overshadowed by task

forces of scientists in laboratories and testing fields. In the same fashion, the free university, historically the fountainhead of free ideas and scientific discovery, has experienced a revolution in the conduct of research. Partly because of the huge costs involved, a government contract becomes virtually a substitute for intellectual curiosity. For every old blackboard there are now hundreds of new electronic computers.

The prospect of domination of the nation's scholars by Federal employment, project allocations, and the power of money is ever present—and is gravely to be regarded.

Yet, in holding scientific research and discovery in respect, as we should, we must also be alert to the equal and opposite danger that public policy could itself become the captive of a scientific-technological elite.

It is the task of statesmanship to mold, to balance, and to integrate these and other forces, new and old, within the principles of our democratic system—ever aiming toward the supreme goals of our free society.

V

Another factor in maintaining balance involves the element of time. As we peer into society's future, we—you and I, and our government—must avoid the impulse to live only for today, plundering, for our own ease and convenience, the precious resources of tomorrow. We cannot mortgage the material assets of our grandchildren without risking the loss also of their political and spiritual heritage. We want democracy to survive for all generations to come, not to become the insolvent phantom of tomorrow.

VI

Down the long lane of the history yet to be written America knows that this world of ours, ever growing smaller, must avoid becoming a community of dreadful fear and hate, and be, instead, a proud confederation of mutual trust and respect.

Such a confederation must be one of equals. The weakest must come to the conference table with the same confidence as do we, protected as we are by our moral, economic, and military strength. That table, though scarred by many past frustrations, cannot be abandoned for the certain agony of the battlefield.

Disarmament, with mutual honor and confidence, is a continuing imperative. Together we must learn how to compose differences, not with arms, but with intellect and decent purpose. Because this need is so sharp and apparent I confess that I lay down my official responsibilities in this field with a definite sense of disappointment. As one who has witnessed the horror and the lingering sadness of war—as one who knows that another war could utterly destroy this civilization which has been so slowly and painfully built over thousands of years—I wish I could say tonight that a lasting peace is in sight.

Happily, I can say that war has been avoided. Steady progress toward our ultimate goal has been made. But, so much remains to be done. As a private citizen, I shall never cease to do what little I can to help the world advance along that road.

VII

So—in this my last good night to you as your President—I thank you for the many opportunities you have given me for public service in war and peace. I trust that in that service you find some things worthy; as for the rest of it, I know you will find ways to improve performance in the future.

You and I—my fellow citizens—need to be strong in our faith that all nations, under God, will reach the goal of peace with justice. May we be ever unswerving in devotion to principle, confident but humble with power, diligent in pursuit of the Nation's great goals.

To all the peoples of the world, I once more give expression to America's prayerful and continuing aspiration:

We pray that peoples of all faiths, all races, all nations, may have their great human needs satisfied; that those now denied opportunity shall come to enjoy it to the full; that all who yearn for freedom may experience its spiritual blessings; that those who have freedom will understand, also, its heavy responsibilities; that all who are insensitive to the needs of others will learn charity; that the scourges of poverty, disease and ignorance will be made to disappear from the earth, and that, in the goodness of time, all peoples will come to live together in a peace guaranteed by the binding force of mutual respect and love.

Mr. PROXMIRE. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator's time has expired.

Mr. PROXMIRE. Mr. President, I ask unanimous consent for 5 additional minutes.

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

The Senator from Wisconsin is recognized for 5 minutes.

Mr. PROXMIRE. First, I commend the Senator from Arizona for his characteristically fair and thoughtful speech. I think what he has said this morning may put into better balance the presentation I made the other day. I believe it is proper to recognize the great contributions our military has made, and the many excellent officers who have subsequently worked for contractors.

My point is this: In the last 10 years, the number of Army and Air Force generals, Navy admirals, full colonels, and Navy captains working for the 100 biggest contractors has tripled. The number working for the 10 biggest contractors has also increased threefold.

The difficulty is that these officers go from positions in the Pentagon where they have great authority and close relationships with others who remain, in some cases having been responsible for the promotions of many of those who may deal with them. They go to work for contractors in a context in which the zeal of the contracting officer in the Pentagon is of the greatest importance—in fact, it is now of much greater importance than it should be.

This is true because most of our military procurement is noncompetitive. It is subject to Federal control either by the Budget Bureau or the Congress. The result is waste that we have documented over and over again.

I made an earlier speech on the reforms I thought we ought to seek to achieve in military procurement and spending. This Senator has pointed out a number of things that we must do if we are to get our military spending under control. In addition, I believe that we need a far more effective budget review, that we need a system of zero-based budgeting, that we need to provide steps to review the nonnegotiated contracts and to increase the amount of truly competitive bidding. I made a number of further recommendations along this line in the earlier speech. I felt that the names of the officers working for the 100 biggest defense contractors, and the fact that so many more are doing so than have done so in the past, and the relationships which have existed, was a reinforcing reason why we should have far better control over military spending than we have at the present time. I agree enthusiastically with the Senator from Arizona that we must rely, of course, on the ability, the competence, the force, and the strength of our military forces.

Mr. GOLDWATER. Mr. President, if I might reply, I am very happy that the Senator from Wisconsin has permitted this colloquy to take place. I think it is long overdue, and I hope that between the two of us and others who might like to join in subsequent remarks, we can put the matter in proper perspective.

I understand fully what the Senator is getting at, and I am happy to be able to report to him that the Armed Services Committee, under the able guidance of the Senator from Mississippi (Mr. STENNIS), has divided itself into subcommittees this year, so that the budgets, when presented on the floor of the Senate, will be presented in a more intelligent and far better understood fashion.

I, too, am concerned about the increased number of officer retirements in the last 8 years. I could stand here for hours and recite the names of personal acquaintances of mine who left the military because of low morale at the Pentagon, and I shall make further remarks later on the superintendency of Robert McNamara at the Pentagon, which I think we will eventually find to be at the root of all the problems we are talking about.

The Senator from Wisconsin very properly mentioned, I believe, that officers do leave the military and go to work for civilian establishments doing business with the Government; but I could compile a rather lengthy list—I do not think it would be material to this discussion, though it would come very close—of former Members of this body, the House of Representatives, and the administrative agencies of our Government, including one who slept very well at night while President Johnson was in the White House, who have been elevated to very profitable positions, not necessarily because they had the background, but because they were once U.S. Senators, Representatives, or civilian employees.

I wrote and published a very interesting book once. BARRY GOLDWATER, pants salesman, could never have sold it, but against my background as a Senator, it sold well.

If there is an old school tie, I think we should be just as concerned whether those involved be former Senators and Representatives or civilian employees, or whether it be the military. I really do not think there is reason for concern, if we correct certain other little matters, budget items and things of that sort. I believe we should be just as concerned about the former Director of Transportation going to work for one of the country's biggest railroads, though I do not suggest there is any wrongdoing; I think there is none.

Mr. PROXMIRE. Mr. President, I agree with the Senator from Arizona as to the undesirability of the situation developing where those who have

served in Government, whether as Senators, Representatives, departmental officers, or members of the military, are in a position where they can exercise undue influence.

I might point out one example which the Senator gave in his speech. I thought it was an excellent example: the TFX. Here we have a classic example of what I protest.

Mr. Gilpatric was a lawyer for General Dynamics. He was closely associated with General Dynamics over the years. Then as Undersecretary of Defense, he was in a position to decide—or at least had a great deal of influence to cause the Pentagon to determine—who got the contract. I think that was most unfortunate. To broaden the debate so as to include all former Government officials who work for defense contractors and all persons who have worked for defense contractors and then have come into the Federal Government to exert their influence is a very constructive addition. It reinforces the point the Senator from Arizona makes. This kind of almost inevitable conflict of interest makes it more essential than ever that we provide the congressional reforms including a willingness to reduce military spending and the budgetary controls we need.

Mr. GOLDWATER. I agree with the Senator from Wisconsin. I hope that we can in the future proceed, as we always have in the past, to adopt intelligent, honest policies and positions. I have been very much concerned about the other side, just as the Senator from Wisconsin has been concerned about the military side.

I sat in some of the hearings relating to the TFX when I was previously a Member of the Senate. It was amazing to me that three men, all civilians, could upset the views of 200 men, civilians, who had unanimously voted that the TFX contract should go to the Boeing Co., and decide that it should now go to another company. Fine as the company was, I must say it did not have a fine record of producing airplanes.

If the Senator will bear with me in the coming days, we can discuss this question more fully. I merely did not want the military to be made the sole scapegoat in this situation, when there are others.

Mr. PROXMIRE. I thank the Senator from Arizona.

S. 1809—INTRODUCTION OF A BILL TO EXTEND THE WAR ON POVERTY

Mr. NELSON. Mr. President, I introduce proposed legislation today to extend the war on poverty pending a comprehensive review by the Congress and the administration during this session of Congress.

This bill strikes a reasonable compromise between conflicting proposals, as to the length of the extension period, and it adds to the war on poverty two important new elements which cannot be ignored even temporarily.

First, it incorporates the most important change proposed by the Comptroller General as a result of the audit by the General Accounting Office—the need for top level coordination by a Presidential agency of all Federal programs aimed at eradicating poverty.

Second, it supplies meaningful funds to a neglected section of the Economic Opportunity Act—the emergency food and medical services program—to make possible a really meaningful war on hunger, bringing together all the relevant agencies of the Government, in a way which guarantees that food will be delivered to the hungry despite the barriers of red tape which have frustrated our efforts in the past.

This bill does the following:

First. Extends the Economic Opportunity Act for 5 years and the appropriations authorization for 3 years at approximately the current level of funding. Three years is the shortest period of time possible to extend appropriations if we are to incorporate the "forward funding" principle which is acknowledged to be necessary if the poverty program ever is to be properly planned and administered.

Second. Directs the President to set up within 90 days the top level, governmentwide coordinating agency which the GAO audit found to be the biggest single lack in the present program, and provides $800,000 to finance this effort.

Third. Authorizes $1 billion in new appropriations for the emergency food and medical services program of the existing Economic Opportunity Act, which calls upon the Director of OEO, working through the Secretary of Agriculture and the Secretary of Health, Education, and Welfare, to "counteract conditions of starvation or malnutrition among the poor."

Fourth. Gives Congress 60 days in which to consider proposed delegations or transfers of OEO programs to other agencies, with the transfer taking place unless one House passes a resolution of disapproval.

This is a carefully considered bill designed to continue a meaningful war on poverty while affording time to review past experience and consider new alternatives.

It is a workable compromise between suggestions made in the House, the Senate, the administration, the GAO, and among students of the war on poverty.

I will discuss these various features of the bill one by one.

Extension: The most important decision which the new administration has made in the area of poverty was the decision to request that the present program be extended in essentially its present form for some period of time, during which period the administration would have time to consider long-range improvements in the program and submit them to the Congress for consideration at detailed public hearings.

The soundness of this decision seems to be almost universally accepted. The only difference of opinion centers around the time of extension. The administration suggested 1 year. The previous administration suggested 2 years. In the House of Representatives, the Education and Labor Committee is conducting hearings on Congressman PERKINS' bill calling for a 5-year extension.

I have listened to arguments in behalf of all these proposals. The first thing one learns is that you cannot think of a compromise merely in terms of the numbers 1, 2, 3, 4, or 5. You have to relate those numbers to established procedures in the Congress and the executive branch in order to assess their significance for the poverty program. In reviewing these factors, I have been impressed by the argument developed by Republican members of the House Education and Labor Committee as they considered the Elementary and Secondary Education Act amendments this year. They supported an extension of the ESEA program for 3 years because "3 more years of operation is desirable in order to encourage advance program planning." The Republican members of the House committee said in their minority report that they "strongly supported" the principle of forward funding. This principle is equally if not more important in the war on poverty. If we are to have it, a 3-year extension is necessary.

The next budget proposal drafted by the President, for submission to Congress next January, will be for the fiscal year beginning July 1, 1970, and ending June 30, 1971. If this budget is to have "forward funding" features, to make possible advance planning, then it must also propose certain appropriations for the year July 1, 1971, to June 30, 1972. Thus, if we are to have forward funding and sound advance program planning, we must consider a 3-year extension—from June 30, 1969, when the present Economic Opportunity Act expires, until June 30, 1972.

I will say more later about the urgent need for advance planning and forward funding.

Hunger: Frankly, after reading the President's excellent message to Congress on February 19, urging action on an extension of OEO in its present form, I was inclined to offer a bill which would do that and very little else—in the interest of reaching quick, bipartisan agreement.

But my conscience simply will not allow me to introduce what purports to be a war on poverty bill, which does next to nothing about the crisis of hunger and malnutrition which has been portrayed on front pages all across America and which has shocked the Nation.

This is not a partisan issue, or a sectional issue, or an economic issue. I do not think there is a single American who believes that hunger must simply be tolerated as an inevitable condition in our generally affluent society.

Senator GEORGE MCGOVERN, who has taken the lead in alerting this Nation to the hunger crisis through a select Senate committee, has estimated that a meaningful attack on this problem will require an additional $1 billion to $1.5 billion a year. The administration has reportedly been urged by the President's Urban Affairs Council to wage a $1 billion war on hunger apparently spread over a 4-year period. Those who once questioned or resisted prompt, massive action against hunger now seem to agree we can delay

no longer. The Department of Agriculture, Senators, Governors and local officials seem ready and anxious to act.

Therefore, any bill to extend the war on poverty must have a major section on hunger.

By making a billion dollars available to the emergency food and medical services program under the existing law, this bill would give the administration a tremendous degree of flexibility in mobilizing a coordinated attack on hunger.

Furthermore, by placing responsibility in OEO, we would guarantee that the attack on hunger would be systematically fitted into the government-wide war on poverty at the local as well as the national level.

If there is anything we have learned in our anti-poverty efforts in recent years it is that none of these problems can be attacked by itself. As urgent and vital as food is, it makes no sense merely to give food to an undernourished child without considering the circumstances which made the child undernourished.

Hungry children need food, first and foremost. But they also need education. They need decent shelter. They need a stable home life. Their parents need an income. The community in which they live may need new services. That gets us into programs such as Headstart, manpower training, comprehensive health services, legal services, the Job Corps, community organization—the full range of programs now operated by OEO—plus others operated by Federal agencies.

It is especially important that residents in local communities have a role in the administration of food distribution and other poverty programs. This is best assured by giving responsibility for the program to the Office of Economic Opportunity so that local efforts will be coordinated by local Community Action agencies. If we want to make Community Action agencies meaningful and effective, we must give them resources to manage and meaningful work to do.

Everyone I know—the President, the GAO, the present leadership of OEO, the independent students of the poverty program—supports the basic idea that OEO should be an innovative agency, to break new ground, to get action in areas neglected in the past, to prod other agencies into facing problems too long ignored.

A logical place to use this innovative power of OEO is in the quest for a solution to the scandal of hunger in the richest and most favored nation on earth.

Delegation authority: The Economic Opportunity Act presently gives the President authority to delegate OEO programs to other agencies. The President has proposed to transfer the Headstart program to a new child development office under the Secretary of Health, Education, and Welfare, and to transfer the Job Corps to the Labor Department. These proposed delegations have provoked considerable controversy. It is understandable, of course, because large numbers of people are involved in and deeply committed to these programs. They cannot avoid concern when proposed delegations to other agencies are accompanied by suggestions that budgets be drastically cut—as in the case of the Job Corps—or by implications that the program might be combined with other programs which might not be compatible—a situation which some believe exists in the case of Headstart.

However, the idea of "spinning off" successful poverty programs to older, established departments seems to have been implicit in the philosophy of the Economic Opportunity Act from the very outset, and friends as well as foes of the poverty program—including the Congress and the previous administration—have also proposed and carried out such "spinoffs."

The crucial question seems to be how the program is to be carried out—not who carries it out.

With the Headstart program, for instance, the essential point is that it continue to be operated through local Community Action agencies. It is only when local groups, including representatives of the poor have control of the Headstart programs that the program's administrators can be effectively persuaded to pay adequate attention to the needs of the community. If the administration provides ironclad assurance on this point, and intends that a delegation to the Department of Health, Education, and Welfare strengthen the Headstart program, then it would be difficult to argue that such a delegation would be harmful to the program.

After all, the administration is responsible for administering the programs which the Congress authorizes. If we are to hold the administration accountable for the efficient and effective operation of these programs, we must give the administration reasonable leeway in developing the most effective administrative structure.

One thing Congress should insist upon, however, is a clearcut description of how the administration proposes to administer the program, and the right to say "yes" or "no" on a specific proposal. That right would be guaranteed to the Congress under the 60-day rule contained in this bill. The legislative language, incidentally, is patterned after the Executive Reorganization Act.

Forward funding: Sound administration of the very complex program undertaken by the OEO depends on sound planning. But since the program's inception congressional funding has been consistently late. The fiscal year begins July 1. It is crucial to know by April how much money will be available by July 1, if the complex administrative arrangement between poverty groups, volunteers, old line school, welfare and employment agencies, local, State and Federal Governments are to be carefully and responsibly worked out. Everyone recognizes it is especially important when working with the poor that the Government meet its obligations as promised.

What has happened? Have we appropriated funds for OEO in April? In June? In July? No. The earliest date for an OEO appropriations bill was October 7, back in 1964. Since then the dates run like this: October 31, 1965; October 27, 1966; January 2, 1968; and October 11, 1968.

During fiscal year 1968—when the appropriation did not come until January, that is, 6 months into the fiscal year—71 local Community Action agencies were forced to shut down or were forced to operate entirely with volunteers or local funds. VISTA volunteers went without pay and over 6,000 Headstart children were forced from the Headstart program that had to be terminated, according to testimony from R. Sargent Shriver, then OEO Director.

The problems of the fall of 1967 are only the most dramatic examples of the difficulties of operating a program on a month-to-month basis under continuing resolution. It is irresponsible. It is wasteful.

The problem of operating an innovative new program without any assurance of funding is bad enough at the national level, but it is especially destructive at the local level. Here is a comment I received recently from George W. Hicks, acting director of the Southern Oklahoma Community Action Foundation, Inc., in Ardmore, Okla.:

> A great weakness is one that Congress could alleviate, and that is the short funding policy that OEO has had to face in the past. There have been times when OEO could not meet a payroll, and the program has been extended mainly on a year to year basis. Under these circumstances, it is difficult to fund programs and incorporate long range planning into their successful completion.

In order to break through this fiscal barrier the bill I am introducing today would provide for a 3-year extension of the poverty program and allow us to begin this year with forward funding for the poverty program.

Forward funding is that procedure, already adopted by Congress for virtually all education appropriations, whereby funds for a given program are appropriated a full year in advance so that a full year of careful planning is possible. It would allow, for the first time, adequate leadtime for careful local planning. I hope that the Senators will consider the proposal carefully.

As I said at the outset, this bill is an effort to find a solid middle ground on which the Congress and the administration can build solidly in the months to come.

The Senate Subcommittee on Employment, Manpower, and Poverty will begin hearings on this bill Wednesday, April 23, 24, and 25.

In these hearings, we will deal with the war on poverty as a high level matter of the greatest national urgency. We intend to invite some of the most outstanding spokesmen this Nation has, to give their opinion on whether this effort should be continued at approximately the present level of funding, pending a long-range comprehensive review by both the Congress and the administration.

We do not see this as a partisan issue. Neither do we see it as an issue which need divide the administration and the Congress. The President has proposed that the war on poverty be renewed pending the development of long-range proposals. He has proposed certain administrative changes to take place in the meanwhile. The Congress and the executive branch have different responsibili-

ties under our constitutional system, but this bill provides a way in which they can work together constructively in the months to come toward eliminating the scandal of poverty from this generally affluent nation of ours.

I am confident that the conscience of the Nation will express itself on this issue in the weeks ahead, and make clear that we must maintain—and steadily improve—our efforts to remove poverty from this land.

Mr. President, the nationwide protest against the Labor Department action in closing 57 Job Corps centers all across the country continues. Letters and telegrams from public officials, civic leaders, labor unions, conservation organizations, and deeply concerned individuals continue to pour into offices of Senators and Congress and into the White House.

I ask unanimous consent that another group of these urgent messages, received since I made my remarks here in the Senate yesterday, be printed in the RECORD. I also ask unanimous consent to have printed in the RECORD a section-by-section analysis of the bill as well as the bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill, messages, and section-by-section analysis of the bill will be printed in the RECORD.

The bill (S. 1809) to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, to authorize advance funding of such programs, to require notice to Congress prior to delegation of any program to another agency, and for other purposes, introduced by Mr. NELSON, 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. 1809

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 "Economic Opportunity Amendments of 1969".

EXTENSION OF ECONOMIC OPPORTUNITY ACT

SEC. 2. (a) Section 161 of the Economic Opportunity Act of 1964 is amended (1) by striking out "for which he is responsible", and (2) by striking out "three" and inserting in lieu thereof "eight".

(b) Sections 245, 321, 408, 615, and 835 of such Act are each amended by striking out "three" and inserting in lieu thereof "eight".

(c) Section 523 of such Act is amended by striking out "two" and inserting in lieu thereof "seven".

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. (a) For purposes of carrying out the Economic Opportunity Act of 1964, there are hereby authorized to be appropriated such amounts as may be necessary for the fiscal year ending June 30, 1970, and each of the next two fiscal years. Of the amounts appropriated pursuant to this subsection for each such fiscal year, the sum of $2,180,000,000 shall be allocated, subject to the provisions of section 616 of such Act, in such a manner that—

(1) $280,500,000 shall be for the purpose of carrying out part A of title I;

(2) $721,800,000 shall be for the purpose of carrying out part B of title I;

(3) $46,000,000 shall be for the purpose of carrying out part D of title I;

(4) $1,032,700,000 shall be for the purpose of carrying out title II, of which $338,000,000 shall be for the Project Headstart program described in section 222(a)(1), $60,000,000 shall be for the Project Headstart program described in section 222(a)(2), $50,000,000 shall be for the Legal Services program described in section 222(a)(3), $90,000,000 shall be for the Comprehensive Health Services program described in section 222(a)(4), $15,000,000 shall be for the Family Planning program described in section 222(a)(7), and $3,800,000 shall be for the Senior Opportunities and Services program described in section 222(a)(8);

(5) $12,000,000 shall be for the purpose of carrying out part A of title III;

(6) $34,000,000 shall be for the purpose of carrying out part B of title III;

(7) $16,000,000 shall be for the purpose of carrying out title VI; and

(8) $37,000,000 shall be for the purpose of carrying out part A of title III;

If the amounts appropriated pursuant to this subsection for any such fiscal year are not sufficient to allocate the full amounts specified for each of the purposes set forth in clauses (1) through (8), then the amounts specified in each such clause shall be prorated to determine the allocations required for each such purpose.

(b) In addition to the sums authorized to be appropriated pursuant to subsection (a), there are further authorized to be appropriated for the fiscal year ending June 30, 1970, and each of the next two fiscal years—

(1) the sum of $1,000,000,000 to be used for the Emergency Food and Medical Services program described in section 222(a)(6) of such Act; and

(2) the sum of $100,000,000 to be used for part B of title V of such Act.

(c) Notwithstanding any other provision of law, unless expressly in limitation of the provisions of this section, funds appropriated for any fiscal year pursuant to the provisions of this section shall remain available for obligation until the end of such fiscal year.

EMERGENCY FOOD AND MEDICAL SERVICES PROGRAM

SEC. 4. The President shall transmit to the Congress, within 90 days after appropriations are made available pursuant to section 3(b) of this Act, a report setting forth the actions which have been taken, and the plans to be implemented during the remainder of the fiscal year, for carrying out the Emergency Food and Medical Services program described in section 222(a)(6) of the Economic Opportunity Act of 1964, including arrangements which the Director of the Office of Economic Opportunity makes with the Secretary of Agriculture and the Secretary of Health, Education, and Welfare for using such appropriations in accordance with the purposes of such Emergency Food and Medical Services program.

ADEQUATE LEADTIME

SEC. 5. (a) Part A of title VI of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new section:

"ADVANCE FUNDING

"SEC. 622. For the purpose of affording adequate notice of funding available under this Act, appropriations for grants, contracts, or other payments under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation."

(b) In order to effect a transition to the advance funding method of timing appropriation action, the amendment made by subsection (a) shall apply notwithstanding that its initial application will result in the enactment in same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

REQUIRED TRANSMITTAL TO CONGRESS OF ANY PLAN PROPOSING DELEGATION OF A PROGRAM TO ANOTHER AGENCY

SEC. 6. Section 602(d) of the Economic Opportunity Act of 1964 is amended by inserting before the semicolon at the end thereof a comma and the following: "but the delegation of administrative responsibility for any of the programs authorized by this Act shall not be effective prior to the end of the first period of 60 calendar days of continuous session of Congress (as defined in section 906 of title 5 of the United States Code) after the date on which a plan proposing the delegation arrangements is transmitted to the Congress by the President and shall not be effective if, between the date of transmittal and the end of the 60-day period, either House passes a resolution disapproving such plan".

CREATION OF ECONOMIC OPPORTUNITY COUNCIL

SEC. 7. (a) Subsection (b) of section 631 of the Economic Opportunity Act of 1964 is amended by deleting "and" at the end of clause (3), by deleting the period at the end of clause (4) and inserting in lieu thereof a semicolon and the word "and", and by adding at the end thereof the following new clause:

"(5) evaluating the overall effectiveness of Federal programs and activities in eliminating poverty in the Nation."

(b) Subsection (e) of section 631 of such Act is amended to read as follows:

"(e) Of the sums appropriated for carrying out this Act for each fiscal year, there shall be reserved from the funds available for this title the sum of $800,000 for the activities of the Council in carrying out the purposes of this section."

(c) The President shall, within ninety days after the enactment of this Act, designate the members and the Executive Secretary of the Economic Opportunity Council, as provided for in section 631 of the Economic Opportunity Act of 1964.

PARTICIPATION OF CHILDREN IN HEADSTART PROJECTS

SEC. 8. Paragraph (1) of section 222(e) of the Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new sentence: "Nothing in this Act shall be construed to prohibit the participation in Headstart projects of children who are not from low-income families if contributions are made from other sources sufficient to cover the added costs of including such children."

TECHNICAL AMENDMENT REGARDING TIME OF APPROPRIATIONS OBLIGATION

SEC. 9. (a) Section 242 of the Economic Opportunity Act of 1964 is amended by inserting after the first sentence thereof the following new sentence: "Funds to cover the costs of the proposed contract, agreement, grant, loan, or other assistance shall be obligated from the appropriation which is current at the time the plan is submitted to the Governor."

(b) All obligations under the Economic Opportunity Act of 1964 which have been heretofore recorded substantially as provided in the amendment made by subsection (a) of this section are hereby confirmed and ratified.

The material, presented by Mr. NELSON, follows:

SECTION-BY-SECTION ANALYSIS OF "ECONOMIC OPPORTUNITY AMENDMENTS OF 1969"

(A bill introduced by Senator GAYLORD NELSON, Chairman of the Senate Subcommittee on Employment, Manpower, and Poverty.)

Section 1. Short Title: Section 1 of the bill provides that this legislation may be cited by the short title of "Economic Opportunity Amendments of 1969".

Section 2. Extension of Economic Opportunity Act: Section 2 extends the duration of the authority of the Director of the Office of Economic Opportunity to carry out programs under the Economic Opportunity Act for five years beyond the existing law's expiration date of June 30, 1970.

Section 3. Authorization of Appropriations: Section 3(a) authorizes the appropriation of such amounts as may be necessary for fiscal years 1970, 1971, and 1972 for carrying out the Economic Opportunity Act.

Out of the amounts appropriated for each such fiscal year, the bill provides that the sum of $2,180,000,000 must be allocated as follows:

(1) $280,500,000 for part A of title I (Job Corps).

(2) $721,800,000 for part B of title I (Work and Training for Youth and Adults).

(3) $46,000,000 for part D of title I (Special Impact Programs).

(4) $1,032,700,000 for title II (urban and rural community action programs), of which $338,000,000 shall be for the Project Headstart program, $60,000,000 for the Follow Through program, $50,000,000 for the Legal Services program, $90,000,000 for the Comprehensive Health Services program, $15,000,000 for the Family Planning program, and $3,800,000 for the Senior Opportunities and Services program.

(5) $12,000,000 for part A of title II (Rural Loan programs).

(6) $34,000,000 for part B of title III (Assistance for Migrant, and other Seasonally Employed, Farmworkers and Their Families).

(7) $16,000,000 for title VI (Administration and Coordination).

(8) $37,000,000 for title VIII (Domestic Volunteer Service Programs—VISTA).

Section 3(b) authorizes these additional appropriations for each such fiscal year (over and above other appropriations for OEO programs):

(1) $1,000,000,000 for the Emergency Food and Medical Services program (section 222(a)(6) of the Act) and

(2) $100,000,000 for part B of title V (Day Care programs).

Section 4. Emergency Food and Medical Services Program: Section 4 requires the President to send to the Congress a report concerning the actions taken and the plans made for carrying out the Emergency Food and Medical Services program (section 222(a)(6) of the Economic Opportunity Act). The report must be transmitted within 90 days after appropriations for the program are made available under section 3(b) of this legislation. The arrangements which the Director of the Office of Economic Opportunity makes for carrying out his functions through the Secretary of Agriculture and the Secretary of Health, Education, and Welfare are to be set forth in the report.

Section 5. Adequate Leadtime: Section 5 amends the Economic Opportunity Act to provide for advance funding of programs under the Economic Opportunity Act by authorizing the inclusion of the appropriation for a particular fiscal year in the appropriation Act for the preceding fiscal year.

Section 6. Required Transmittal to Congress of Any Plan Proposing Delegation of a Program to Another Agency: Section 6 amends section 602 (d) of the Economic Opportunity Act (which now provides that, with the approval of the President, the Director of the Office of Economic Opportunity may enter into arrangements with the heads of other agencies to delegate his powers to such agencies) to add the requirement that the delegation of administrative responsibility for any program under the Act shall not take effect until 60 days after the President has submitted to the Congress a plan setting forth the delegation arrangements. If either House of Congress passes a resolution of disapproval within the 60-day period, the delegation plan shall not be effective.

Section 7. Creation of Economic Opportunity Council: Section 7(a) amends section 631 of the Economic Opportunity Act—which provides for the establishment of an Economiic Opportunity Council in the Executive Office of the President—to include, among the Council's responsibilities, that of evaluating the overall effectivenes of Federal programs and activities in eliminating poverty in the Nation.

Section 7(b) amends section 631(e) of the Act, which now provides that the President shall reserve such amounts as may be necessary for the purposes of the Economic Opportunity Council, to set aside the specific sum of $800,000 annually to enable the Council to carry out its activities.

Section 7(c) requires the President, within 90 days after the enactment of this legislation, to designate the members and the Executive Secretary of the Economic Opportunity Council.

Section 8. Participation of Children in Headstart Projects: Section 8 adds language to section 222(a)(1) of the Act to provide that nothing in the legislation shall be construed to prohibit the participation in Headstart projects of children who are not from low-income families, provided contributions are made from other sources sufficient to cover the added costs of including such children.

Section 9. Technical Amendment Regarding Obligation of Appropriations: Section 9 contains a technical amendment to the Economic Opportunity Act to make clear that a proposed contract, agreement, grant, loan, or other assistance under the Act is obligated at the beginning of the 30-day period afforded the Governor of the State for his consideration, rather than at the end of that period.

INTERNATIONAL UNION
OF OPERATING ENGINEERS,
Washington, D.C., April 10, 1969.

The Honorable GAYLORD NELSON,
U.S. Senate, Washington, D.C.

SIR: Recent news stories regarding proposed cutbacks in the Job Corps program have caused serious concern among the members of our union. Our membership of 360,000 has supported the concept of a "latter-day CCC" since first proposed in Congress a number of years ago. We were very pleased to see the idea become a reality in the Job Corps Civilian Conservation Centers.

Not only have we supported the Job Corps in principle, we have supported it in action. Since 1966, our International Union has provided training as heavy equipment operators for sixty-five to seventy Corpsmen annually at Jacobs Creek, Tennessee. In July of 1968, we extended this program to the Conservation Center at Anaconda, Montana where we have a trainee census of about fifty. We have placed almost all of the Jacobs Creek graduates in union jobs across the country, and anticipate placing some one hundred more graduates from Jacobs Creek and Anaconda this summer. I am attaching typewritten copies of several of the many letters received by the Center staff from young men who have gone to work and become taxpayers instead of "tax eaters."

While not all Job Corps graduates can tell as significant a story, there is one overriding reason that this program should remain intact. About sixty per cent of the Job Corps Civilian Conservation Center entrants have reading achievements below grade level 3.5, making them—for all intents and purposes—functionally illiterate. Where will they go? Our society cannot afford to carry them forever and they are not capable of caring for themselves.

I earnestly solicit your assistance in maintaining the conservation centers so that we, along with others, may continue to help these youngsters who want to help themselves.

Very truly yours,

HUNTER P. WHARTON,
General President.

MILWAUKEE, WIS.,
April 11, 1969.

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

The announcement to be made today to close the Clam Lake Job Corps Conservation Center is being viewed with great alarm by the Milwaukee public schools and Milwaukee citizens. This is the site of a valuable job training and full-credit educational program for disadvantaged Milwaukee youths and is the only one of its kind in the country sponsored by the Forest Service, Department of Labor, OEO Job Corps, and the Milwaukee schools. This important Clam Lake project gives much needed help in solving one of the large city problems of the potential dropout. Your help to save the Clam Lake project in Wisconsin will be greatly appreciated.

RICHARD P. GOUSHA,
Superintendent of Schools.

APRIL 11, 1969.

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

DEAR GAYLORD: Strongly urge continued active support of Blackwell Job Corps. Important to take these young men from their environment long enough to help them develop respect for themselves. What better way to make useful citizens for our country. We have had them in our home and witnessed the solid results of Blackwell efforts.

DAVE FROMSTEIN.

PUXICO, MO.,
April 7, 1969.

The Honorable GAYLORD NELSON,
Senator from Wisconsin,
Senate Office Building,
Washington, D.C.

MY DEAR MR. NELSON: There is increasing concern in our community regarding reports of extensive cuts in the Job Corps Program. This program, which seems to draw much controversy in some quarter, has proven to be a great value to both the young men involved in it, and to the people of our community through the work being done at the Mingo Job Corps Center near here.

At this center, young men from ages 16–21, considered to be a most critical age period in their lives, are given training that prepares them for gainful employment. Here, they are given a sense of their own worth as individual human beings. The Center's record of achievement has been very high, showing that over 50% of the young men have been reclaimed from the role of hopeless welfare recipient, to that of productive worker and taxpayer. Their basic educational levels have been raised, and at the same time they are absorbing needed vocational training. The average length of time spent here is 7.4 months for each young man.

In addition to their education, these young men are learning to give of themselves in service to the community. Their asssistance at various times has been invaluable in helping to fight fires; in repair and painting of our City Hall and Public Library building; and in the building and improvement of area recreational facilities, which in turn provides a much needed place for city people to come and spend their weekends and vacation time. Their attendance at church has been good, and some have become members. Several of them have expressed a wish to remain in the area after their training is over, for fear that if they return to their old environment, pressures there will cause them to fall back into their old way of life. All this is achieved at a total cost of about $4,000.00 per year for each person.

There are also many benefits to this community besides the obvious economic ones. The Center has helped teach a complacent all white community to accept people of different racial and ethnic backgrounds. Some who were opposed to the Center in the begin-

ning are now involved in volunteer efforts to help these young men.

For these and other reasons, we are sure that you can see the need for such a program as the Job Corps. We urge you to use your influence especially in behalf of the Mingo Job Corps Center. To many of us, it shines as a ray of hope in a troubled world.

Respectfully yours,

HOLLAN FANN,
Executive Vice President, Puxico State Bank, Puxico, Mo.

THE AMERICAN FORESTRY ASSOCIATION,
Washington, D.C., April 10, 1969.

The PRESIDENT,
The White House,
Washington, D.C.:

On behalf of The American Forestry Association and its 65,000 members, we urge continued support for the Job Corps Conservation Centers. On numerous occasions staff members of this Association have visited the Job Corps Centers and reported on the excellent work being done. Not only are conservation objectives being realized but underprivileged young men are being educated and trained to become productive members of society. How much is a boy worth? We recognize your overall budget problems but the Job Corps should be continued and even expanded if at all possible.

WILLIAM E. TOWELL,
Executive Vice President, American Forestry Association.

WAUBENO, WIS.,
April 11, 1969.

Senator GAYLORD NELSON,
Senatorial Office Building,
Washington, D.C.:

We the Waubeno Lions Club of Waubeno Wisconsin do hereby endorse the Job Corp program of the Blackwell Civilian Conservation Center we request your assistance in assuring its continuance respectfully.

WAUBENO LIONS CLUB,
Waubeno, Wis.

CITIZENS COMMITTEE ON NATURAL RESOURCES,
Washington, D.C., April 10, 1969.

President RICHARD M. NIXON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We were stunned at the news release as of this date indicating the closing of approximately 60 per cent of the Job Corps Conservation Centers because of a hundred million dollar reduction in funds for the Office of Economic Opportunity.

You will recall that at the time the original Economic Opportunity Act was passed, the amendment that required 40 per cent of the enrollees in the Job Corps to be in the Conservation Centers was offered by Congressman John P. Saylor, Republican from the 22nd District of Pennsylvania. In his supporting commentary Congressman Saylor spoke of the outstanding Republican tradition in the conservation of our natural resources.

The Job Corps Conservation Centers have served the dual role of rehabilitating young men and refurbishing our country's natural resource base. The Conservation Centers have received the most educationally, culturally, and economically deprived enrollees of the entire program. Despite this handicap, however, this phase of the program has been an outstanding success.

To discontinue the Conservation Centers now would be a tragic waste of money and natural and human resources. Such a program is not born without the agony of trial and error. The experience achieved in this most difficult of learning processes will have been lost.

We most respectfully urge the earliest possible reconsideration of this decision and sincerely hope that you will direct the continuance of this important undertaking.

Yours very truly,

SPENCER M. SMITH, Jr.,
Secretary.

NATIONAL RECREATION AND PARK ASSOCIATION,
Washington, D.C., April 10, 1969.

Hon. GAYLORD NELSON,
Chairman, Senate Subcommittee on Employment, Manpower and Poverty, Old Senate Office Building, Washington, D.C.

DEAR SENATOR NELSON: Thank you much for alerting us to the Job Corps Conservation Centers. The enclosed is a copy of a telegram sent this day to President Richard M. Nixon.

Sincerely,

SAL J. PREZIOSO,
President.

APRIL 10, 1969.

President RICHARD M. NIXON,
The White House,
Washington, D.C.:

It is important that the Job Corps Conservation Centers be continued especially in these times. They are doing much needed work in parks, forests and other public reservations and providing wholesome environment and valuable training for thousands of young people. Our young people are in need of and want more of this work.

SAL J. PREZIOSO,
President,
National Recreation and Park Association.

CITY OF GLOBE,
Globe, Ariz., April 11, 1969.

Hon. GAYLORD NELSON,
Chairman, Subcommittee on United States Senate, Washington, D.C.

DEAR HONORABLE NELSON: It is very disturbing news to the people of our community to learn that the San Carlos Job Corp Center, Arizona is to be closed. I would like to bring to your attention some facts, of which I am aware, concerning this Center.

Out of the 82 Conservation Centers throughout the United States, San Carlos ranks 9th LOW in cost per man year. Approximately 1,500 young men have entered this Center, with a present enrollment of 190. An estimated 60 of these are from our State of Arizona. Economic input to the communities in annual staff wages is $42,000, annual corpsmen wages, $60,000, operational supplies and services, $527,000. Appraised value of work accomplishments in progress includes, Retarded Children Home, Community Flood Control, Christmas toys for needy and cemetery cleanup, amount to $1,008,000. The Job Corps Center employ some 52 people, of which 26 are from the local community. I might also point out the Center's involvement in the various organizations such as Elks, Chamber of Commerce, Little League, Rotary, etc. and affiliated with all local churches.

Your review and reconsideration in the closing of the San Carlos Job Corp Center, Arizona, will be greatly appreciated.

Sincerely yours,

E. ROSS BITTNER,
Mayor.

ASHLAND AREA CHAMBER OF COMMERCE,
Ashland, Wis., April 11, 1969.

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

DEAR SENATOR NELSON: The Ashland Area Chamber of Commerce wishes to inform you that the Board of Directors have passed a resolution opposing the closing of the Clam Lake Job Corp Center, Clam Lake, Wisconsin in Ashland County, that the administration has decided to close before the planned Congressional study of the poverty program which is scheduled to begin hearings on the poverty program in May.

We believe it would be most unfortunate to close Clam Lake Job Corp Center on moral basis, and what it is doing to help school drop-outs, young people who cannot read or write, lack of any trade or skill, training in conservation and other projects and programs. Much of this training to these underprivileged cannot be measured like a product, but are learning to obtain some knowledge of reading and writing, trades and conservation.

This program at Clam Lake Job Corp Center is helping youngsters into developing our youthful human resources. These youngsters should not be put back into their former environment they left and to run at will with no opportunity for their future.

The closing of Clam Lake Corp Center would just add greater disillusionment to these youngsters. Certainly it is the feeling that careful study should be made as to the operations of the Center, but investigations carried on to come up with carefully planned produced and developed suggestions for improvement.

Your personal efforts and consideration to the Administration opposing the closing of the Clam Lake Job Corp Center would be appreciated.

Sincerely,

ROBERT E. EGAN,
President.

GILLETT PUBLIC SCHOOLS,
Gillett, Wis., April 11, 1969.

Hon. JOHN BYRNES,
Senator WILLIAM PROXMIRE,
Senator GAYLORD NELSON.

GENTLEMEN: Last night on the news report it was rumored that the Blackwell Job Corps Center might be closed as an economy measure by the Nixon Administration. I hope that this decision has not been made, and if it has, that it be not irrevocable.

You see, I take my political science class to Blackwell each year to show them an example of a poverty program that does work. I made a trip beforehand to study the camp and was very much impressed first with the attitude of both the personnel and the trainees—secondly, with the educational methods being used. I talked with dozens of the boys privately and what they told me showed definitely that they were learning and above all they had regained hope. They were willing to accept the challenge of becoming working members of the community. I have never in all my 17 years of teaching seen a more dynamic learning situation. It would be a disaster to close this camp.

I think and I am sure most of my colleagues in the teaching profession would echo my opinion, that what is needed is tax reform to earn more money rather than cuts in spending on essential, worthwhile programs. Is congress again going to allow the vested interests their tax havens. If so, they run the risk of a tax payers revolt from the middle income citizens such as this country has never seen. The sentiment is that strong.

Sincerely,

CHARLES R. GRUENTZEL.

NATIONAL WILDLIFE FEDERATION,
Washington, D.C., April 11, 1969.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The National Wildlife Federation protests in the most vigorous manner possible the proposed budget reduction which will result in emasculation of the Job Corps conservation program.

The Job Corps conservation program parallels, to some considerable extent, the old Civilian Conservation Corps of the 1930's which did so much for conservation and for the men who were enrolled. Many of these persons later became national leaders. Like it, the present Job Corps conservation program is having a significant and beneficial

impact upon natural resources programs while, at the same time, teaching the enrollees skills and abilities wherein they can become independent.

I am attaching a copy of a recent issue of National Wildlife magazine, which now goes to some 400,000 associated members of the Federation, that contains a feature article about this program.

We can name a host of programs less worthy than the Job Corps conservation centers, and this reduction only leads us to believe even more strongly that you are being given extremely bad advice on natural resources matters.

Sincerely,

THOMAS L. KIMBALL,
Executive Director.

WOMEN IN COMMUNITY SERVICE,
Des Moines, Iowa,
April 11, 1969.

To: Secretary of the Department of Labor, Washington, D.C.; Chairman, Labor Department Committee, House of Representatives; Chairman, Labor Department Committee, Senate of the United States; Chairman, Subcommittee on Poverty.

Subject: Closing of Job Corps Centers.

GENTLEMEN: We urgently request that you reconsider the closing of the Job Corps Centers for the following reasons:

I. Economic:

1. Job Corps Centers are already equipped to rehabilitate and train hard-core poverty young people. It seems poor stewardship of funds to equip other locations for a similar-type training when these are already in operation.

2. In view of the uncensored and unlimited spending on military and on such projects as AEM, Ultra-sonic plane exploration and others, that it would be appropriate to be a little more generous in spending for the youth of this nation.

II. Meeting the needs of hard-core poor:

1. The proposed city training program for high school dropouts will not meet the needs of young people who need to be out of their home environment in order to effect attitude changes and provide motivation to become self-sustaining.

2. Proposed dropout programs for cities will omit the rural youth of whom there are many in Iowa who need residential living training programs.

3. We feel that the prospect of closing three of the four Women's Centers in this area represents unequal treatment of women as there are already so many more men's centers in Job Corps.

We urge you to delay final decision on the closing of Job Corps to permit more time for study and exploration of the needs and investigating the results and benefits which Job Corps has produced.

Thank you for your kind consideration.

Respectfully,

Mrs. W. T. JOHNSON,
Project Director.

MOST PRECIOUS BLOOD,
Glidden, Wis., April 11, 1969.

The Honorable GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: This letter is intended to encourage you and support you in whatever efforts you may be able to make on behalf of the Job Corps program here and across the country.

Granted that economies must be made in the expenditure of public monies, and that urban blight is desperately in need of removal. But rural America merits concern too. And the reconstruction of present and future citizens which the Job Corps program is accomplishing is a boon both to urban and rural America.

I've served on Community Relations Council for Clam Lake Job Corps Center and I've conferred with people like Mrs. Lavine of Superior with the six Benedictine Nuns and the Christian Brothers who served out there during last summer in the education department. These are the people whose evaluation of the program ought to be considered before any action is taken to reduce or abandon the program. Not only these but also those who are earnestly involved in the conservation and development of our natural resources should be consulted. Last, but not least, closing down the Center at Clam Lake will mean closing out employment for several families in this area and consequently an appreciable economic blow to our struggling business community.

Please, then, do make your influence felt in high and low places in order to prevent or mitigate measures which might otherwise be taken to close out this beneficial program.

I am,

Very truly yours,

Msgr. GERALD F. MAHON.

P.S.—Enclosure might interest you, too!

WINSLOW, ARIZ.,
April 11, 1969.

Senator GAYLORD NELSON,
U.S. Senate Office Building,
Washington, D.C.

SENATOR: I don't know whether or not it is fitting that I should be writing to you and bothering you with the busy schedule you have.

But I no longer can sit quiet and see the Office of Economic Opportunity sent down the drain. The idea of closing down such a large number of Job Corps Centers is without any foundations at all. One day an announcement comes out that the federal government is sending in millions of dollars to riot torn areas. And by gawd within the next few days the news comes out that Job Corps centers are being closed. Is there any better way to prevent more riots in our cities than to train the residents of these areas to be proud and to work for our country.

How in the world can they turn out over 30,000 youths half trained or not trained at all? There are youths all across the United States waiting to be contacted for the chances to make themselves better. These young men and women have volunteer to be trained and to learn. How can we stop this movement now.

Sir, please continue your fight for not only Job Corps but for all the OEO programs. No other agency can do the work OEO is now doing and can do in the future with more support and money.

We the poor people need the poverty program. How else can we achieve a real victory over poverty with all the money worries of the white-middle class structure? Please hear the plead of the children who need the Head Start Program, the teenagers who need the NYC Program and Job Corps, Legal Services and Foster Grandparents help the poor, community action is suppose to fight for the poor in all cases where it is needed (even though it isn't true in our county since the community action program is run by the middle class power structure), and the VISTA Volunteers who dedicated one year of their lives to help the poor. Sir all these programs need to be continue. Why lay a foundation to the house and then decide to build the house somewhere else? It just doesn't work. Thank you for taking the time to consider the programs and fight for *all* our programs.

Sincerely yours,

DAN CRONIN.

MILWAUKEE CHURCH WOMEN UNITED,
Milwaukee, Wis., April 14, 1969.

Senator GAYLORD NELSON,
Washington, D.C.:

Convinced of worth of Job Corps program through our involvement your commendable support appreciated.

Mrs. GEORGE C. WAYMAN.

KINGMAN, ARIZ.,
April 14, 1969.

GAYLORD NELSON,
U.S. Senator,
Washington, D.C.:

I believe that Job Corps is the only way the underprivileged minorities have of getting a better education. I hope you can keep the program as it is.

ZEKE MESA.

TOWNSHIP OF WATERSMEET,
Watersmeet, Mich., April 11, 1969.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: I have just heard that not only the appropriations for the Job Corps program being drastically cut, but that many of the existing Centers are to be closed by July 1. Included in the list to be closed was the Ojibway Job Corps Center, located at Marenisco in Gogebic County, Michigan.

The Ojibway Civilian Conservation Center has done a good job in educating and providing work skills to the young men fortunate enough to have been assigned there. They have completed many worthwhile projects including a number of benefit to this community. In addition to the primary purpose, of aiding these young men, the Ojibway Center has provided employment for a number of local people and its expenditures for operation have been a help to our local economy.

I am hopeful that this worthwhile program and any cuts in it will be carefully considered. Should the closing of some Centers become necessary, we urge that the Ojibway Center remain in operation.

Sincerely yours,

FRANK BASSO,
Township Supervisor.

GLOBE, ARIZ.,
April 11, 1969.

Hon. GAYLORD NELSON,
U.S. Senate.

DEAR SIR: I've been in Globe 34 years, ex U.S. Marine, truck driver, miner, salesman, cook, restaurant manager, railroad laborer, meat cutter and university graduate, attended Portland State, session at Stanford University at Palo Alto, and am of Mexican descent. (I've had their problem and had their feelings.)

I believe one of the greatest things to happen to Globe and this area was the establishment of the San Carlos CCC. Not only because of the boost in the economy but because of the opportunity for a boy of a disadvantaged area or family to change his total environment. We are looking for a change and chance to make better citizens and develop patriotism. This is happening at the San Carlos CCC.

The San Carlos CCC has a program geared to the needs of the non-English speaking. It's the only one like it in this region. One-third of our enrollment is from Arizona, (Phoenix, Tucson, Nogales), about 40% of enrollment is of Mex. descent. Let's not turn them away—

Respectfully,

JOE P. CANCHILA.

CHILLICOTHE, OHIO.

DEAR SENATOR: Please continue your good work in defense of the Job Corps.

JOSEPH A. CUDDY.

INDIANAPOLIS, IND.,
April 11, 1969.

Senator GAYLORD NELSON,
U.S. Senate,
Washington, D.C.:

Local women volunteers—Jewish, Protestant, Catholic, black, and white urge Job Corps retained as is.

Mrs. LOUIS H. FINK.

DETROIT LAKES, MINN.

Hon. GAYLORD NELSON,
Senate Office Building.

DEAR SIR: I believe the Tamarack Job Corps Center in our area has been well managed and a benefit for students and teachers involved.

As a member of the community council since its inception, I have seen how not only students—but local citizens have learned to become more tolerant towards the needs of others.

I believe it would be a good center to retain if there is a cutback in the program.

Sincerely,

GERALD PRICE.

WEST ALLIS, WIS.,
April 10, 1969.

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

DEAR SENATOR: Congratulations. I was very happy to see your stand as reported in this evening's Milwaukee Journal on the Job Corps. I know that you have been interested for a long time in the basic humanistic issues facing this country. Last year vou spoke and wrote about our need to examine our priorities, today your stand again pointed out that you were sincere.

It does not seem to me that $100 million taken from the Job Corps is going to save anybody anything. Ask these jokers if they know the cost of maintaining people in institutions, jails, etc.? Private industry has been asked to start to do its share in training people, and they are falling far short. We not only need the Job Corps, we need to get twice as many as 32,000 young men into programs like this.

Of course what is a few million when we have to talk in the billions about getting to the moon or building a stupid ABM system? Please, in the name of God, and for the sake of human beings, keep up your fight.

Sincerely,

NANCY FLINTROP.

APRIL 11, 1969.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: I sincerely hope your sub-committee will reconsider the possibility of closing so many of the Job Corps Centers.

I have no first hand knowledge of other centers, but I do know what the Clinton Center is doing for the young women who come here.

First, as a paid OEO employee, and now as a volunteer in the poverty program, I have been closely associated with Job Corps personnel and some of the corps women.

The girls at the Clinton Center are not merely trainees—the people of Clinton have welcomed the girls as an integral part of our community life. Certainly, they are learning vocations that will enable them to be self-supporting, but more important, they are learning how to be human beings.

Yes, it is costly, and I'm sure there are many ways in which costs can be cut, but in heaven's name reconsider before closing these centers. Welfare roles will increase if these young people are turned back into the streets. Either way, we taxpayers will still pay, but let us at least give these young people something to hope for.

Sincerely,

Mrs. L. D. ORSER.

CLINTON, IOWA.

CASS LAKE, MINN.,
April 12, 1969.

Hon. GAYLORD NELSON,
Chairman, Subcommittee on Employment, Manpower, and Poverty, U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Thousands of people will be bitterly disappointed if the Job Corps Centers are closed as announced this week.

We have had an opportunity to see the Lydick Lake Civilian Conservation Center in action and to see how they can turn an illiterate, unemployable person into a confident employable man with skills that will make him a life-long asset to this country. There were student teachers from St. Cloud State College here this spring who were surprised at the effectiveness of the teaching methods used.

We have also seen the mixture of negroes, Spanish speaking Americans, Chippewa Indians and Caucasians living and working in harmony at the Center and in our small communities near the Center.

As well as providing these young men with the education they need and their vocational training, the Center is important to this area. It has been depressed for at least 50 years—we have been here for the past 30 and so know the problems. Closing of the Center will create hardship in the area.

Mr. Clem Plattner, editor and publisher of 3 county newspapers, has observed and written about the Center. His opinion and the articles he has written would be of value to you in your subcommittee hearings. His address is Walker, Minn. 56484.

I strongly urge that the Civilian Conservation Centers be maintained—but that review be made of the whole OEO program to reduce expenses where it does not impair the quality of the programs.

Respectfully yours,

Mrs. CARL COOMBS.

MARION, ILL.,
April 11, 1969.

HONORABLE CONGRESSMAN: We know the closing of Crab-Orchard Job Corps center would be a mistake.

We know that a lot of good is being done and we think the Job Corps Corpsmen need our help. Also we know that moving this center would effect many families in this area who would have to go else where to seek employment. As you know this is concerned a low income area.

Any influence you would have in helping to keep Crab-Orchard Job Corps Center open would be greatly appreciated. We feel like they have a lot of good projects that needs to be completed.

Thanking you in advance for your help.

Sincerely yours,

Mr. and Mrs. CARL E. TURNER.

CORVALIS, OREG.,
April 12, 1969.

Senator GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: We have heard with dismay of the proposed cut in the Job Corps and Headstart. We believe such programs are vitally needed and serve an important purpose. We urge you and your subcommittee to do all in your power to stop these cuts and to keep both of the programs under O.E.O.

We also urge you to vote "NO" on the A.B.M. system.

Sincerely,

TOM and PEGGY HERBERT.

ASHLAND, WIS., *April 11, 1969.*

DEAR SENATOR NELSON: I am by no means very good at words, but I wish to strongly protest the closing of the Clam Lake Job Corps Center. As a tax paying citizen, I have helped to improve that center and black-top the roads. Now will all this just turn out to be another waste? What of the young men who desperately need the training they can only receive through an agency such as this?

I read in the paper this morning where President Nixon has found a $36,000 job for an old friend. I certainly wish he would do something for the people of Northern Wis. Mr. Nixon took office in Jan. and my husband was laid off last week—the first time in 6 years.

I don't know what one family can do by way of a protest like this, but I feel the Job Corps Center should stay in operation. It did bring a little money into this area and our poor boys need this training.

Sincerely,

Mrs. JOSEPH NELSON.

April 11, 1969.

Hon. GAYLORD NELSON,
Congressional Building,
Washington, D.C.

DEAR SENATOR: I would like to voice my extreme disfavor of Mr. Nixons closing the Job Corp Centers.

In my opinion, this is the most worthwhile project this government has undertaken in years.

Please convey my attitude to the appropriate people.

Thank you,

EUGENE G. NEWHOUSE, D.D.S.

RHINELANDER, WIS.,
April 11, 1969.

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

DEAR SENATOR NELSON: I was upset when President Nixon announced that he planned on closing half of the Job Corp Centers. I feel that Job Corps is too important to phase out.

Would you please try and stop this? We must not cut social programs to pay the bills of the military complex.

Thank you.

Sincerely,

JAMES D. CURTIN.

April 10, 1969.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: The threatened closing of the Clam Lake, Wisconsin Job Corps Center would be about as tragic as the rape of the northern Wisconsin virgin pine by the timber barons.

Since northern Wisconsin has been denuded by the timber barons, it was only through the efforts of the Civilian Conservation Corps, the U.S. Forest Service and recent work by the Job Corps that has proven of inestimable value in reconstructing our long-lost timber and water resources.

Inasmuch as many of the Job Corps enrollees are the disadvantged blacks who might be a problem source in the city slums, just consider how much more value they are to their country to be in the great outdoors being constructive instead of being confined to city slums and thinking only of destruction.

Very truly yours,

THOMAS M. ANICH.

LEWISTON, MAINE,
April 12, 1969.

The Honorable GAYLORD NELSON,
Senate Subcommittee on EMP, U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Many thanks for your letter expressing your views to do something constructive about the Poverty Program, especially in reference to the closing of the Job Corps Centers in many areas.

The decision to close the nearby Poland Spring Center was an irrational afterthought. This type of decision-making is irresponsible, and loaded with politics. It is based on emotional judgment and unfounded fact.

The total poverty program is sound. It is the only positive way to aid the young unfortunate youngster that has indicated his willingness to get out of his environment and do something for himself. But if the present Administration is going to make

hasty decisions such as the closing of this particular Center, this alone adds to the "failure and rejection" aspect that these youngsters have been subjected to in their formative years. All they get is rejection.

As to the cost . . . I froth with anger when I see billions spent on defense; on systems that "may not work"; on the immoral war in Vietnam. As a taxpayer, and a heavy one this year, I cannot justify paying my hard earned dollars for the kinds of defense spending that could be used toward helping our unfortunate citizens get a lease on life. The costs of Poverty versus the costs of defense . . . who are we kidding?

Thank you for asking my views. I shall be happy to come to Washington and testify that these Centers should be increased, not eliminated. That the effort to make these centers more productive be tried, rather than discarded. That more "good old American ingenuity" be used to think positively about these programs rather than drop them in the junk heap.

Senator Muskie is a dear friend. My qualifications, if needed, can be confirmed by a call to his office anytime. If I can be of further assistance by writing or phoning at my own expense, please call on me.

Thank you again.

Respectively,

LAWRENCE J. WARD.

CHATHAM, MASS.,
April 13, 1969.

Senator GAYLORD NELSON,
Washington, D.C.

DEAR SIR: This is regarding Job Corps.

Please know that I am one who has great respect for our fine President. It is therefore hard to understand why a decision concerning a slum problem was made so quickly and without regard for individual Job Corps centers.

The center at Wellfleet, Mass., is considered one of the best in the country. It has a large group of volunteer workers—men and women of intelligence and love for the boys in the camp.

They are giving them more than reading lessons. They are lifting their morale—lifting their thinking and outlook toward more constructive learning—and we feel that much good is being accomplished.

We hope that the Wellfleet Center may remain.

I am enclosing an editorial from the Cape Cod Standard Times.

Yours very truly,

Mrs. EDITH C. DEERING.

[From the Cape Cod Standard-Times]

IN OUR OPINION: WHY IS WELLFLEET PICKED TO CLOSE?

Why is the Wellfleet Job Corps Center being closed in the Nixon crackdown for economy's sake?

Why this particular center among the 59 centers to get the ax when it has admittedly been doing an excellent job and is well accepted in the area?

What were the criteria used in making the decision? And how does the administration justify closing a good camp when, as some Congressmen have pointed out, some bad ones out of 82 rural centers are being kept open?

These are only a few of the searching questions that the administration will face when the Job Corps program comes up for scrutiny in Congress soon. The decision to close the rural centers supposedly to save $100 million is bound to touch off a controversy in Congress. The plan now seems to be to establish new mini-training-centers for untrained youths in some 30 urban areas at a cost of about $30 million.

The Job Corps program has come under increasing fire in the last few months as some Congressmen grumbled at the comparatively high cost of maintaining a youth in a Center until he completed training and obtained a job. And some of the centers found it difficult to win community acceptance for the poverty-stricken youths from the cities who came to the rural areas. In some places, such conflicts developed that the centers had to be closed.

The Wellfleet center, however, had a different story to tell. Community acceptance was good with many area citizens volunteering to help and work with the Corpsmen. In fact, the Wellfleet Center could easily have been developed into a showcase for the program.

No one can question the goals and motivation behind the Jobs Corps program. It is a takeoff on the Civilian Conservation Corps program which was so successful during the depression years in the 1930s.

The idea is to take a youth who lacks skills and training to hold a job and to teach him good work habits, upgrade his educational background, and do this in a good wholesome environment away from the filth and danger and crime-ridden streets of the big cities.

Now, however, the administration is choosing this moment to dump thousands of these youngsters back on the streets just when a long, hot summer is in the offing. It seems like slamming the door of opportunity in their faces just when it had been opening up.

Certainly the administration must seek to cut the budget wherever it can. But it must realize, too, that there are human values to be considered.

The Job Corps may need pruning and cutting. But why start with Wellfleet, one of the better examples of the effort to save youths from a bleak life at a bare level of existence.

Our representatives in the Congress must give the cutback order the most searching examination. There's no point in closing Wellfleet while keeping worse camps open.

WELLFLEET, MASS.,
April 11, 1969.

DEAR SENATOR NELSON: May I add my strong protest on the closing of the Wellfleet Job Corps. I have worked there, as a volunteer in the reading program, and as a member of the Community Relations Council. This center has had an excellent record of achievement, and has been of great help in many ways to the community. I have known, on a personal level, many of the Corpsmen, and am impressed at the progress they have made, in learning, and in being motivated to help themselves.

It is a gross breach of faith on the part of our government to recruit these young people with the promise of two years of education and training—and new entrants are still arriving here—and then summarily turn its back on them. And it is not intelligent to turn over 30,000 young people loose in our cities in June, angry, frustrated, and disillusioned. How to make instant radicals! And some of them literally have no place to go.

If we can spend billions in Vietnam—and even for ABMs—surely we can spend a few million to salvage young lives, well worth saving. How can *anyone* have faith in our government when it behaves in this fashion?

Sincerely,

HELEN J. STETSON.

NORTH EASTHAM, MASS.,
June 12, 1969.

Hon. GAYLORD NELSON,
Senate Office Bldg.,
Washington, D.C.

DEAR SENATOR NELSON: This letter is to urge you to do everything in your power to see that reconsideration is given to the closing of the Wellfleet Job Corps.

This Corps has been outstandingly successful. I have been a volunteer in the reading program from the start. It would be unforgivably shortsighted to allow the money that has been spent on this set-up to go for naught, to say nothing of allowing 100 boys to go back to their environment disillusioned and discouraged in June. You want Law and Order. Is this the way to get it?

May I count on you?

Very truly yours,

EVELYN DICKIE.

CLINTON, IOWA,
April 12, 1969.

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

DEAR MR. NELSON: I understand that you are chairman of the Senate Committee responsible for review with the Department of Labor of the decision to close approximately half the Job Corps installations including the one at Clinton, Iowa. I don't know what the arguments are for this closing, I have heard it said that the Job Corps was not needed, that it was unsuccessful and that it was too expensive. None of these arguments make sense. All fail to take the reality of life in the United States today into consideration.

I am familiar only with this one installation. It's philosophy was to renew the lives of the young women who came here so that they might be useful, self-respecting citizens. These young women had been damaged and defeated by their environments. Within those environments they were unable to use what little opportunity came their way. Have you ever seen the hovels of DeRidder, Louisiana, Greenboro, Alabama, the reservation dwellings of Pine Ridge and Cheyene-Crossing, South Dakota, or the slum ghettos of Houston, Texas, and Little Rock, Arkansas? If you have, you don't need anyone to tell you why a change in environment is necessary if rehabilitation is to take place. Trade schools which attempt to teach a skill have failed again and again for a large number of the young who are reaching out for a second chance at the Job Corps centers. To say that the Job Corps, or some modification which aims at the objective of rehabilitation of persons, is not needed is to say that this nation can afford to continue with its wide distance between the hard core unemployed and the Senator in Washington. I do not believe democracy can survive under these circumstances, indeed I do not see our present situation in this nation as an example of successful democracy.

The argument of success is a strange one. Every one seems to set up their own criterion for success so I will join the parade. Compare the attrition rate at the Women's Job Corps installations with the attrition rates for women in colleges, universities, trade schools. There is no way to measure or compare the amount of change required of the girl entering college, etc., with the change required of the girl entering the Job Corps. But I have taught girls in professional schools for many years and I never saw one who could not sit at a table with white people and eat because the experience was just too strange. I have seen this with the girls at our Job Corps.

Cost? What can't a nation afford . . . even afford of waste . . . that affords the waste in the Pentagon (know, documented waste in relation to accepted goals). Why hasn't it been dismantled because of the waste? Or that swept-wing super-sonic plane? Why is there any question in a nation that cannot afford to rehabilitate it's young as to whether such a debacle should be repeated? Compare the cost of the Job Corps with what it will cost per girl to maintain them on welfare or in prison. And there is this question about the waste of what has gone into these stations for three years.

I trust you will give much agonizing thought before you recommend such a destructive move as to turn out young people who have accepted the opportunity to start again.

Sincerely yours,

ELAINE RUTH.

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATION,
Washington, D.C., April 15, 1969.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: The proposed drastic cutback in the Job Corps is completely unjustified in view of the achievements of this program for so many of our disadvantaged young people.

The Job Corps concept—as a national program—is basically sound. It has provided useful work experience, a chance to get a basic education and an opportunity to live in a new and healthy environment for young people who come from the bleakest cultural and physical environments.

The Job Corps has, in effect, been a human reclamation program. It has taken thousands of young people off the streets, away from meaningless lives full of frustration and anger and has returned them to society as useful, productive citizens. Whatever its shortcomings, the positive results of this program speak for themselves.

We in the AFL–CIO have ample evidence of the great value of the Job Corps through the experience of several of our affiliated unions, several of whom have sponsored and operated Job Corps camps. We know that this program is reaching and helping young men and women from the poverty group. Through the Job Corps, these young people are becoming productive citizens employed at decent jobs with decent pay.

To take away this option for a better life that is now open to these disadvantaged young people would be a cruel blow directed at a group who have already known more than their share of failure and disappointment at the hands of the larger society.

We strongly urge that you withdraw your proposed cutback in the Job Corps so that it can continue to serve the disadvantaged youth of the country.

Sincerely,

GEORGE MEANY,
President.

NICOLET SPORTSMAN CLUB,
Wabeno, Wis., April 11, 1969.

Senator GAYLORD NELSON,
Washington, D.C.

With splendid record of Blackwell Conservation Center urge you make every effort to keep in operation.

HAROLD PICHOTTA,
Treasurer.

NEW BRUNSWICK, N.J.,
April 15, 1969.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.:

As the closest neighbor of the Kilmer Job Corps Center and a former critic but now an enthusiastic supporter because of the visible results, I would consider it a privilege to be allowed to testify before your committee as to why these centers should be retained. From a selfish standpoint, we would benefit from this closing but from a humanitarian viewpoint and for the good of the nation, the centers now in operation should not be closed. A GAO report does not take into consideration the most important factor—the human one.

Mrs. HENRY FLEINCHE.

MADISON, WIS.,
April 15, 1969.

Senator GAYLORD NELSON,
Senate Chamber Building,
Washington, D.C.:

This is regarding the future of the Job Corps about which we are very concerned. As people who have worked with the strengths and weathered the struggles of Job Corps women in the residence extension program at the YWCA we want to tell you how valuable this program has been in influencing the lives of many young women we have seen the growth of self confidence, pride, and the ability to function independently on a job in the 25 women we have counselled over the past year and a half. We feel that success can be measured only on an individual level and we are therefore confident that the Job Corps has been successful.

If there is anything that can yet be done to salvage the Job Corps program we urge you, as voters of Wisconsin and as citizens concerned about the lives of underprivileged youngsters, to do all that you can.

JOB CORPS SYWCA STAFF.

GLOBE, ARIZ.,
April 14, 1969.

Hon. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.:

San Carlos Job Corp Center in Arizona was 8th in efficiency out of 82 camps. There are 19 other camps to remain open that rank below San Carlos. I would like to protest against the possible closing of San Carlos Job Corps Center.

E. R. BITTNER,
Mayor of Globe.

PORTLAND SECTION, NATIONAL COUNCIL OF JEWISH WOMEN,
Portland, Oreg., April 15, 1969.

Senator GAYLORD NELSON,
Chairman, Senate Subcommittee on Education and Labor, Senate Office Building, Washington, D.C.:

We 650 Oregon women appalled at the heartless cut in Job Corps program. Who will help them achieve now with poverty in the midst of plenty? We urge you to restore this training program to help provide minimum standard of living for young people with no opportunity of success in their own communities. Will these men and women be supported in jails or by welfare funds? The American dream is for the poor too, if we help make it come true.

Mrs. MAX FORSE,
State Legislative Chairman.

NEW YORK, *April 13, 1969.*

Senator GAYLORD NELSON.

DEAR SIR: Knowing how the Job Corps operates, let me say it is one fine program. At this moment my observation has been at Blue Joy Marionville Penna. The teachers, have been devoted to this way of helping Boys, Read, Write, also learning a way to earn a living.

Please do all you can to keep this Job Corps, in operation. It is real worthy and worth any consideration you may further.

Sincerely yours,

Mrs. WM. WURTENBURG.

CLINTON, IOWA,
April 11, 1969.

Senator GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Thank you for your recent letter.

We implore you to do everything in your power to prevent the tragic cutback in the Job Corps, which includes the shutdown of the Clinton Job Corps Center for Women, in operation for less than three years.

Nine hundred women, mostly of minority groups, will be forced back into a lifetime of poverty and ignominy, and the loss in human potential will be incalculable.

What has happened to our national values if we permit this arbitrary action by Secretary of Labor George Shultz? No consideration was given to the successes, which at Clinton are considerable—no visits were made. It is a purely political decision by the Republicans designed to take away from those least able to object: the poor, black, and uneducated.

That Center was making progress, real progress, toward overcoming those problems that may yet overtake our country.

Sincerely,

JAY TINSMAN,
LINDA TINSMAN.

GLOBE, ARIZ.,
April 12, 1969.

My name is Medardo Gonzales, 36 years of age, father of seven, American and New Mexican, by birth Spanish-American by descent, a veteran of the Korean conflict, Arizonian by chance, and a voter by choice.

As a concerned citizen and voter, I am writing to protest the closing of the 57 Job Corps Centers in general, and the San Carlos Job Corps Center in particular.

What is to become of the thousands of disadvantaged youths whose only hope for a niche in society lies in Job Corps? Can we, and must we, as human beings deny these young men and women, on whose shoulders the future of our country depends, the chance to become better and more useful citizens? Are we going to turn them out into the streets and ghettos with no hope of obtaining employment because we have denied them the right to learn and earn? Have we as a righteous nation ever denied the underprivileged of the world? Are we going to start now? We cannot and we must not let these young people down! Therefore, I am asking for your support in helping these young people. These are the future voters and citizens of this great nation!

Because of its unique Special Education program, San Carlos is one of the few, if not the only center, to offer a program of education designed to fit the needs of non-English corpsmen of Spanish descent. At the same time they are learning a skill so they may become employable. They are also learning the meaning of being a first-class citizen, and developing a feeling of pride in being bi-lingual. They are finding out that theirs is a dignified and respected culture and that they should not feel inferior because of language and cultural barriers. What more can we ask of Job Corps? What answer do you give the corpsmen who ask: "Will I be transferred to a center where I can continue learning English?"

Can you, as an influential and respected American, in good conscience condone this act? Or do you care?

MEDARDO GONZALES.

ASHLAND, WIS.,
April 11, 1969.

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

SIR: Yesterday we went on a tour of the Clam Lake Job Corps Conservation Center. The Principal explained to us the lack of formal education, background of economic poverty, and sometimes trouble with the law that is typical of these boys. Then he took us on a tour of the buildings and we had dinner there. We met several of the corpsmen and found them very courteous; and we enjoyed their company.

Last night in the Ashland Daily Press there was an article on the front page announcing the closing of the Job Corps camp by July 1st. It does not seem right that the corpsmen should be sent home to the troubled situations that they came from. Although they may be doing well in Job Corps, if they are sent home before completing their training, it may all be in vain. Moreover, thousands of other similar youth in our nation desperately need the training opportunity which at this time only Job Corps seems to be providing.

We learned that many of the graduates from this program have found good jobs with the skills they learned there. But skills are not all that is gained in Job Corps. They learn responsibility in classes and on their jobs,

and they learned to get along with the other fellows there.

In conclusion, we would like to say that it is our opinion that the Clam Lake Job Corps Center and all others across the nation should not be shut down, as they are of great value to the individual Corpsman as well as to the economy and welfare of the entire nation!

Most sincerely,

(All addresses, Lancaster, Wis.:)

Nancy Hall, Pam Martin, Ken Gelhaus, Pastor, Dennis Bailie, Thomas Henry, Warren Crews, Arthur Tobias, Valerie Crews, Mrs. Martha McLean, Lee Kirschbaum, Diane Stick, Sherry Meighan, Loyce Jerrett, Kathy Graney, Cheryl Saylor, Julie Bailie, Donna Ames, Ruth Anderson, and Jan Fedderly.

CLINTON, IOWA,
April 13, 1969.

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

DEAR MR. NELSON: As Chairman of the Senate Committee on Labor, please do all you can to save the Clinton Job Corps Center! We do not care if the Department of Labor takes over from OEO. We can see where changes and improvements need to be made. And just maybe many, many of the Clinton citizens could help in making or suggesting such changes. Only come see for yourself the tremendous center you got going here, the quality of work done, the equipment, space, personnel poured into this center—and judge if this should all be given up after only 3 years. How can you tell if anything better can take it's place? You will still be working with people and government money—why not work at doing this better?

I am a registered Republican, a woman who benefits in no way economically from the Job Corps. But I see human potential every day in those girls. I with many other women, give volunteer help at the Center to counsel, have the girls in our homes, shop with them, take them on trips, try to be a home-away from home for them. Most of them do care and do not drop out. Please give us a chance. What can one of us do to help you and your committee to reconsider this plan?

Sincerely

FLORENCE DEMPSEY.

KINGMAN, ARIZ.,
April 14, 1969.

GAYLORD NELSON,
U.S. Senator,
Washington, D.C.:

These children in Job Corps have a chance to learn good discipline and become good citizens where otherwise would remain as underprivileged and a burden to their communities. Give them a chance.

MARY ANN FRANK.

MELLEN, WIS.,
April 10, 1969.

DEAR SENATOR NELSON: Apparently the Nixon administration, in an effort to cut government spending at any cost, is contemplating the elimination of certain projects that have provided reasonable opportunities for underpriviledged Americans, while simultaneously aiding the economic structure of numerous American communities. Among these proposed cutbacks, as reported today, April 10, 1969, on radio station WATW, Ashland, is the possible closing down of certain Job Corps sites, including the camp nearest to our community, the Clam Lake Job Corps.

If the camp at Clam Lake is closed, then several of the citizens of Mellen and other areas will be out of work, the youths from proverty-stricken homes who abide at the local Job Corps will be deprived of a chance for self-improvement, the surrounding communities will lose several hundreds of thousands of dollars of annual commercial income, and the solid buildings and modern facilities of the camp will be vacated.

Although we appreciate Mr. Nixon's concern about the gigantic proportions of the annual U.S. budget, please, Mr. Nelson, do not allow the poor people of this nation to continue to suffer unnecessarily at the expense of preserving the "good record" of the present administration.

We appreciate your time and effort spent to remedy this situation.

Sincerely,

Mrs. ANNABELLE POPE.
Mrs. HELEN KOIWISTO.

KINGMAN, ARIZ.,
April 14, 1969.

GAYLORD NELSON,
U.S. Senator,
Washington, D.C.:

I have noticed the good work that Job Corps is doing in Kingman and urge that the Job Corps be continued here.

BETH THOMSON.

KINGMAN, ARIZ.,
April 14, 1969.

GAYLORD NELSON,
U.S. Senator,
Washington, D.C.:

If our young men and women are to be self-sustained, we urge that Job Corps continue.

TERRY CROCKER.

KINGMAN, ARIZ.,
April 14, 1969.

GAYLORD NELSON,
U.S. Senator,
Washington, D.C.:

Job Corps is doing a wonderful job in helping the underprivileged and urge you to continue this good work in Kingman.

GIL MILLIKEN.

MARION, ILL.,
April 12, 1969.

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

DEAR SENATOR NELSON: We think the closing of Crab Orchard Job Corps Center would be a mistake. We feel it would have a tragic effect on this area. (Already a low income area.) Families will have to leave to find employment elsewhere.

Worst of all is what it would do to the boys. We know how much they have been helped. Each of us has the right to develop to our best potential. How can these boys do this without help and training? They have the right to become useful and dependable citizens. This they cannot do without proper help. If not trained and educated they will, for the rest of their lives, be problems and dependents for our government. Where better can they receive this training than at Crab Orchard National Wildlife Refuge, where already planned training is available and one is close to nature which reflects the love of God.

Some of these boys have attended our church and have been guests in our home, so we write from first hand information. Boys have been and can be helped here. We do not feel training can be done nearly as successfully in the ghetto area as in this location. Many projects of great help to the community have been planned and begun. To discontinue them would be a waste of both time and money. Again we say money is not the most important issue, but the lives of the boys.

Enclosed is a clipping from our newspaper which expresses the feelings of others in our area.

Thank you for your help in keeping Crab Orchard Job Corps Center open.

Respectfully yours,

Mr. and Mrs. JOHN T. BROWN.

OFFICIAL SAYS: CLOSING CRAB ORCHARD CENTER WOULD BE MISTAKE

The chairman of the Citizens Advisory Committee of the Crab Orchard Job Corps Civilian Conservation Center said today he thought the federal government would "definitely be making a mistake" to close the center.

"It has done a wonderful job for the boys," said Rue Starr Sr.

Reports are that the Nixon administration plans to close 57 centers, including Crab Orchard, in 30 states as part of a $100 million economy move.

Speaking of the Job Corps program as a whole, Starr said that "of 90,000 boys run through the Job Corps, about half are gainfully employed, are in school or in the service. When you balance that against $100 million, you don't have much."

"The people should do something to help save the Job Corps," said Starr.

Carbondale Mayor David Keene said there was nothing official on the Crab Orchard Center closing but that if it happened, "it would be a tragedy not only for this area but for the boys. I am going to do everything possible to keep them from closing it."

"Some schools are graduating students who can't read and write. The Job Corps is teaching these boys to read and write and without that in this day and age, you go on the scrap heap."

The Crab Orchard Center, with 101 boys, is located in the Crab Orchard National Wildlife Refuge.

Assistant center director Clayton Bubb said he was told by the national office in Washington and the regional office in Minneapolis that there was nothing official on the closing of the Crab Orchard center, which is administered by the Bureau of Sports Fisheries and Wildlife of the Department of Interior.

He said the center had enjoyed excellent relations with nearby towns and had participated in several projects.

"I would hate to see it closed," said Arch Mehrhoff, manager of the Crab Orchard refuge, who handles some of the work assignments for the corpsmen.

"They have made a major contribution to improvements in camping and picnic areas and I have work scheduled for them for the next year," said Mehrhoff.

The center opened in June 1965.

CLINTON JOB CORPS CENTER,
Clinton, Iowa, April 10, 1969.

TO: GAYLORD NELSON:

I am a Corpswoman at the Clinton Job Corps Center, Clinton, Iowa. I am writing to protest the closing of the Centers. Don't let them close the door of opportunity to us. Help us fight this unpatriotic move. We want to be responsible adults, so don't let them take our chance away.

Thank you.

Sincerely yours,

MIGUELINA ALVAREZ.

GLOBE, ARIZ.,
April 14, 1969.

Senator GAYLORD NELSON,
Chairman, Subcommittee on U.S. Senate,
Washington, D.C.:

We, the corpsmen of the San Carlos Job Corps conservation center in Globe, Ariz., wish to thank and to express our gratitude for your support in the future of Job Corps and our center. We do not understand why Mr. Shultz wants to close San Carlos when, 1. Only eight centers in the Nation operate at lower cost than ours. 2. Only seven centers in the Nation have corpsmen who have made faster reading (educational gains) than us. 3. Only eight centers graduated a higher percentage of corpsmen than ours. 4. Only 13 centers have a longer length of stay than ours (we are 7.1 now and many have completed a full two years). 5. We have fifty percent Spanish speaking corpsmen and 30–

45 do not speak English at all when they first arrive. San Carlos is one of the few centers in the national able to teach English as a second language. 6. No center in the Nation has enjoyed better community relations than San Carlos, it has always been excellent. 7. We have completed over a million dollars worth of recreation, conservation, and community development and we have learned to take pride in our work and training. We know you will do everything possible to make these facts known to Mr. Shultz.

CORPSMAN COUNCIL, SAN CARLOS CORPS CENTER.

GLOBE, ARIZ.,
April 14, 1969.

HON. GAYLORD NELSON,
U.S. Senate Office,
Washington, D.C.:

Washington closing national 9th ranked San Carlos with bilingual program for non English Mexican Americans. Why?

CRUZ SALAS.

OIL IMPORTS, PROFITS, AND TAXES

Mr. PROXMIRE. Mr. President, I should like to reply to some of the points made by the distinguished Senator from Louisiana (Mr. LONG) yesterday. To do so, I ask unanimous consent that I may speak for 15 minutes in the morning hour.

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

Mr. PROXMIRE. Mr. President, I rise to provide further information for the Senate on the issue that the Senator from Louisiana (Mr. LONG) raised yesterday concerning the amount of foreign oil being permitted to enter the United States and the amount of taxes paid by the oil industry. On yesterday there was sharp disagreement between the Senator from Wisconsin and the Senator from Louisiana.

I enjoyed the debate very much. One thing about being in this kind of debate with the Senator from Louisiana is that one does not have to worry about false senatorial courtesy. I think that is most wholesome and helpful. I hope that the Senator from Louisiana will continue to be as frank and as open today as he was yesterday.

Mr. LONG. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. LONG. Mr. President, as far as I can determine, I breached no rules with regard to my good friend the Senator from Wisconsin. I admire the Senator. I am fond of him. I love him. My sentiments do not change even when I find him in error. However, loving him as I do, I feel it my duty from time to time to correct him when I find him falling into error.

Mr. PROXMIRE. Mr. President, I said that one does not have to worry about any false, I repeat, false, senatorial courtesy.

Mr. LONG. I thank the Senator.

Mr. PROXMIRE. I am sure the Senator is sincere in expressing his affection. It is reciprocated.

Mr. LONG. I thought it was appreciated.

Mr. PROXMIRE. It certainly is, and I think that the Senator knows it.

Yesterday, the Senator indicated that about 25 percent of the domestic demand for petroleum was being filled by foreign oil. Quite frankly, I am unable to find any documents to support this estimate.

I have analyzed the figures published by the Oil Import Administration, which is directly responsible for the oil import program and I could not find a figure for foreign oil imports which came close to 25 percent.

Imports into districts one to four are limited to 12.2 percent of estimated domestic production. District five, the west coast, is treated differently, as the Senator from Louisiana rightly pointed out. Imports into district five equal the difference between the amount that can be produced domestically and the total demand in that district.

According to the Oil Import Administration, total demand for petroleum in 1968 was 12,837,000 barrels a day. This includes districts one to four and district five. Excluding residual oil, which is imported without limitation, we had a total demand of 11,114,000 barrels a day. Imports for 1968, including residual oil totaled 2,525,000 barrels a day. Imports excluding residual oil totaled 1,502,000 barrels a day.

Based on these figures, if we include residual oil which is imported without limitation because domestic refiners did not find it profitable enough to produce sufficient amounts, we arrive at imports for 1968 of 19.7 percent of domestic demand. However, this is not a realistic appraisal of the situation.

WITHOUT RESIDUAL OIL 13.5 PERCENT IMPORTED

Residual oil imports should be excluded from the total figures because domestic refiners could not or would not produce such a low profit item and, thus, it had to be decontrolled. Imports into the entire United States, districts one to five, excluding residual oil, totaled only 13.5 percent of domestic demand in 1968.

However, even this percentage of foreign oil imports is too high, if we are to view the oil import situation realistically. Assuming for the purposes of argument that the oil import program is really designed to protect our national security and is not designed merely as another price-support mechanism for the oil industry, we ought to exclude Canadian oil from the amount of imports. Canadian oil which enters our country by pipeline is more secure than the domestic oil being pumped from the wells offshore in many States including Louisiana. As the Senator from Louisiana has already indicated, these wells are very vulnerable to submarine attack, yet, no one says that production from these wells should be curtailed in the interests of national security.

WITHOUT RESIDUAL OR CANADIAN-ONLY 9 PERCENT IMPORTED

If we exclude Canadian oil coming into the United States by pipeline and residual oil, we find that we import less than 9 percent of our total domestic demand for oil. Even if we include residual imports, foreign oil only consists of 15.8 percent of our total demands. This is almost 10 percentage points or 40 percent less than the 25 percent mentioned by the Senator from Louisiana.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. PROXMIRE. Mr. President, I now yield to the Senator from Louisiana.

Mr. LONG. Mr. President, the Senator made the statement that we did not produce residual fuel oil. The reason we do not produce residual fuel oil is, the Senator stated, that it is a low-profit item. Is the Senator sure that is the reason that we do not do it?

Mr. PROXMIRE. That is the principal reason.

Mr. LONG. Let me say to the Senator that the principal reason why we do not produce the residual fuel oil is that the U.S. oil is of a relatively light nature, a relatively high gravity. We can use all of the oil produced, and we make a lot of No. 2 fuel oil. It does not pollute the atmosphere. But it is cheaper to use residual and residual is commercially competitive with coal. However, if one is a producer of oil or coal, he is still competing for the fuel market.

When one brings in residual, insofar as it is used, it is burned over a boiler. They use it to generate power. When one uses the residual and burns it under a boiler, it results in either one of two things. It results either in the loss of a job to a coal miner or a man in the oilfield. However, in either event, the fuel oil competes with the No. 2 fuel oil.

Insofar as that is done, we have eliminated employment. However, if an oil producer were to look at the market, he would have to conclude that while it is true that he must compete with the coal people for the same purpose that residual oil was produced, that is part of the market that is being lost. That is part of the relatively uncontrolled imports.

I have figures from the U.S. Tariff Commission dealing with this matter. I ask unanimous consent that the tabulation be printed at this point in the RECORD.

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

U.S. CRUDE OIL PRODUCTION AND FOREIGN OIL IMPORTS

[In thousands of barrels daily]

TABLE 1.—DISTRICTS I TO IV

	1967	1968
U.S. Crude oil production	7,737	7,878
Imports (controlled):		
Crude oil	769	964
Unfinished oil	64	60
Other products	128	192
Total	961	1,216
Imports (uncontrolled): Residual	1,065	1,133
Total imports	2,026	2,349
Aggregate U.S. production plus total imports	9,763	10,227
Controlled imports as percent of aggregate	9.84	11.89
Uncontrolled imports as percent of aggregate	10.91	11.08
Total imports as percent of aggregate	20.75	22.97

U.S. CRUDE OIL PRODUCTION AND FOREIGN IMPORTS—Continued

[In thousands of barrels daily]

TABLE 2.—DISTRICT V

	1967	1968
U.S. crude oil production	1,073	1,217
Imports (controlled):		
Crude oil	359	326
Unfinished oil	32	20
Other products	49	55
Total	440	401
Imports (uncontrolled): Residual	13	18
Total imports	453	419
Aggregate U.S. production plus total imports	1,526	1,636
Controlled imports as percent of aggregate	28.83	24.51
Uncontrolled imports as percent of aggregate	.85	1.10
Total imports as percent of aggregate	29.68	25.61

TABLE 3.—DISTRICTS I TO V

U.S. crude oil production	8,810	9,095
Imports (controlled):		
Crude oil	1,128	1,290
Unfinished oil	96	80
Other products	177	247
Total	1,401	1,617
Imports (uncontrolled): Residual	1,078	1,151
Total imports	2,479	2,768
Aggregate U.S. production plus total imports	11,289	11,863
Controlled imports as percent of aggregate	12.41	13.63
Uncontrolled imports as percent of aggregate	9.55	9.70
Total imports as percent of aggregate	21.96	23.33

Mr. LONG. Mr. President, in districts 1 through 4, controlled oil imports under the 12.2 were 9.84 in 1967 and 11.89 in 1968. They are up.

Then, the uncontrolled part was 10.9 percent in 1967 and 11.08 in 1968, for a total of 20.75 in districts 1 through 4. Total imports as a percent of the aggregate U.S. crude production plus imports were 22.77 in 1968.

In district 5, in 1967, the controlled imports were 28.83, and they were 24.51 in 1968. I assume that was larger because of Alaska coming in strongly in that area. The uncontrolled was 0.85 percent in 1967, and 1.1 in 1968, for a total of 29.68 in 1967, and 25.61 in 1968.

Now take the total for the entire United States. It works out this way: Controlled in 1967, 12.41; uncontrolled, 9.55. That makes a total of 21.96.

Take the next year, 1968: Controlled, 13.63; uncontrolled, 9.70. That makes a total of 23.33, which is getting pretty close to the 25 percent I mentioned yesterday.

The members of the staff of the Committee on Finance who compiled these figures and obtained this information for me and study these matters for the committee say the projection they have made this year is that it will be 25 percent, which is partly gone already. We try to estimate these things as best we can, and our projection is that this year it will be 25 percent of the market for oil.

Mr. PROXMIRE. Mr. President, I strongly disagree with a number of points made by the Senator from Louisiana.

In the first place, I am relying on the agency that has responsibility for the importation of oil, that issues licenses, and that should have the facts—the Oil Import Administration. The figures I read are the figures they gave.

In the second place, as I pointed out, and as the Senator made clear in his explanation of the technology of oil, the fact is that residual oil has been decontrolled. There are technological reasons for it as well as profit reasons. I think profit reasons are important, also. What I am talking about is the importation of oil from abroad that competes and has a really significant effect on the price of gasoline and the price of home heating oil.

I am sure there is some degree of overlapping and competition between residual oil from abroad and No. 2 oil here, but not much. Residual, by and large, is used by big industry and some large apartments, but the home heating oil is the principle oil used in home heating.

Further, Mr. President, when we consider the Canadian import, the fact is that competing oil import adverse to our national defense is a modest percentage; as I have said, approximately 9 percent.

Mr. President, to proceed, I should like to clear up some other misconceptions on the part of the Senator from Louisiana.

END OF OIL IMPORT PROGRAM WOULD LOWER OIL PRICES

The Senator indicated that, once the American markets were opened to foreign crude oil, prices would rise above the $1.75 mid-Eastern price because we would become dependent upon that oil. I find it hard to accept that argument. It assumes that the OPEC—Organization of Petroleum Exporting Countries—countries could control the total amount of oil produced. The OPEC has tried twice already to control the amount of oil produced by its member countries, but has failed because there is too much excess oil in the world markets. Should the market for that oil become larger by opening up the U.S. market to such oil, competition might drive the price down even more. I do not think it necessarily would, but it might; and this was the testimony of some of the witnesses before the Hart subcommittee.

The incremental cost of producing more oil from existing pools is minimal. I cannot believe that these countries of such diverse backgrounds could band together, trusting each other only to produce a certain amount of oil. More likely is that these countries might cut their prices in an attempt to gain a larger share of the market and thus the world price of oil could conceivably continue to go down.

I might add, as I have indicated, that this was the unanimous conclusion of the economists who testified before Senator HART's Subcommittee on Antitrust and Monopoly.

As I have said, I think these witnesses could be wrong. I have taken a more moderate position. But, certainly, the end of the Oil Import Act, which I do not call for, the modification of it, would have the effect of driving down the prices to the consumer in this country, and driving them down sharply.

OIL IMPORT PROGRAM DESIGNED TO INCREASE PRICES

I think that the basis for the oil import program was very eloquently stated in two editorials in the New York Journal of Commerce. I ask unanimous consent to have them printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PROXMIRE. I should like, however, to point out two paragraphs which summarize the oil import program's true purpose. Remember, this is the New York Journal of Commerce speaking, not the Senator from Wisconsin:

> In no instance . . . has the contradiction between the government's anti-inflation and protectionist policies been more flagrantly exposed than in the oil import quotas which continue to penalize many users for the benefit of a relatively few producers.
>
> It is high time this whole mock and dumbshow was abandoned, and if not in the interests of the national welfare, then at least in the interests of national credibility. National security is not now, never was, and never could be a valid excuse for this travesty. Not unless one is willing to accept the explanation that an armed hold-up was committed because the aggressor felt he needed more money and to exonerate him.

Now, this is not the position of the Senator from Wisconsin. I take a more moderate position. This is the position taken by the Journal of Commerce.

I think one can make a case for limiting oil imports for national defense reasons, but I think the present program leaves out of account the Canadian oil available to us, which is much more available than some oil offshore.

It leaves out of account the difference in the Venezuelan oil available to us. It is true that is not as easily available as continental oil, but it is far more accessible than mid-Eastern oil. It leaves out of account the experience we had in World War II, when we were able to greatly diminish the amount of oil consumed domestically by gas rationing, and we can do that again. It leaves out of account the fact that we now live in a nuclear age and the prospects that any war that could cut off oil from this country for any period of time would have to be a confrontation between a nuclear power, probably Russia, and this country. Such a war would not last a matter of months or weeks. It would be over in a matter of hours or days.

Furthermore, it leaves out of account that by not using as much foreign oil, we do use up our own limited resources more rapidly; and this could diminish rather than increase our ability to defend ourselves by diminishing this valuable and limited resource.

Mr. President, on the basis of this, I would not cut off the oil import program. I think that before we act on it, we should wait for the report of the Shultz committee, which is now studying the oil import program. Secretary Shultz has been appointed by President Nixon to study and report on the national defense justification of the oil import program.

I think, also, we should give real consideration to the possibilities of oil shale, which some people tell us is worth trillions of dollars and could supply enor-

mous oil reserves, far more than we could need for many years. It is true that we need a technological breakthrough. Some people point out that by spending $1 billion or less, which is far less than the oil import program costs us in a year, we could make real progress in making this resource available. So the national defense justification for the oil import program is very vulnerable indeed.

In summary, then, the oil import program's surest purpose is to enable the oil industry to continue to fix prices.

Professor Steel undercut the economic rationale of the program when he pointed out that even if prices for domestic oil dropped to $2 a barrel—one estimate of the price of middle eastern crude oil delivered to the United States—95 percent of our domestic production would still be economical.

If I may paraphrase him, we are spending between $2 billion and $7 billion a year to keep 5 percent of our wells in production, and that depends on which source one takes. The Department of Interior reports that oil imports are costing us $2 billion. The figure from the chief economist of the Hart committee, John Blaine, is $7 billion. My estimate is that it is somewhere in between. Regardless, it is costing billions of dollars a year to keep just 5 percent of our wells in production. Many people feel that does not make sense. In fact, most people who are not connected with the oil industry do not think it makes sense.

OIL TAXES LOW—PROFITS HIGH

The Senator from Louisiana made mention of the profits of the oil companies and the taxes that they paid. He indicated that they paid a much higher rate than appears from merely quoting the Federal income tax paid.

First, let me deal with oil company profits. I ask unanimous consent that report on oil company profits for 1968 from the Oil Daily be printed in the RECORD at the conclusion of my remarks as yesterday's Wall Street Journal article which indicates that Standard Oil of Indiana expects record high profits for the coming year.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 2.)

Mr. PROXMIRE. As these reports show, the oil industry is a very healthy one indeed. Fourteen Senators, in a letter to the Attorney General, pointed out "that in 1968 the combined net profits of the 12 largest U.S. oil companies was just a fraction under $5 billion. Each of those 12 companies, moreover, has set new profit records in each of the last 4 years. Just 4 years ago, the profits of these 12 companies totaled $3.7 billion. During that short span of time, they have, thus, increased their profits by just under $1.3 billion—a 33.5-percent increase." I ask unanimous consent that the letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. PROXMIRE. Mr. President, this is not a poverty-stricken industry. Now, let us move on to the claim that the oil industry pays more than its share of taxes. I ask unanimous consent that the tax table published in U.S. Oil Week of the Federal taxes of the largest refiners be printed in the RECORD at the conclusion of my remarks. The figures are very interesting.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 4.)

Mr. PROXMIRE. Mr. President, the usual Federal corporate income tax is 22 percent on earnings of up to $25,000 and 48 percent on earnings over $25,000. The figures published by U.S. Oil Week show that the average income tax paid by the large oil companies in 1967 was 8.8 percent, although they earned over $7.25 billion. The figures are even more enlightening when we get down to specific companies. Atlantic Richfield which earned over $410 million in the past 5 years paid not 1 red cent in Federal income tax. Texaco which led the recent price increase in order to get a larger depletion allowance and, thus, cut its taxes still further paid on 1.9 percent of its income in Federal income taxes in 1967.

Don Bartlett of the Cleveland Plain Dealer who is one of the best investigative reporters in the business has looked into the amount of taxes paid by the oil companies. I ask unanimous consent that two of his articles on this subject be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objction, it is so ordered.

(See exhibit 5.)

Mr. PROXMIRE. Mr. President, why do the oil companies pay so little in Federal taxes? The reason is simple. They are the beneficiary of more tax loopholes than any other industry. They have the oil-depletion loophole which bears no relation at all to actual capital investment and has allowed oil companies to recover the cost of drilling their wells 19 times over. They write off against ordinary income about 90 percent of the intangible drilling and development costs. In any other business they would have to capitalize these expenses. They are entitled to carved out production payments which enables the oil companies to avoid even more taxes by shifting income from year to year as needed. There are more loopholes such as the 14-point Western Hemisphere allowance, but rather than spend time now explaining them all I commend Don Bartlett's article for a description of them.

All these tax breaks are said to be designed to encourage domestic exploration and development. Yet, the Treasury Department-commissioned study found that for every $1 of discovered reserve over $10 in tax revenue was lost because of the depletion allowance alone. This does not take into consideration the revenue loss due to expensing and other tax loopholes. And it does not include, as I pointed out in my analysis of the costs of the oil import program that the program costs the American economy about $2.1 billion more each year than the oil industry is spending on domestic exploration.

My distinguished colleague, Representative WRIGHT PATMAN, of Texas, estimated that 40 percent of depletion was taken for foreign drilling. If national security is, indeed, the reason for all these gigantic tax breaks, why should we allow foreign depletion allowances? Additionally, why should we allow oil companies to write off disguised royalty payments to foreign countries, such as Saudi Arabia, dollar for dollar against U.S. taxes owed? This is the "golden gimmick." In effect, it forces the American taxpayer to bear 50 percent of the cost of foreign taxes paid to these countries. It does not make sense in either economic terms or in terms of our national security.

The Senator from Louisiana and others say that the oil companies pay a higher rate of taxes than is shown by the Federal income taxes they do or do not pay. This is true. But then, so do other industries. Even if we take into account foreign and State taxes, the oil companies do not pay as high a percentage of their revenue in total taxes as small businesses earning less than $25,000 a year pay in just Federal income taxes. And, of course, they paid much less than most other big businesses. In 1967, the oil companies paid only 21.9 percent of their income in Federal, foreign, and most State taxes—including severance taxes. And that was the highest percentage it has paid in years.

This excludes local taxes—property taxes—but all industries pay property taxes. I have never seen an instance where the oil industry had to pay higher property taxes in relation to the value of their property than other industries. Indeed such a tax would be of questionable constitutionality. It is true that I exclude the excise tax involved when we drive into a filling station and tell the operator, "Fill her up." My assumption is that those taxes are paid by the consumer. In the debate yesterday, I felt that the Senator from Louisiana realized that was a tax with a different impact than income tax, where the effect is on the stockholder, than the excise tax which is shifted to the consumer.

I must conclude, as did almost all the academic witnesses before Senator HART's committee, that the oil companies are the beneficiaries of gigantic but undeserved Government favors. The Government enables them to fix prices through the oil import program and the market proration systems. The Government allows them to escape paying their fair share of the taxes we all must bear.

Finally, the Government provides all sorts of free services for the oil companies, such as statistical, geological work, and the Interstate Oil Compact Commission, which effectively exempt the oil industry from antitrust action.

I am delighted to yield to my good friend from Louisiana who has been very patient. There is no question that he is extremely competent in this area. He knows it thoroughly. I may say one more thing. If anybody can do a good job with a weak case, it is the distinguished Senator from Louisiana. He pointed out yesterday that he knew much more about this matter than I, and he may be right. However, allowing for his rhetorical superiority, if anyone would just look at the merits of the debate that emerged from the little discussion had

yesterday, he would have to come to the conclusion that the oil industry is getting away with murder.

EXHIBIT 1

[From the New York Journal of Commerce and Commercial, Apr. 4, 1969]

NOT THROUGH THE NOSE, PLEASE

The morality of pricing in the United States is a subject that has never failed to intrigue us. Actually—if this land were as purely a capitalistic society as Russian school children are taught to believe it is—that phrase would be meaningless. If the demand for particular goods or services were outrunning the supply, their prices would rise. If the demand was short, they would fall. Morality would not be involved. That was what we were all taught in freshman economics.

But despite living in a country saddled with a Puritan heritage we were not taught (in the years the editors went to school) that notwithstanding whatever play the free markets were supposed to exert, some prices were "moral" and some weren't. Some price increases outraged Congress while some decreases outraged it even more. Only as we grew older did we discover that while high prices on some items were "good," on others they were definitely "bad." Only from reading the papers, or better still, the Congressional Record, did we learn that these appelations had less to do with the market than with a sense of morality ambiguously defined.

For example, high coffee or cocoa prices were "bad" because these items were produced abroad, and the cost of them upset that most sacred of all creatures, (so we thought), the American housewife. But high prices on onions, Maine potatoes, meat, grains, butter, almost all other domestically-grown foodstuffs, securities, motorcycles and the like were "good" because, the American housewife notwithstanding, they served the interests of other Americans almost as sacred as an American housewife if not more so.

So when the price of onions futures declined to a certain point, Congress banned any further such trading, apparently forgetting the American housewife altogether. The idea, which failed dismally, was to keep onion prices up. Then various administrations, faced with price increases in steel, aluminum or the like went into action to keep other prices down, gaining public approbation thereby but not much else.

All this would be relatively simple if it could all be boiled down to a formula that might be stated in these terms: If the item in question is produced here and consumed here, the nation need not be concerned about the American housewife. If, on the other hand, it is produced exclusively abroad but consumed here, the housewife must be protected no matter what the cost to what otherwise might be national policy.

All well and good. But what about items that are produced both here and abroad? Who then becomes the sacred cow? Well, in the case of crude oil it ought to be obvious. Refiners in Montreal were able to produce gasoline at $1.26 less per barrel than the price in Boston. The price of heating oil in Montreal is less by $1.68 per barrel than that in Boston.

Now considering the fact that much of the crude oil passing through the Montreal refineries comes from the Middle East, why should this be? Is the distance from the producing areas to the refineries so much shorter? Far from it. Much of the oil going to Montreal is brought there via a pipeline from Portland, Maine. In other words, it passes right through the high-price area without stopping, and cannot be distributed within this area. Canadians may get their oil at much lower prices, but not the citizens (including the semi-sacred housewives) of the Northeast. Why?

The answer must by now be drearily familiar. Every resource that oil producers in the Southwest, plus all the votes they can command in Congress, is concentrated on preventing anyone in the Northeast from using Middle Eastern oil imported via a point very close to Portland at prices even approximating those current in East Canada.

In no instance known to us has the contradiction between the government's anti-inflation and protectionist policies been more flagrantly exposed than in the oil import quotas which continue to penalize many users for the benefit of a relatively few producers.

It is high time this whole mock and dumbshow was abandoned, and if not in the interests of the national welfare, then at least in the interests of national credibility. National security is not now, never was, and never could be a valid excuse for this travesty. Not unless one is willing to accept the explanation that armed hold-up was committed because the aggressor felt he needed more money and to exonerate him.

Now some may feel we have borne down much too hard on this issue. They may feel that the oil import quota system was actually introduced as a national defense measure, not as an out-and-out protectionist device to reward the few at the expense of the many.

If this is the case, and if these people really do believe the national security is at stake: if they really believe that notwithstanding the new strikes on the North Slope of Alaska, in Canada and elsewhere nearby, this country is virtually lost without continued drilling in the Southwest, why not try to reach a sensible solution?

Why not adopt one suggestion now before Congress? Why not let Washington buy up all new domestic sources at the point discovered, which is the cheapest way of storing oil reserves? We have our doubts about this, too. Still and all, everyone would then know where the subsidy was going and who was getting it. And then everyone could judge the validity of the TVE claim for protection and decide it on its merits. If anyone had to pay, all Americans would pay—not just a selected geographical list of them and not through the nose.

[From the Journal of Commerce, Mar. 26, 1969]

OIL VIA THE ENTREPOTS

To read some of the recent denunciations of Occidental Petroleum's proposals for a refinery in a foreign trade zone which may or may not be created in Machiasport, Me., one might think that the idea is as nefarious as any that has come down the pike in many years.

If the zone is created, it is said, and if the company establishes a 300,000-barrel-per-day refinery, it can draw crude oil from Libya, refine it, then "export" half or more of the refined products into adjacent New England consuming centers, thereby foiling the government's oil import quotas, forcing reduction in the high delivered costs of New England's fuel oil and otherwise trampling on settled federal policies.

This sounds like great stuff for people who don't know what foreign trade zones are, who figure that the wealth of independent oil producers somehow transduces every other aspect of the national welfare and who are convinced that some kind of plot must be involved in any effort to protect shivering New Englanders from whatever may result from the subsidized efforts of Texas and Oklahoma wildcatters to find some more oil for the Northeasterners who neither need oil from these sources nor want it.

What is needed in the Northeast is a constant source of residual oil that is reasonably competitive in price. By "reasonably competitive" we don't mean to accept the price standards set by the oil independents in the Southwest. We mean by standards relative to the cost of oil brought in from elsewhere; and elsewhere can mean from anywhere, the editors not being among those who feel religiously that this area of the United States somehow owes a lucrative living to those who, having already the advantage of a 27½ per cent depletion allowance, somehow figure the nation owes them more.

Now, is it that to which the whole Machiasport proposal adds up? It adds up only to a practice in vogue for hundreds of years in Europe and for over 30 years in the United States.

What is officially called the "foreign trade zone" in this country is, in Europe, the free port or entrepot, which has been in usage there for six centuries. It involves a concept that does not try to get around rigid trade barriers as much as it does to minimize the impact of these barriers as between raw materials and processed (or semi-processed) goods.

Raw materials brought into a European free port or an American foreign trade zone are not subject to the usual customs levies. But when they come out again in processed form the story is different. If they are sent abroad in that form, no duty is paid here. If they are sent into the United States markets, the duty paid is the same as the duty due if the same products had been imported in that precise form from overseas.

What is the loss incurred by the United States in terms of customs revenue? The answer is indicated by the figures for fiscal 1967—the latest available for this type of operation. In that year, imports into U.S. foreign trade zones amounted to $86 million in value. Shipments into U.S. customs territory plus foreign ports totaled $89 million which, if you ask us, was pretty small potatoes.

Since the United States finally allowed foreign trade zones in 1937, some 13 zones (or sub-zones) have been authorized. Several originally established have since been abandoned, but among those remaining most in this country provide for processing, and by some reputable companies, too.

These include such firms as Dow Chemical and Union Carbide. Business activities within the zones embrace such items as machinery, pharmaceutical and soft drink production (New York), batteries (New Orleans), conversion of foreign-built trucks into campers (Seattle), the manufacture of women's clothes (San Francisco); power tools (Mayaguez, P.R.), petrochemicals (Penuelas, P.R.), and telephone cables (Honolulu), with three more petrochemicals operations slated for Bay City, Mich. and possibly another at Bayway, N.J., where Humble Oil is reported considering an installation.

So the Machiasport project is not unique—even in terms of the oil quotas. With the single exception of Union Carbide's authorization to import 40,000 barrels of crude per day into Pinelas, all petrochemicals projects, including that at Taft, La., are being held up pending the Nixon Administration's study of oil import quotas.

Privately it is being said that implementation of Occidental Petroleum's Machiasport project would blast so large a hole through the oil import quotas that it would effectively demolish the entire structure. This is being advanced as a prime argument against the project, on one hand, and in support of it on the other. We stand with the latter. The program was never anything more than a crude device for the escalation of domestic oil prices for the benefit of the few and at the expense of consumers. We would be glad to see it go. If the Machiasport or any other similar project hastens the day when it does collapse, so much the better for it.

EXHIBIT 2

[From the Oil Daily, Feb. 3, 1969]

EARNINGS REPORTS

	1968 net	Percent change
American Petrofina	$16,280,600	+16.1
Atlanta Richfield	148,861,000	+14.5
Cities Service	121,000,000	+5.3
Continental Oil	150,000,000	+10.2
Creole Petroleum	239,700,000	+11.1
Diamond Shamrock	34,615,000	−18.1
Getty Oil	98,000,000	−17.1
Gulf Oil	626,000,000	+10.2
Hess Oil & Chemical	28,000,000	+40.0
Imperial Oil	100,000,000	+ 5.3
Marathon Oil	83,326,000	+12.8

EARNINGS REPORTS—Continued

	1968 net	Percent change
Midwest Oil	$13,500,000	+5.1
Mobil Oil	428,000,000	+11.1
Murphy Oil	8,200,000	−.2
Phillips Petroleum	136,800,000	−16.6
Shell Oil	312,100,000	+9.6
Sinclair Oil	76,800,000	−19.5
Skelly Oil	40,269,000	−4.2
Standard (Calif.)	451,800,000	+10.4
Standard (Ind.)	309,400,000	+9.6
Standard (N.J.)	1,275,000,000	+10.4
Standard (Ohio)	70,000,000	+4.3
Sun Oil	164,400,000	+5.3
Texaco Inc	835,530,000	+10.8
Union (Calif.)	151,200,000	+4.3

1968 EARNINGS REPORTS; COMPARISONS

	1968 net	1967 net	Percent change	1966 net	1965 net	1964 net
American Petrofina	$16,280,600	$14,028,100	+16.1	$10,662,689	$4,614,000	$1,551,000
Atlantic Richfield	148,861,000	130,861,000	+14.5	113,484,000	90,111,000	47,076,000
Cities Service Co	121,000,000	127,800,000	+5.3	120,100,000	100,500,000	84,513,000
Continental Oil Co	150,000,000	136,100,000	+10.2	115,700,000	96,200,000	100,100,000
Creole Petroleum	239,700,000	215,800,000	+11.1	207,900,000	220,628,000	227,657,000
Diamond Shamrock Oil & Gas	34,615,000	42,245,000	−18.1	34,369,000		
Getty Oil Co	98,000,000	118,166,000	−17.1	98,038,000	11,765,000	13,729,000
Gulf Oil Corp	626,000,000	568,000,000	+10.2	505,000,000	427,000,000	395,000,000
Hess Oil & Chemical	28,000,000	20,000,000	+40.0	15,500,000	13,000,000	11,700,000
Imperial Oil, Ltd	100,000,000	95,000,000	+5.3	92,000,000	86,000,000	79,072,000
Marathon Oil	83,326,000	73,858,000	+12.8	68,826,000	60,071,000	60,376,000
Midwest Oil Corp	13,500,000	12,847,000	+5.1	11,280,000	10,901,000	10,821,101
Mobil Oil	428,000,000	385,400,000	+11.1	356,100,000	320,100,000	294,200,000
Murphy Oil Corp	8,200,000	8,218,000	−.2	8,431,000	6,373,000	4,253,824
Phillips Petroleum Co	136,800,000	164,000,000	−16.6	144,500,000	127,700,000	115,018,000
Shell Oil Co	312,100,000	284,800,000	+9.6	255,200,000	234,000,000	198,200,000
Sinclair Oil Corp	76,800,000	95,400,000	−19.5	93,800,000	76,700,000	58,700,000
Skelly Oil Co	40,269,000	42,016,000	−4.2	36,962,000	33,996,000	25,551,000
Standard (California)	451,800,000	409,400,000	+10.4	401,243,000	391,000,000	345,000,000
Standard (Indiana)	309,400,000	282,200,000	+9.6	255,900,000	219,300,000	194,851,000
Standard (New Jersey)	1,275,000,000	1,155,000,000	+10.4	1,090,000,000	1,035,675,000	1,050,000,000
Standard (Ohio)	70,000,000	67,100,000	+4.3	56,936,000	49,711,675	43,767,777
Sun Oil Co	164,400,000	156,100,000	+5.3	100,574,000	85,520,000	68,507,000
Texaco, Inc	835,530,000	754,386,000	+10.8	692,066,000	636,698,153	577,361,048
Union Oil (California)	151,200,000	145,000,000	+4.3	134,200,000	119,200,000	98,600,000

[From the Wall Street Journal, Apr. 14, 1969]

INDIANA STANDARD EXPECTS 1969 PROFIT TO SET NEW HIGH—NATURAL GAS DISCOVERED ON ALASKA'S NORTH SLOPE BY PAN AM PETROLEUM UNIT—MIDDLE EAST OUTPUT TO RISE

NEW YORK.—Standard Oil Co. (Indiana) predicted record net income for 1969 and reported it has discovered natural gas on Alaska's North Slope.

In forecasting a new earnings high, John E. Swearingen, chairman, wasn't specific, but he told the New York Society of Security Analysts "we expect to meet our objectives" this year. He noted that Indiana Standard's earnings have risen an average of 11% annually the last five years, and said that the company has a goal of an 8% to 10% annual growth rate in net income.

In 1968, the big oil company reported a 10.2% rise in net income to $309.5 million, or $4.37 a share, on revenue of nearly $4 billion.

Pan American Petroleum Corp., wholly owned producing subsidiary of Indiana Standard, reported in Tulsa that its Kavik No. 1 well, about 60 miles southeast of Alaska's Prudhoe Bay in the Arctic, has tested natural gas at rates from 3.5 million to 12.5 million cubic feet daily, through various openings.

Atlantic Richfield Co. and Humble Oil & Refining Co., chief subsidiary of Standard Oil Co. (New Jersey), announced last summer two discovery wells in the Prudhoe Bay area that may prove to have found the largest oil field in North America. British Petroleum Co. also has announced discovery of oil at Prudhoe Bay. But since that time all producers had been declining to announce results or data on North Slope wells until the Pan American announcement.

Indiana Standard had admitted the Kavik No. 1 well sustained a "blow out" on March 17, but had declined to speculate on the meaning of that blowout. A blowout is generally considered to be an uncontrolled release of gas or oil pressure.

OTHER NORTH SLOPE DISCOVERIES

Atlantic Richfield holds a 50% interest in Pan American's Kavik No. 1 and in about 16,000 acres of leases surrounding the well. The well currently is at about 4,300 feet and has a projected depth of 10,000 feet, Pan American said. In New York, Mr. Swearingen declined to add any comment to the Pan American announcement.

Problems of transporting natural gas from the Arctic raise questions about the economic feasibility of a gas discovery there. However, a gas discovery can sometimes indicate oil will be found at a greater depth.

Mr. Swearingen also told analysts of plans to substantially increase Indiana Standard's Middle East oil production. And he noted, "While the foreign profit contribution was modest last year we expect considerable gains in the future from foreign sources." Entering the black for the first time in 1968, the company's earnings outside North America totaled $27.6 million. Indiana Standard began foreign operations about 10 years ago.

BOOST IN PRODUCTION

Gross oil production from the El Morgan field offshore from Egypt in the Gulf of Suez is expected to reach 300,000 barrels a day this year, Mr. Swearingen said. Last year gross production there averaged 180,000 barrels daily, of which Indiana Standard's share was 59,000 barrels daily. Egypt's government-owned oil agency holds the remaining interest in the field.

Indiana Standard plans to place in production next year its third oil field in the Persian Gulf of Iran, he said. The Fereidoon field is expected to initially have a gross production rate of 100,000 barrels daily, he said. That's nearly equal to gross output of 102,400 barrels daily last year from the company's other two Persian Gulf fields, of which Indiana Standard's share was 51,000 barrels a day.

Mr. Swearingen said that the group of which Indiana Standard is a member has completed 20 gas wells in the Leman Bank field offshore from Britain in the North Sea and is installing a production platform in the Indefatigable field. Indiana Standard will have about a 31% share of scheduled output from the two fields of 800 million cubic feet a day by the group, he added.

"With our chemical business firmly established, and with foreign (oil) operations in the profit column, we now are in position to consider moving into new areas," Mr. Swearingen stated. But he noted the company has deferred proposed merger with Cerro Corp., large copper and silver mining concern, to "permit additional evaluation of political developments in Peru." He declined to add to that statement when asked to outline what conditions would have to prevail in Peru for the merger to be completed.

EXHIBIT 3

DEAR MR. ATTORNEY GENERAL: We are writing to express our deep concern about the recent price increases in gasoline and crude oil. As you are perhaps aware, Texaco raised its wholesale price for gasoline 6/10 of a cent a gallon on February 24. Within 7 days, 13 other major oil companies followed, each raising their wholesale gasoline prices by either 6/10 or 7/10 cents a gallon.

Because of the stringent laws against price fixing, we think that the fact that all these oil companies raised their prices by almost the same amount at the same time merits close consideration. This is particularly true because gasoline prices were raised at a time of the year when consumption is relatively low and prices are traditionally at their lowest ebb.

We are especially concerned because gasoline price rises affect practically every consumer in the country. They have no choice; they must buy gasoline.

Such a price increase affecting a commodity so widely used in our economy has a devastating inflationary impact. Paul W. McCracken, Chairman of the Council of Economic Advisers, in a letter to Senator Proxmire, just confirmed former Chairman Arthur M. Okun's estimate that the 1c a gallon increase in the retail price of gasoline will cost the consumers $800,000,000 a year.

This action by the oil companies comes at a time when the greatest single economic problem facing our nation is inflation, and at a time when virtually all of the major oil companies have earned record high profits.

You may be interested to know that in 1968 the combined net profits of the 12 largest U.S. oil companies was just a fraction under $5 billion. Each of those 12 companies, moreover, has set new profit records in each of the last 4 years. Just 4 years ago, the profits of these 12 companies totalled $3.7 billion. During that short span of time, they have, thus, increased their profits by just under $1.3 billion—a 33.5% increase.

These figures speak for themselves. Now, no matter what the apologists for the industry might say, this is certainly no time to try to fatten profits still more by an irresponsible price rise. It is important to note in this connection that the inflationary impact of an oil price rise is much larger than a price rise by any other industry. Almost none of the price increase comes back to the Federal Government in taxes. This is true because of the privileged tax treatment received by oil companies. In 1967, for example, Texaco, the instigator of this latest price rise, paid federal income taxes of only 1.9% of its net income.

The Senators whose names are listed above

have, for some time now, been concerned with the combined effect of oil import restrictions and oil industry supply and pricing decisions on independent wholesalers, retailers, and consumers, particularly in the Northeast.

You may recall that we wrote to the Department of Justice on September 27, 1968 voicing our concern about price increases both in the cost of gasoline and home heating oil. In light of the facts outlined in that letter, and the circumstances surrounding the most recent price increases in an area of such enormous impact on consumers, small businessmen and the national economy in general, we urgently recommend that the Department of Justice immediately undertake an investigation to ascertain whether these price rises have been coincidental or collusive and whether they constitute part of any long-range pattern of collusive or predatory practices.

WILLIAM PROXMIRE, ALBERT GORE, THOMAS J. DODD, VANCE HARTKE, FRANK E. MOSS, HARRISON A. WILLIAMS, STEPHEN M. YOUNG, CLAIBORNE PELL, EDWARD M. KENNEDY, THOMAS J. MCINTYRE, GAYLORD NELSON, JOSEPH D. TYDINGS, EDWARD W. BROOKE, and EDMUND S. MUSKIE.

EXHIBIT 4.—FEDERAL TAXES OF LARGEST REFINERS

[Dollar amounts in thousands]

	Net income after tax	Federal tax	Percent	Foreign, some States' tax	Percent	Profit after tax
Standard (New Jersey):						
1962	$1,271,903	$8,000	0.6	$423,000	33	$840,903
1963	1,584,469	69,000	4.3	496,000	31	1,019,469
1964	1,628,555	29,000	1.7	549,000	33	1,050,555
1965	1,679,675	82,000	4.9	562,000	33	1,035,675
1966	1,830,944	116,000	6.3	624,000	34	1,090,944
1967	2,098,283	166,000	7.9	700,000	33	1,232,283
Gulf:						
1962	488,351	19,389	3.9	128,871	26	340,091
1963	540,065	30,870	5.7	137,842	25	371,353
1964	607,343	52,443	8.6	159,782	26	395,118
1965	655,727	53,559	8.1	174,935	26	427,233
1966	813,868	90,008	11.0	219,098	26.9	504,762
1967	955,968	74,142	7.8	303,539	31.8	578,287
Texaco:						
1962	546,371	13,000	2.3	51,700	9	481,671
1963	615,768	10,250	1.6	58,850	12	455,668
1964	660,761	5,500	.8	77,900	11	577,361
1965	726,198	10,000	1.3	79,500	11	636,698
1966	845,466	32,500	3.8	103,100	12	709,866
1967	892,986	17,500	1.9	121,100	13.5	754,386
Mobile:						
1962	379,339	8,300	2.1	128,700	33	242,339
1963	437,352	23,000	5.2	142,500	32	271,852
1964	464,660	27,700	5.9	142,800	30	294,160
1965	508,016	33,900	6.6	154,000	30	320,116
1966	555,412	23,200	4.4	176,100	31.7	356,112
1967	594,593	26,900	4.5	182,300	30.7	385,393
Standard (California):						
1962	348,181	5,800	1.6	28,600	8	313,781
1963	356,568	2,900	.8	31,600	8	322,068
1964	393,188	8,300	2.1	39,600	10	345,288
1965	455,425	9,000	1.9	55,200	12	391,225
1966	515,118	29,800	5.7	61,300	11.9	424,018
1967	513,067	6,000	1.2	85,400	16.6	421,667
Standard (Indiana):						
1962	168,843	3,105	1.8	3,381	2	162,420
1963	208,022	22,182	10.6	2,748	1	183,092
1964	204,817	8,486	4.1	1,480	.7	194,851
1965	263,098	39,578	15.0	4,248	2	219,272
1966	300,531			49,672		255,869
1967	366,847	74,021	20.2	10,576	2.9	282,250
Shell:						
1962	173,555	7,200	4.1	8,680	5	157,675
1963	211,575	19,100	9.0	12,623	5	179,852
1964	213,575	2,800	1.3	12,585	5	198,190
1965	274,507	26,600	9.6	13,876	5	234,031
1966	313,085	46,100	14.7	11,785	3.7	255,200
1967	342,022	44,940	13.1	12,233	3.6	284,849
Phillips:						
1962	158,320	48,000	30.3	3,365	2	106,955
1963	160,954	52,000	26.2	3,491	2	105,463
1964	152,197	32,229	22.2	4,950	3	115,018
1965	165,876	31,745	19.1	6,415	4	127,716
1966	218,382	59,163	27.0	7,595	3.4	151,624
1967	227,766	52,255	22.9	11,496	5	164,015
Sinclair:						
1962	57,936			10,586	18	47,350
1963	85,731	[1] 1,200	0	10,201	12	75,230
1964	66,444	[1] 3,119	0	10,827	15	58,736
1965	96,072	4,100	4.4	15,299	15.9	76,673
1966	123,232	13,996	11.3	14,892	12	94,344
1967	130,017	10,585	8.1	24,060	18.5	95,372
Standard (Ohio):						
1962	37,235	9,275	25.0	3,738	10	24,222
1963	54,008	15,225	28.1	4,896	9	33,887
1964	70,252	21,150	30.2	5,334	7	43,768
1965	82,848	26,300	31.7	6,386	8.3	49,712
1966	84,481	21,200	25.0	6,345	7.5	56,936
1967	101,496	29,200	28.8	8,412	8.3	63,884
Atlantic:						
1962	61,110	0	0	14,844	24	46,266
1963	56,747	0	0	12,734	22	44,013
1964	61,081	0	0	14,005	22	47,076
1965	105,299	0	0	15,188	14	90,111
1966	127,384			13,900	12.7	113,484
1967	145,259			15,254	10.5	130,005
Marathon:						
1962	$36,064	[1] $2,200	0	$205	0.5	$37,889
1963	50,058	([2])	0	933	2	49,125
1964	63,220	([2])	0	2,844	4	60,376
1965	97,416	([2])	0	37,345	38	60,071
1966	130,927	2,400	1.8	59,700	45.9	68,826
1967	138,520	3,700	2.7	60,962	44	73,858
Getty: [3] 1967	132,762	3,687	2.8	10,909	8.2	118,166
Union:						
1962	59,421	8,000	13.5	5,500	9	45,921
1963	73,028	13,100	17.7	6,000	8	53,928
1964	87,564	13,300	15.2	7,200	8	67,064
1965	119,214	15,604	13.2	8,840	7	94,770
1966	170,782	18,398	10.7	10,144	5.9	142,240
1967	163,820	10,400	6.3	8,457	5.2	144,963
Sun:						
1962	66,395	[1] 200	0	13,400	20	53,195
1963	79,976	1,300	1.9	17,460	22	61,216
1964	88,577	2,400	2.7	17,670	20	68,507
1965	113,405	10,300	9.0	18,220	16	84,835
1966	131,544	16,600	12.6	14,370	10.9	100,574
1967	146,946	24,700	16.8	13,670	9.3	108,576
Conoco:						
1962	73,477	1,065	1.4	3,335	5	69,077
1963	99,665	9,143	9.2	3,157	3	87,365
1964	112,009	8,725	7.7	3,175	2	100,109
1965	142,051	6,865	4.8	39,035	27	96,151
1966	204,632	24,670	12.0	64,330	31.4	45,632
1967	241,362	30,031	12.4	62,369	25.8	148,962
Cities Service:						
1962	84,143	20,773	24.7	3,185	3	60,185
1963	101,976	20,188	21.4	4,283	4	77,505
1964	105,299	19,819	18.9	967	.9	84,513
1965	137,068	31,973	23.3	977	.7	104,118
1966	194,456	51,760	26.7	902	.4	141,794
1967	165,289	32,347	19.6	5,105	3.1	127,837
Sunray DX:						
1962	41,203	3,850	9.3	1,152	3	36,201
1963	48,223	4,321	8.9	1,374	2.9	42,528
1964	34,716	[1] 2,407	0	1,330	3.9	35,793
1965	41,445	980	2.3	1,597	3.9	38,868
1966	57,372	10,025	14.9	1,754	3	45,593
1967	74,526	17,672	23.7	2,390	3.2	54,464
Ashland:						
1962	24,324	6,201	25.8	2,799	11	15,324
1963	28,769	10,556	37.7	104	.3	18,109
1964	36,385	9,672	26.8	2,977	8	23,735
1965	50,594	15,500	30.6	2,440	5	31,594
1966	69,324	20,830	30.0	5,570	8	42,924
1967	72,212	23,718	32.8	3,952	5.5	44,542
Tidewater:						
1962	35,191	228	.6	2,387	6	32,576
1963	42,795	[1] 63	0	3,384	8	39,474
1964	40,508	377	13.7	4,426	11	35,705
1965	60,397	58	.9	3,783	6	56,556
1966	80,542	3,350	4.1	5,301	6.5	71,891
Skelly:						
1962	22,674	1,260	5.7	250	1	21,164
1963	27,479	3,025	7.7	275	4	24,179
1964	26,601	785	1.2	275	2	25,551
1965	39,995	5,625	14.0	375	.9	33,995
1966	42,762	5,300	12.3	[4] 500	1.1	36,962
Pure:						
1962	27,680	[1] 2,546	0	1,276	4	28,950
1963	28,582	[1] 1,212	0	27	.01	29,767
1964	32,282	[1] 600	0	164	.5	31,518
Richfield:						
1962	36,615	6,000	16.6		0	30,615
1963	29,767	1,300	4.4	773	3	27,894
1964	26,255	[1] 629	0	5,249	21	21,455
Total:						
1962	4,198,331	169,492	4.0	838,954	19.9	3,194,770
1963	4,921,577	304,985	6.2	951,255	19.3	3,663,037
1964	5,175,289	235,931	4.5	1,064,540	20.5	3,874,447
1965	5,814,326	403,687	6.9	1,199,659	20.4	4,209,420
1966	6,810,244	585,300	7.6	1,450,358	21	4,709,595
1967	7,225,880	637,875	8.8	1,581,034	21.9	5,006,971

[1] Credit.
[2] Marathon Oil's 10K filing with the SEC doesn't reveal how much Federal income tax Marathon paid in years prior to 1967.
[3] Getty income for 1967 includes companies previously listed as Tidewater and Skelly.
[4] State income tax.

Note: Figures for some companies have been changed from last year's table in Oil Week because of amended filings by refiners where income taxes have been changed due to altered tax status. U.S. income tax figures reported in 10K statement of income files may exclude capital gains on extraordinary items.

EXHIBIT 5

[From the Cleveland (Ohio) Plain Dealer, Mar. 26, 1969]

PEW TAX-FREE TRUST GETS OIL PROFITS TAX FREE

(By Donald L. Barlett)

WASHINGTON.—One of the nation's 10 largest tax-exempt foundations has received millions of dollars from an oil company that pays no federal income tax.

The oil company reported profits of more than $26 million from 1960 to 1967 without incurring any income tax liability.

Partners in the tax-free alliance are:

General Crude Oil Co., a Houston-based firm that once claimed a $300,000 tax refund from the government while recording multi-million dollar profits.

The Pew Memorial Trust of Philadelphia, controlled by the Pew family, founders of Sun Oil Co. The trust's assets have grown from $50 million in 1948 to more than $300 million today.

At the same time General Crude was funneling millions of untaxed profit dollars into the giant tax-free Pew trust. .

An elderly, retired Euclid couple—with an income of $3,894.39 in 1967—paid $82 in federal income tax.

The man, 79, and his wife, 75, reported a pension income of $2,882 and interest from savings bonds and a savings account of $1,012.39.

In a plea to Rep. Charles A. Vanik, D-22, for reforming the income tax system, the couple wrote:

"Because of the awareness by the general public of a need for the Congress to take action toward the inequities on taxation we beg to submit our complaint.

"Most of us oldsters, in our retirement years, cannot help but look upon the present tax structure as very, very unfair, and we are looking to those in a position to remedy the unequal system in the coming sessions."

The tax paid by the Euclid couple was owed, in part, on the $1,012 in interest income they received from their savings bonds and a bank savings account.

If they had received the $1,012 in dividends from General Crude stock, they would have paid income tax on it.

For individuals, interest from savings accounts and dividends from stock are both treated as income and are taxable.

But the Pew Memorial Trust—as a tax-exempt foundation—receives its dividends tax-free.

How is it possible for a family with a near poverty-level income to pay tax on interest from its savings when a corporation with profits in the millions owes no tax and a foundation with dividend income in the millions pays no tax?

In a report filed with the U.S. Securities and Exchange Commission (SEC) for 1967, the latest year for which complete statistics are available, General Crude stated:

"Due to differences in reporting taxable and financial earnings, principally the excess of statutory depletion allowed for tax reporting purposes in excess of cost depletion for financial reporting, the company incurred no federal income tax expense for the year ended Dec. 31, 1967."

Translated from the language of accounting, this means:

Because of the long controversial 27½% oil depletion allowance, General Crude Oil Co. owed the federal government no income tax even though its profits for the year amounted to $5.5 million.

Under the depletion allowance, an oil company pays no tax on 27½% of its income from wells. The tax-free figure is limited to 50% of a company's net income.

The U.S. Treasury loses billions of dollars in taxes each year as a result of the depletion allowance and a string of other special tax privileges granted the petroleum industry.

In the case of General Crude Oil Co., the tax-free profits are poured into the tax-exempt Pew Memorial Trust.

The more than $300 million in assets of the trust are made up largely of stock in Sun Oil Co. and Minerals Development Co.

Minerals Development is an investment and holding company controlled by the Pew family.

A report filed with the SEC in May 1968 stated that Minerals Development Co. owned about 68% of the stock of General Crude.

All the capital stock of Minerals Development, in turn, is held in trust by the Glenmede Trust Co. of Philadelphia as trustee for the Pew Memorial Trust.

In 1965, the last year for which an Internal Revenue Service (IRS) return is available, the Pew tax-free trust reported $4.5 million in income. The revenue included:

$3.4 million from Sun Oil Co. stock.

Just under $1 million from Minerals Development Co. stock.

At the time, the trust valued its Sun Oil holdings at $223.8 million and its Mineral Development interests at $46.8 million.

While pouring $3.4 million in tax-free dividends into the Pew Memorial Trust in 1965, Sun Oil was taxed at a rate averaging 9.0%.

For the five-year period from 1963 through 1967, Sun Oil listed profits of $561.1 million and federal income tax liability of $55.3 million—a 9.8% tax rate.

Corporations outside the petroleum industry—including many Cleveland businesses—pay taxes at rates ranging from 40 to 50%, a Plain Dealer survey showed.

Halle Bros. Co., a major Cleveland department store, in 1967 reported a profit before taxes of $1,809,700 on income of $65,948,902. The store's federal income tax bill was $835,000—or 46.1% of its net income.

From 1963 to 1967, Halle's net income before taxes totaled $11,224,938. Its taxes were $5,013,600—and average rate of 44.6%.

The New York Times in 1967 paid $10,662,000 in taxes on net income of $20,782,138—a 51.3% rate.

Most individual taxpayers, who supply the treasury with 73% of its federal income tax revenue, are taxed an average of 10 to 20%.

General Crude has reported no tax owed in recent years and in 1960 even claimed a refund on taxes paid previously.

The company stated in a document submitted to the SEC in 1962:

"A net operating loss of approximately $934,000 for federal income tax purposes in 1960 was used to obtain a refund of approximately $300,000 in federal income taxes paid in 1957, 1958 and 1959."

The company's 1960 "operating loss" was only for tax purposes. General Crude reported a profit for the year of $2.2 million and paid out $1.9 million in dividends.

The operating loss and subsequent refund stemmed partly from the tax benefits peculiar to oil companies.

Most of General Crude's oil production is centered in Texas, but it has oil interests in Canada, Alaska, Australia and Barbados.

Kenneth E. Montague, president of General Crude, in reciting his company's accomplishments in the tax-free year of 1967, told stockholders:

"I am pleased to report that 1967 was a year of solid growth and progress for General Crude Oil Co.

"Operating and financial results rose significantly and established all-time highs in many areas. These new records include, among others, net earnings, cash flow, gross income, capital expenditures, production volume and new-well completions."

The company paid $2 million in dividends to stockholders, a major portion of which went to Minerals Development Co.

Although Minerals Development has other holdings in addition to its General Crude stock, specific financial details concerning the interest and size of the company are unknown because it is a privately owned corporation.

But public records disclose a close relationship among General Crude, Minerals Development, Sun Oil and the Pew Memorial Trust.

Item. Allyn R. Bell Jr. is president of the Glenmede Trust Co. in Philadelphia, the trustee for the Pew trust. He also is a director of General Crude and vice president of Minerals Development.

Item. Joseph Newton Pew III is president and treasurer of Minerals Development, a director of General Crude and vice president of Glenmede Trust Co.

Item. The Glenmede Trust Co. was organized in Pennsylvania in 1956.

The notice of incorporation was signed by J. Howard Pew, Joseph Newton Pew Jr., Mary Ethel Pew and Mabel Pew Myrin.

Item. J. Howard Pew, chairman of the board of Sun Oil Co., stated at the time the Glenmede trust company was founded it would primarily handle trusts of Pew family members and would not enter the general banking business.

Item. Offices of the Glenmede Trust Co. are in the Sun Oil Co. building at 1608 Walnut St., Philadelphia.

Item. Before taking over as president of General Crude in 1965, Montague was operating superintendent for Sun Oil Co.'s Gulf Coast production division.

Bell, the Glenmede president, declined to discuss Minerals Development Co.'s business activities, saying:

"We can't reveal any information about our customers' accounts. We are an agent for Minerals Development Co., but there are angles here that are not public."

Bell pointed out that most other foundations have individual officers responsible for managing foundation activities and answering public inquiries.

In case of the Pew Trust, a trust company acts as trustee and has the privilege of a secret bank-customer relationship.

Asked to describe Minerals Development Co., Bell told The Plain Dealer:

"Minerals Development Co. files a consolidated tax return as an operating company. For all practical purposes it is a holding company as far as General Crude is concerned."

Does Minerals Development pay federal income tax each year?

"There will be a tax liability for 1968," says Bell.

How much?

"I'm afraid I can't say."

A treasury official analyzing the unusual corporate-trust relationship, at the Plain Dealer's request, observed that any income tax paid by Minerals Development would be negligible and probably at a maximum rate of 7.5%.

The Pew family trust was set up in 1948 as the Pew Memorial Foundation with assets of $50 million.

The assets then consisted of 800.080 share of Sun Oil stock donated by the four children of Joseph Newton Pew, founder of Sun Oil.

In 1957, the foundation was converted to a trust and the name changed to the Pew Memorial Trust.

Congressional critics contend that foundations—presently a major target of tax reformers—are used to amass large pools of money and maintain control of family businesses.

Many foundations, they say, set aside part of their investment income each year, building up assets instead of distributing the money in charitable contributions.

The rapid growth in both numbers and assets of foundations in the past 25 years has resulted in the accumulation of more than $20 billion in untaxed and largely unregulated funds.

At a time when individuals with meager incomes are expected to pay some tax, the reformers say, foundation income also should be taxed.

It isn't only the tax-free billions that bother many congressmen. One critic, concerned about increasing irregularities, said that foundations:

Have broad opportunities for self-dealing business practices and even kickbacks.

Example: A company owned by a foundation buys goods from another company that makes yearly donations to the foundation.

Are used to perpetuate control of family businesses.

Example: A man who owns a company sets up a foundation, gives it controlling interest in his firm and then runs the company as chief executive officer of the foundation. When he dies, his children are named trustees of the foundation.

Are used to benefit friends or family members.

Example: A foundation loans millions of dollars tax free to friends of the man who set up the foundation. The money is used to buy stock in corporations and—on at least one occasion—enough stock to gain control of a company.

The Pew trust, in its 1965 IRS return, reported from its investments of $4,517,479. Grants awarded totaled $4,141,350.

Scores of contributions of $5,000, $10,000, $15,000 and $20,000 were made to charitable, religious, medical and educational groups.

There were larger grants like $200,000 to the Philadelphia United Fund, $140,000 to the United Presbyterian Foundation in New York and $100,000 to the Institute for Cancer Research in Philadelphia.

Then there were donations like the $25,000 grant to the Christian Anti-Communism Crusade at Long Beach, Calif.

The right-wing crusade is run by Dr. Fred Charles Schwarz, an Australian psychiatrist who preaches anti-communism with the fervor of an old-time revival minister, telling his congregations:

"The enemy is at the gate. Buckle on the armor of the Christian and go forth to battle."

The crusade conducts schools of anti-communism around the country, sells books and pamphlets ("How to Spot a Communist Trap") and anti-communist folk songs ("Poor Left Winger").

Allyn R. Bell Jr. preferred not to talk about the Glenmede Trust Co. and its management of the Pew family trust.

He did, though, have an observation on charity in general. Said Bell:

"Who can do this better. Do you think the government is better equipped to handle charity?"

	Total income	Net income before taxes	Federal income tax owed	Percent of profit owed in tax	Profit after taxes
New York Times	$194,253,395	$20,782,138	$10,662,000	51.3	$10,120,138
Cincinnati Economy Drug Co	29,829,966	1,441,942	735,883	51.0	706,059
Halle Bros Co	65,948,902	1,809,700	835,000	46.1	974,700
Fisher Fazio Costa Foods	151,476,836	4,505,400	1,831,600	40.6	2,673,800
General Crude Oil Co	19,897,000	5,500,000	None	0	5,500,000

[From the Cleveland (Ohio) Plain Dealer, Mar. 26, 1969]

PEWS CONTROL SUN OIL THROUGH WEB OF TRUSTS

The Sun Oil Co. of Philadelphia is one of the nation's 20 largest oil firms with assets of more than $1.5 billion.

The company's oil holdings reach round the world and in 1967 it reported a net income after taxes of $108.5 million on total revenue of $1.1 billion.

It was a record year for profits—up 8% over 1966—and cash dividends paid to stockholders set another record: $23.8 million.

Sun Oil was founded in 1886 by Joseph Newton Pew Sr.

More than three-quarters of a century later, the company is largely controlled by members of the Pew family through an assortment of trusts.

Sun Oil's growth has paralleled the Pew family's involvement in Republican party politics both in Pennsylvania and on the national level.

When Joseph Newton Pew Jr. died in 1963, leaving an estate of $34 million, the New York Times observed:

"Operating behind the scenes, Mr. Pew frequently dictated party policies that were announced by others or incorporated into national platforms at election times."

In the 1956 presidential election campaign, 12 members of the Pew family gave $216,800 to the Republican party. By contrast, 14 Rockefellers reported giving $152,000.

[From the Cleveland (Ohio) Plain Dealer, Mar. 26, 1969]

Top 10 foundations

[Assets in millions of dollars]

Ford Foundation	3,580
Rockefeller Foundation	804
Duke Endowment	615
Mott Foundation	424
Lilly Endowment	390
Kellogg Foundation	375

Top 10 foundations—Continued

[Assets in millions of dollars]

Carnegie Corporation	336
Sloan Foundation	327
Pew Memorial Trust	303
Hartford Foundation	270

[From the Cleveland (Ohio) Plain Dealer, Mar. 26, 1969]

FOUNDATIONS FACE QUIZ

Tax-exempt foundations are growing so fast that no one knows exactly how many exist. Rough estimates place the figure from 20,000 to 40,000. The Internal Revenue Service—in the only study it ever made of the subject—found 30,200 last year.

A survey made in 1967 of 7,000 foundations with assets of at least $200,000 showed that 57% were established in the 1950s, 24% in the 1940s and the others in the 1960s or before 1940.

Since the exact number of foundations is unknown, so are the total assets. But they are calculated at upwards of $20 billion. The 10 largest foundations account for more than one-third of the total with $7.4 billion.

The laws governing foundations are vague. There is little federal regulation. Few government investigators are assigned to probing abuses. All these things have resulted, Congressional critics say, in numerous irregularities, including the:

Use of tax-free foundation funds by corporations and individuals to escape payment of federal income tax.

Subsidizing of corporations in which the foundation has a vested interest, giving them an unfair advantage over competing businesses.

Hoarding of cash by foundations that each year take in more money than they pay out in grants and charitable contributions.

Awarding of grants for political and philosophical purposes rather than philanthropic.

Use of foundations to maintain family control of businesses.

Manipulation of businesses—in which a foundation has a major stock interest—to benefit the foundation at the expense of other stockbrokers.

[From the Cleveland (Ohio) Plain Dealer, Apr. 4, 1969]

WHO PAYS THE TAXES?

Individual taxpayers will supply the U.S. Treasury with about 73% of its federal income tax revenue this year. Corporations will put up the other 27%. It used to be 50–50, but that was 40 years ago.

It also was some 40 years ago the petroleum industry began receiving its special tax allowances.

The accompanying article is one of a series, started on March 16, in which The Plain Dealer is examining the tax status of the oil industry in relation to the changing economy and shift of tax burdens.

[From the Cleveland (Ohio) Plain Dealer, Apr. 4, 1969]

OIL FIRMS PAY "HALF-RATE" TAXES

(By Donald L. Barlett)

WASHINGTON.—Oil companies with profits in the billions are paying federal income taxes at about half the average rate of most American families and individuals.

This is one of several major findings in a nationwide Plain Dealer survey of the petroleum industry's federal income tax status in a modern economy.

Based on an analysis of the financial reports of 40 oil companies, The Plain Dealer study shows that in 1967 these companies paid federal income tax at an average rate of 8.2% of their net income.

Family and individual wage earners, currently facing 1968 tax bills inflated by the 10% surcharge, are taxed at rates ranging from 10 to 20%, with the average about 14%.

Many corporations outside the petroleum industry pay 40 to 50% of their profits in federal income tax.

Of the 40 companies surveyed by The Plain Dealer, 14 reported owing no tax at all. Eight others were taxed an average of less than 5% and 13 from 5 to 14%.

The largest of the 14 nontaxpayers was Atlantic Richfield Co. of New York, which reported a gross income of $1.5 billion in 1967, a profit of $130 million and no federal income tax owed.

In Painesville, O., a retired couple, both partially handicapped, with an income in 1967 of $3,976 (excluding Social Security benefits), paid federal income tax of $137.

Observed the woman, now 67 years old:

"It seems a shame to squeeze these amounts out of oldsters who need this little to live on. I worked very hard in early years to lay away this principal to earn the interest for our old age.

"We own our own home and pay increasing real estate taxes. If my husband were not handy doing minor repairs, we would have this added expense."

The Painesville couple, like most families are paying income tax at rates far in excess of the country's richest oil companies.

The Plain Dealer's oil-tax findings are based on a sampling of financial reports filed with the U.S. Securities and Exchange Commission (SEC) by publicly owned companies.

A cross-section of companies selected at random for the analysis included:

Large, fully integrated companies, like Standard Oil Co. of New Jersey, which explore, produce, transport, refine and market petroleum products down to the retail level.

Diversified corporations such as the Signal Companies Inc. of Los Angeles, which, in addition to its oil and gas operations, has

electronics, aerospace, trucking and banking interests.

Small companies, like Aztec Oil & Gas Co. of Dallas, which are concerned primarily with exploring and drilling for oil and gas.

The gross income of the 40 oil companies studied amounted to $61.1 billion in 1967.

Their total net income before taxes was $7.7 billion and their federal income tax bill was $635 million—or 8.2% of net income.

The companies reported $1.7 billion owed in state and foreign income taxes.

The foreign taxes and some royalty payments—which tax reformers say the companies call taxes—are used as credits to reduce the U.S. income tax liability of the oil firms.

After payment of all income taxes, the companies retained 69.8% of their net income—a total profit of $5.4 billion.

U.S. Treasury officials attribute the low average tax rate of the oil companies to the broad allowances and tax benefits granted to the petroleum industry.

One of the largest tax breaks, the long controversial oil depletion allowance, enables an oil company to keep 27.5% of its income from wells tax free. The figure is limited to 50% of the company's net income.

Another special tax privilege, the intangible drilling benefit, permits an oil company to write off upwards of 70% of its exploration, drilling and development costs.

An oil company deducts certain of these expenses as a cost of doing business in one year, while other corporations are required to make such writeoffs over the life of an asset.

In addition, the oil company may write off all expenses as losses in connection with dry holes—those wells that fail to produce any crude oil.

These and other tax privileges, along with some unique loopholes, provide the oil industry with the lowest federal income tax rate available to any business or industry except savings and loan institutions.

As a result, while many corporations and most families and individuals are being taxed at maximum rates, the oil industry each year is relieved of income tax payments running into the billions.

The tax benefits claimed by the oil companies were enacted into law under industry conditions and a tax system that have since undergone drastic changes.

The original allowance, adopted shortly after passage of the income tax amendment in 1913, enabled an oil company to recover only the actual costs incurred in the discovery of oil.

This meant that if a well cost $10,000, a company could write off only that amount.

A few years later, the cost allowance was changed to the 27.5% depletion allowance.

Based on the prevailing taxes and industry costs, it was believed at the time that the percentage depletion figure would average out to the original cost allowance.

But some four decades later, a Treasury study shows that oil companies—through the depletion allowance—are recovering the cost of a well 18 times or more.

Using the Treasury's estimate, for a well that now costs $100,000, the oil company recovers $1.8 million.

Congressional tax reformers point to other changes that have occurred over the years. For example:

The depletion allowance was enacted when most of the industry's oil production was centered in the United States. Oil companies now receive the depletion allowance on huge quantities of oil produced around the world.

In the early part of the century, wildcatting was widespread, the risks considerable. Today, wildcatters account for little of the nation's oil. Improved geological studies, the pooling of company interests and other technological advances have reduced the risks.

With the growth of integrated companies, the depletion allowance enables these firms to subsidize their refining and marketing operations, providing an advantage over independent competitors that produce little oil and thus have none of the large tax benefits.

With companies already writing off intangible drilling and dry hole costs, the depletion allowance actually provides a double deduction.

The special tax privileges enjoyed by the oil companies are extended to individual oil investors.

A person with several million invested in oil properties may pay no income tax while a family with a modest income is taxed at the top rate.

The year 1967, used in The Plain Dealer survey because it was the latest year for which complete statistics are available, was not an unusual tax year for oil companies.

In the case of Atlantic Richfield, the company reported owing no federal income tax in 1965, 1966 or 1967. Total profits for the three years were $333.6 million.

Prior to its merger with Richfield Oil Corp. in 1965, the Atlantic Refining Co. reported no income tax owed in 1962, 1963 and 1964.

The company's profits for the three years were $137.3 million. Its total tax-free profits from 1962 through 1967 were $470.9 million.

The giant of the petroleum industry, Standard Oil Co. of New Jersey, reported gross revenue of $14.7 billion in 1967.

Standard's net income before income taxes was $2 billion and its federal income tax liability was $166 million for a rate of 7.9%.

The company's profits for the one year after all taxes were $1.2 billion, enough to run the City of Cleveland for the next 10 years.

From 1962 through 1967, Standard registered a total net income before taxes of $10.1 billion and listed its federal income tax bill at $470 million.

This averaged out to a tax rate of 4.7%—or 3.5% under the Plain Dealer survey average for 1967.

During the six-year period, Standard Oil's profits after all taxes amounted to $6.3 billion.

Only two companies in the tax study were taxed at rates exceeding 25%: Standard Oil Co. of Ohio (28.8%) and Ashland Oil & Refining Co. of Ashland, Ky. (32.8%).

Unlike other major refiners, neither Sohio nor Ashland is a large oil producer and each must buy crude oil from other companies.

As a result, the two firms do not have access to the larger depletion allowances, intangible drilling benefits and other tax privileges utilized by producers like Atlantic Richfield.

While many of the nation's oil companies are spared any federal income tax liability and others are paying income tax at a rate under 10%, many Cleveland businesses are taxed an average 40 to 50% of their net income.

Richman Bros. Co., a Cleveland-based manufacturer and retailer of men's clothes, reported a gross income of $90.1 million in 1967.

The company's net income before taxes amounted to $7.4 million and its federal income tax bill was $3.5 million, a tax rate of 47.9%.

The Higbee Co., a major Cleveland department store, listed a net income before taxes of $3.8 million on revenue of $96.3 million.

The store reported a federal income tax liability of $1.6 million, a tax rate of 41.4%.

Testifying on federal income tax inequities, Dr. Arthur W. Wright, a visiting research economist at Yale University, told the House Ways and Means Committee:

"Present tax policies toward natural resources provide a major route by which wealthy individuals and corporations escape liability for federal income taxes.

"As a result, our tax system, judged by publicly accepted standards, is less fair than it should be.

"Taxpayers with similar incomes should bear similar tax burdens. The effective tax rate should not depend on the source of one's income: earnings from minerals and earnings from other sources should be taxed alike."

TABLE OF DATA ON PLAIN DEALER OIL SURVEY

[Dollar amounts in thousands]

	Gross income	Net income before taxes	Federal income tax owed	Percent of profit owed in tax	Profit after taxes
Atlantic Richfield Co	$1,578,668	$145,259	None	0	$130,005
Belco Petroleum Corp	18,505	8,025	None	0	7,665
General Crude Oil Co	19,897	5,500	None	0	5,500
Texas Oil & Gas Corp	13,986	3,705	None	0	3,705
Aztec Oil & Gas Co	7,961	2,516	None	0	2,510
Consolidated Oil & Gas	4,894	2,427	None	0	2,427
Livingston Oil Co	17,043	1,534	None	0	1,534
Mesa Petroleum Co	6,188	1,390	None	0	1,390
Felmont Oil Corp	5,749	779	None	0	779
Asamera Oil Corp	4,754	576	None	0	576
Wilshire Oil Co. of Texas	5,204	392	None	0	392
Basin Petroleum Corp	1,992	263	None	0	263
Westates Petroleum Co	3,932	200	None	0	200
Texas American Oil Corp	813	55	None	0	55
Reserve Oil & Gas Co	11,322	1,936	$11	0.6	1,924
Amerada Petroleum Corp	218,675	103,979	887	0.9	58,461
Standard Oil Co. (Calif.)	3,788,912	513,067	6,000	1.2	421,667
Texaco, Inc	5,398,976	892,986	17,500	2.0	754,386
Pennzoil Co	92,481	16,296	337	2.1	15,959
Marathon Oil Co	705,832	138,520	3,700	2.7	73,858
Murphy Oil Co	199,187	9,255	307	3.3	8,218
Mobil Oil Corp	6,473,083	594,593	26,900	4.5	385,393
American Petrofina Inc	185,562	14,828	800	5.4	14,028
Kerr-McGee Corp	423,834	39,351	2,395	6.1	34,350
Union Oil Co. of Calif	1,700,869	163,820	10,400	6.3	144,963
Getty Oil Co	1,160,258	140,422	10,747	7.7	118,166
Gulf Oil Corp	5,174,464	955,968	74,142	7.8	578,287
Standard Oil Co. (N.J.)	14,740,648	2,098,283	166,000	7.9	1,232,283
Sinclair Oil Corp	1,500,123	130,017	10,585	8.1	95,372
Tenneco, Inc	1,806,456	159,812	13,604	8.5	146,208
Midwest Oil Corp	39,975	14,214	1,467	10.3	12,693
Continental Oil Co	2,254,805	241,362	30,031	12.4	148,962
Aberdeen Petroleum Corp	690	151	19	12.5	130
Signal Companies, Inc	1,514,437	73,480	9,162	12.5	49,136
Shell Oil Co	3,674,174	342,022	44,940	13.1	284,849
Sun Oil Co	1,173,250	146,946	24,700	16.8	108,576
Standard Oil Co. (Ind.)	3,586,394	366,847	74,021	20.2	282,250
Phillips Petroleum Co	2,012,227	227,766	52,255	22.9	164,015
Standard Oil Co. (Ohio)	691,895	101,496	29,200	28.8	63,884
Ashland Oil & Refining Co	904,975	76,289	25,053	32.8	44,959
Total and tax average	61,123,091	7,736,327	635,163	8.2	5,399,978

This table is based on financial information obtained from reports filed with the U.S. Securities and Exchange Commission in Washington, D.C. In those cases where applicable, the figures are from the company's consolidated tax return. Where possible, the net income is shown as income before State, foreign, and Federal income taxes. Because of this difference, it is not possible to subtract the Federal income tax owed from net income to arrive at the profit after taxes in all cases.

[From the Cleveland (Ohio) Plain Dealer, Apr. 4, 1969]

ATLANTIC MADE HALF-BILLION PROFIT IN 6 YEARS WITH NO TAXES

The Atlantic Richfield Co. and its predecessor, the Atlantic Refining Co., accumulated profits of nearly a half-billion dollars from 1962 to 1967 without owing a penny in federal income tax.

In February 1968, Atlantic Richfield in a joint venture with the Humble Oil & Refining Co., a subsidiary of Standard Oil Co. of New Jersey, made a major oil discovery on Alaska's North Slope.

At Prudhoe Bay, the companies drilled two wells and struck a field estimated to contain 10-billion barrels of oil—the largest field in North America.

The find insures a steady supply of crude oil for Atlantic Richfield's refinery and marketing outlets—and, in the words of one company executive: "a big increase in cash flow and profits."

But the Prudhoe Bay field is only one of about 20 similar geological structures on the North Slope.

Estimates of the oil in all these fields run as high as 50-billion barrels. Before Prudhoe, the largest U.S. find was the five-billion-barrel East Texas field in 1930.

Atlantic Richfield and Humble's leaseholdings in the Prudhoe Bay area cover some 90,000 acres.

After its sixth consecutive year of paying no federal income tax, the Atlantic Richfield Co. told stockholders in its 1967 annual report:

"We are pleased to report that Atlantic Richfield Co. earned $130,005,000, or $8.56 per share in 1967, a gain of 15% over the $113,484,000, or $7.21 per share, reported in 1966.

"Dividends were increased for the third time in as many years. On July 17, 1967, the Board of Directors raised the annual rate from $2.80 to $3.10 per common share."

Last month, the Justice Department approved the merger of the Sinclair Oil Corp. (assets of $1.8 billion) into Atlantic Richfield (assets of $2.4 billion).

It was one of the largest oil company mergers in U.S. history.

[From the Cleveland (Ohio) Plain Dealer, Apr. 4, 1969]

GETTY-OWNED OIL FIRM PAID TAXES AT 7.5 PERCENT RATE

Jean Paul Getty, 76, married seven times, a graduate at Oxford, is sometimes described as the richest American, a genuine oil billionaire.

He lives in a 73-room manor house called Sutton Place (which has a pay phone for guests) near London.

Getty works out of his Sutton Place sitting room, supervising his worldwide oil operations and offering advice to the economy minded.

The Getty Oil Co. is among 40 firms surveyed by The Plain Dealer in connection with the accompanying article on the petroleum industry's tax status.

Back in 1967, the frugal oilman warned British motorists that:

"A single faulty spark plug can add ($36.40) to the fuel bill for an average motorist's annual mileage of 7,400.

"Similarly, an engine filter choked with dirt can cost another ($16.80) in the course of a year, defective piston rings ($14), faulty thermostat ($8.40) and incorrect ignition setting ($5.60)."

Getty, who spends most of his time now in England, made his first million in 1916, working with his father, a Minneapolis lawyer turned oil prospector.

The elder Getty died in 1930, leaving a $15-million estate and the nucleus of the Getty oil empire.

While other businessmen avoided the stock market during the depression years, Getty and his associates quietly bought up large blocs of oil securities at bargain basement rates.

His first stock purchases in the old Tide Water Associated Oil Co. were for $2.50 a share. During 1932 and 1933, he acquired more than 740,000 Tide Water shares.

In 1967, when Tide Water was merged into Getty Oil Co., the original $2.50 share was worth $307.80.

For the six years from 1962 through 1967, Getty Oil Co. listed a total net income before taxes of $556.9 million.

The company reported owing $41.9 million in federal income tax for an average tax rate of 7.5%. Its total profits after all taxes were $468.5 million.

Getty, individually and as trustee, owns some 12.5 million shares (selling at $77 a share on the New York Stock Exchange), or about 62% of the outstanding stock in Getty Oil Co.

Mr. LONG. Does the Senator yield the floor?

Mr. PROXMIRE. I yield the floor.

Mr. LONG. I hope the Senator will remain in the Chamber because he will find he is mistaken on several points, even though he is a rapid reader and even though he did some homework last night.

Mr. President, the reason we have the oil import control program is not to try to get oil cheaper. We know we will have to pay more for it if we produce it here rather than obtain it on the world market. The reason we have the program is that we feel we should be able to provide for our requirements of an item that is absolutely essential to this Nation, and we should be able to produce it to the degree necessary to see us through whatever emergency may fall upon us.

Now a group was set up under President Eisenhower, and later another one was set up under President Kennedy. They made a study to see what the right level of imports should be to assure that the domestic production of oil would continue to be available in a time of national emergency. They came out with the level of 12.2 percent in zones 1 through 4, which would be about right. And because they cannot produce their own requirements in zone 5, they said let them have higher than 12.2 percent but try to make them rely on American production, if they could, even in that area. That accounts for the percentages.

The Senator talks about Canadian oil being available, and Mexican oil being available. The Senator does not know what he is talking about. How does the Senator know whether a war would not break out between the United States and Canada, and if so, why would Canada give us its oil to fight a war with Canada?

That could happen. Has the Senator ever heard of the War of 1812? Canada was on the other side and did pretty well when our invading army went up there to land troops in that place.

Mr. PROXMIRE. Is the Senator from Louisiana really serious about that?

Mr. LONG. It is not inconceivable.

Mr. PROXMIRE. Canada and the United States would engage in a prolonged war that would hold up our ability to produce oil in this country?

Mr. LONG. It is entirely conceivable to the Senator from Louisiana.

Mr. PROXMIRE. Well, let me tell the Senator, with the national defense argument for the oil import program hanging from this kind of a ridiculous assumption, no wonder it is so widely challenged. Such a prolonged war—Canada versus the United States—is inconceivable to me.

Mr. LONG. Let me answer the Senator's question. It is entirely conceivable to the Senator from Louisiana that a war could occur between the United States and Canada and that if a war did occur between the United States and Canada, Canada would not deliver Canadian oil to the United States so that the United States could fight Canada with it. That just makes sense to me. Maybe not to the Senator, but that does make sense to me.

The second fact—the Senator says it makes no sense to him—20 years ago if the Senator had told me there was a possibility of war between the United States and Cuba, I would have said to the Senator, "Now, do you really think that there is any possibility of our wonderful Latin American friend, Cuba, going to war against the United States?" I would have said further, "Why, Senator, you must be dreaming to think that that could happen."

Yet, I think the Senator from Wisconsin would agree that is a distinct possibility today.

The Senator said that we cannot rely upon that Mexican oil to come across through a pipeline. In order to help Mexico, in order to help Canada, we put forth the assumption——

Mr. PROXMIRE. Will the Senator from Louisiana yield at that point for just one correction?

Mr. LONG. I yield.

Mr. PROXMIRE. The Senator from Wisconsin said nothing about Mexican oil.

Mr. LONG. They are in the same arrangement as Canada. That being the case, I thought the Senator would probably want to include that, too. They are getting the same consideration as Canada, relatively speaking. They are permitted to sell oil products of Mexico in the United States even though some of the oil here is from the 12.2 percent in zones 1 through 4.

If we had to go to war with Cuba, I think the Senator would agree that there could be a question as to whether Mexico would deliver its oil to us, because the Latins tend to sympathize with one another, even though one is a Communist power and the other is a non-Communist power. It would be extremely doubtful that we could get their oil. Furthermore, if we have to go to war with a big power like the Soviet Union, we are going to have to rely upon Canadian oil to fight the Soviet Union.

The Russians might say, "Look, Canada, if you insist on providing America with the last remaining fuel they will have to fight us with, we will bomb your cities and knock them out."

What commitment do we have from Canada that will assure us that we would get any oil from them to see us through a war with Russia when it would mean that Canadian cities would be blasted?

Mr. PROXMIRE. Is the Senator asking?

Mr. LONG. Yes.

Mr. PROXMIRE. Certainly, in a war between the United States and Russia, does the Senator really feel that that

would drag on for years considering the enormous nuclear capacities both nations possess?

Mr. LONG. Senator, it is possible. It is. I will tell the Senator why.

It is entirely possible that one of these days the United States will say, "Look, Russia, the thought just occurred to us that if we have a thermonuclear war between us, you would kill at least 100 million of us, and we would kill about 100 million or more, maybe of your people. It would be foolish to fight a war that way. Would it not be better to let the war be fought out to a conclusion by the use of weapons other than nuclear weapons and poison gas? We already have international agreements to prevent the use of poison gas. It makes good sense to say that we are not going to use nuclear weapons only because we know that if we do, you will use them against us. We think it might be better to reach a decision where we fight conventionally until one side thinks it has lost and the other side is fatigued.

Mr. PROXMIRE. Will the Senator yield right there?

Mr. LONG. We are fighting that way now in Vietnam where we have not used atomic weapons at all. General MacArthur would like to have used atomic weapons in Korea, but we would not let him do it. It is just that kind of logic, that we have been reluctant to resort to the use of nuclear weapons because we know that if we do, the other fellow will use them on us, if he has them. Does that not make sense to the Senator, or is the Senator upset about it?

Mr. PROXMIRE. How fantastic can we get? Now we base this oil import program that costs the American consumer billions a year on the weird assumption that we will fight a long, many-year nonnuclear war with Russia. After all, would we submit to defeat by the Soviet Union without the use of the nuclear weapons we have? Or would the Soviet Union submit to defeat by us without using their nuclear weapons? It is one thing to fight in Korea, or in North Vietnam, neither of which has nuclear weapons, and where we have limited political objectives, and something else to have a war with the Soviet Union. There is no question that such a terrible catastrophe would be a war of national survival.

Mr. LONG. The Senator is making an argument which has already been made. It has been considered. It was considered by President Eisenhower. It was considered by President Johnson, and it was also considered by President Kennedy. They all concluded that you were wrong, Senator. That is why we have the oil import control program, because we realize that it is possible we might have a war with the Soviet Union that would not be over within 24 hours, 48 hours, or 7 days. It is entirely possible that we might fight such a war with conventional weapons and let 200 million people survive.

Mr. PROXMIRE. I would be delighted to be enlightened by the Senator from Louisiana if he would supply me with the time and the report made by the Defense Department of the need for the oil import control program as a matter of national security. It is my understanding that the Defense Department has never made any such recommendations. The experts in the Defense Department who would be in the proper position to analyze whether it was necessary never had a chance to consider it from the standpoint of the national defense. The decision was made by the Interior Department.

Mr. LONG. Senator, I will make that available to you. I will make available to you all I can find on the subject. Of course, some of the stuff is classified, but what I can make available to the Senator I will be glad to make available. Some of it I cannot make available. Some of the discussion between military officers and people in the petroleum industry, discussing the very type of argument the Senator has in mind, some of that conversation was related to me verbally. I am a military officer of this country. I did fight in the last war. I have handled top secret information for the Government. I did serve on the Armed Services Committee and left that to go on the Committee on Foreign Relations. I am regarded as being competent to have that kind of information. But to make it public, or give it to someone else, presents a problem. But I would be glad to help give the Senator what I can.

Mr. PROXMIRE. I also was in the last war. I also was in the Army. I am also cleared for top secret and classified information. I will be delighted for the Senator to give me as much information as he can, but let me say to him that I have not seen any and I am confident that the Defense Department never made any such recommendations.

Mr. LONG. I can satisfy the Senator that they thought it was appropriate, including people in the Pentagon. Some will agree that if we go to war and have a "blow up" the whole thing will be over with before sundown of that day.

Mr. PROXMIRE. Well, if the Senator will yield——

Mr. LONG. Just a moment—just a moment—of course, there might be some sanity over here and some sanity over there, too. In fact, let me tell the Senator, if he wants to ask me—that I have served on the Armed Services Committee, as well as on other Senate committees. I worked with the distinguished Senator on the Armed Services Committee, presently in this Chamber, the Senator from Mississippi (Mr. STENNIS), but at that time, the Senator from Georgia (Mr. RUSSELL) was the chairman, a very fine man whom we all love; and I also served on the Committee on Foreign Relations for a number of years and had occasion to study some of those problems and ask the very same questions involving things like this.

If I, myself, had to advise a President, if, let us say, we were going to have to fight a war in Korea and we could not win it without resorting to thermonuclear weapons, I think I would advise him as follows: "Mr. President, if you must resort to nuclear weapons to prevent our being defeated, use them; but if you are going to use them, do not use them beyond the battlefields and do not use anything but tactical nuclear weapons. Tell the enemy you are going to limit them to that. Tell the enemy you are going to use those weapons in that fashion, and you expect the enemy to use the weapons the same way. Do not use those weapons on the big cities, because, if you do, they are sure to use them on our big cities. When you kill 100 million of his people, he will kill 100 million of our people. It is not fair to kill all those people unnecessarily. We would do better to lose Korea than to have two-thirds of the population of the United States killed, just as two-thirds of their population would be killed."

Perhaps the Senator was not present when President Kennedy said in his message that President Eisenhower had made a mistake in relying too heavily on nuclear weapons. He thought we had better be in a position to face the threat either way; to hope that we could prevail by the use of ordinary usual types of weapons, and to avoid resorting to nuclear weapons, so that we could save that alternative and save that fateful decision as long as we could and not go that far. So he said he was going to build up the capability of this Nation to fight with conventional weapons.

Whether the Senator knows it or not, we have increased our capability in that area, and so has the Soviet Union. In other words, both of us think it is quite possible that we might have to fight a major war with conventional weapons. If such a war comes—and we hope it will not come—whoever has thermonuclear weapons available to drop on the others capital will pray that it will not be necessary, because if he did, he would know what it meant.

Now, if we were fighting a war in the category of using less than thermonuclear weapons and trying to destroy another country, estimates have been made that we could not get a single tanker to this country from Venezuela.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. I ask unanimous consent to have 10 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Does the Senator from Wisconsin know that?

Mr. PROXMIRE. Mr. President, I would like the Senator to reconsider the reasoning he is proceeding on. He is proceeding on the reasoning that if we had a war with Russia, she would threaten to obliterate Canadian cities with her enormous power; but, at the same time, she would have enough sanity and gentleness and restraint that she would not use nuclear weapons on this country. That gives a notion of the quality of the reasoning that relies on national defense to justify the oil import program.

Mr. LONG. If the Senator did not hear what I said, obviously he would say I was in error. I was trying to tell the Senator that we cannot rely on Canadian oil in a defensive emergency that might occur. We cannot rely upon it. I am saying that, if we were fighting the Soviet Union, the Soviet Union might tell Canada that if Canada insisted on providing the United States with the essential

oil, which was the last thing left to keep us going, she would bomb Canada. I did not say with thermonuclear weapons. I said "bomb." I did not say "bomb with thermonuclear weapons." I said "bomb."

If the Senator ever saw what we did to Hamburg and Berlin in World War II merely with conventional bombs, he knows we can do a pretty good job with those weapons.

But let us assume it was a thermonuclear war and Russia had proceeded to knock out all of our major refineries the first day, and the second day she knocked out everything she had missed the first day, and then proceeded to put bombs on our offshore wells, whatever ones we might be operating that were economical—and I shall meet the Senator on that point later. With all that supply gone, about the only thing that would let Uncle Sam continue so he could hang on the ropes and not go down for a 10 count, would be Canadian oil. At that point the Soviet Union would say, "Canada, you are the only one keeping the United States going, and if you insist on providing this oil for the United States, we will regard it as an unfriendly act, and we are going to deal with you, too." At that point Canada would say, as a matter of survival, "The United States is going to be exterminated, and they are threatening to exterminate us, too."

Canada would have to make the fateful decision as to whether she would not or would provide us with the oil at the cost of being exterminated, as Russia had exterminated the population of the United States.

So I say we cannot rely on Canada for the oil, especially if we do not have an agreement with Canada that she will provide the oil under such conditions—which we do not have. If the Senator thinks Canada will make an agreement to give us that oil under any conditions, I invite him to come in with an agreement of that kind. He ought to try to get such a treaty and bring it in, because we do not have such an agreement; and I predict that when the Senator does bring in such an agreement we will be paying a high price for it.

So much for that.

The Senator said something about the oil producing companies being effective——

Mr. PROXMIRE. Will the Senator yield on the question of Canadian oil exports to us?

Mr. LONG. I yield.

Mr. PROXMIRE. Is it not true that oil from Canada was exempted from the oil import program on the very ground I am talking about, because it was considered by this Government to be available in case of war and it is only recently that this initial decision has been modified?

Mr. LONG. That was not the real reason, Senator.

Mr. PROXMIRE. What was the real reason? Why was it exempted? After all, the reason for it, as the Senator has emphasized over and over again, is national defense.

Mr. LONG. The real reason is that Canada would have some very severe imbalance of payments problems if we did not do that.

Mr. PROXMIRE. Which is more important? National survival or balance of payments?

Mr. LONG. I am telling the Senator the real reason. It was to help Canada.

Does the Senator know how much Canadian oil Canada is using for its own purposes?

Mr. PROXMIRE. About 40 percent, I would think. That is my guess, but it could be a little less than that. It is far less than half.

Mr. LONG. Would the Senator mind telling me why it is that Canada does not provide its own requirements of oil? She has plenty.

Mr. PROXMIRE. Because it is cheaper to import oil from Venezuela, into the east coast especially. That is why.

Mr. LONG. The point I am getting at is that the oil Canada is importing is for the most part world market oil which is being brought to the eastern seaboard, and she is buying that oil at the world market price. What Canada is producing in the West she is selling to us at our price. It does not make sense to let someone take advantage of us in that way and our not get anything for it.

Some people say that, in one sense, Canada is doing something for us and that we should subsidize her and help her out; otherwise she would have an unfavorable balance of payments and she would be in deep financial trouble. That is about the only advantage helping Canada has.

As far as relying on that oil is concerned, some people say we ought to have a common market on oil. Perhaps we should, but if we did, we should have an agreement that Canada would play the game by the same rules we have. We are not going to be able to play competitively with Canada if we let Canada play by her rules.

It is the same way in football. We play football with 11 men and Canada plays it with 12 men. Even if one had a better football team, the other team would kill that team if it were to play 60 minutes on the field when the other team had an extra man. That extra flanker would kill the other team, because that team would not have the defense to cover the 12th man. That is what we are talking about when we talk about having an oil agreement with Canada.

The Senator says we should not produce our requirements of oil because we ought to save all that oil and keep it in the ground, so that scarce oil would be available to us in the event this country should find itself in a war. May I suggest to the Senator that the first thing a man would do if he had an oil well that was not producing would be to take his lifting equipment and pumping equipment, and equipment of that nature, and use it elsewhere. The well would be sanded up, and it would cost a great amount of money to rework it and get it into production. He would move his equipment to the oil well that was still working a small profit over and above the cost of production. When it came to reworking that well, if he estimated that it would cost $2,000 to rework the well and he would not get more than $1,500 before he got through reworking it, he would shut it down and let it get sanded up and go out of production. He might put concrete at the bottom of it, pull the pipe up, and sell it for whatever he could get, or put it to work where he had another well.

So those wells just would not be available to us. Those wells would go out of production soon. You would cannibalize, by taking parts from them for some other well that could stay in operation, and use that one until it was in the same condition, and then it would go off the stream.

The Senator says 95 percent of our wells are still economical. Let me show the Senate how illogical that is. It is true that where you have a well in the ground, and you have already drilled it, even if you have to sell the oil for a dollar, you could still go ahead and take the oil out of the well and keep operating until you had exhausted that particular well. But you could not afford to go and look for more oil. You could not afford to send the seismograph crews out. You could not afford to drill exploratory wells. You could not afford to risk venture capital to go and find more oil, if you were trying to compete against a $1.75 world market. You could do some of that in the Gulf of Mexico, or you could do some of it off the shore of California. You could do some of it where the big find has been located in northern Alaska.

But with regard to these small upland wells, which are about the only ones we can rely upon still to be in production in the event of a real emergency, you could not afford to do that with regard to any of those, or at any rate very few of them, and those are the most essential ones.

Furthermore, these little refineries, which would be the last ones left after an enemy got through knocking out big refineries in New Jersey, the big refineries in Baton Rouge, and the big refineries in Lake Charles—they are the vital targets; they would knock those off in a hurry, in a big war. But after those big refineries are gone, we have more than 100 small refineries scattered throughout this country. An enemy would have great difficulty finding or destroying them. Those would be the first refineries to go out of business in the event we had no oil import control program.

The oil that would be available to those refineries is the same oil that is not economical to produce. That would be the last thing we would be able to hold on to, to defend our country.

The Senator says 95 percent of the wells could continue to produce. They would produce, but we could not afford to drill any more. They would gradually go out of operation, and we would only have a very few tidelands wells, which are a very poor security risk if we were counting on them to see us through the essential requirements in the event of a war.

The PRESIDING OFFICER. The Senator's time is expired.

Mr. LONG. I ask unanimous consent to have 3 more minutes.

The PRESIDING OFFICER. How many additional minutes did the Senator request?

Mr. LONG. I asked for 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, yesterday I made the statement that the oil industry pays more taxes than the average for all manufacturing. The Senator from Wisconsin indicated that the industry paid about 17 percent as far as income taxes are concerned as compared with close to 50 percent for other industries. This statement, of course, quite adroitly avoids the point I later made, that in talking about taxes, you must speak in terms of the total taxes paid by the industry, recognizing that in the oil industry there are other taxes involved, such as local severance and production taxes, pipeline taxes, and property and ad valorem taxes.

When you make these valid considerations, you can then determine the rate of return on invested capital which is the meaningful comparative figure. For the 12-year average, 1955–66, all manufacturing industries had a rate of return on invested capital of 10.9 percent while the petroleum industry had a rate of return of 9.7 percent. Between 1963 and 1966, the Federal income taxes on oil increased from $490 million to $780 million; the State taxes, which include income taxes, production taxes, ad valorem taxes, severance taxes, and franchise taxes increased from $630 million to $720 million; other local taxes—principally property taxes—went up from $480 million to $550 million. Other taxes, which include payroll taxes, Federal lubricating oil taxes, and other miscellaneous taxes rose from $400 million to $450 million. Taking a particular year, in 1964 oil's taxes were equivalent to 4.82 cents for each dollar of total revenue as compared with 4.32 cents for all businesses. In 1965, oil's taxes amounted to 5.43 cents per dollar of gross revenue while other corporations paid only 4.62 cents per dollar.

On top of all this, it must be remembered that in 1966, for example, foreign taxes paid by oil companies totaled over $1,131 million.

Mr. President, that was a trade against the taxes that would have been owed to this Government. If they had not paid it to a foreign country, they would have had to pay it over here.

So far as a businessman is concerned, it makes no difference whether he is paying it to the city of Baton Rouge, to the State of Louisiana, to the parish of East Baton Rouge, to the U.S. Government, or to Saudi Arabia. It is still taxes. What he wants to know is, "How much will I have left after taxes?" The oil producer receives the least profit, and he pays more than the other guys; it is just that simple.

Mr. President, when the Senator from Wisconsin tried to cut the depletion allowance, I had a big chart prepared. I had it placed in the RECORD. I have here a small reprint.

At one time apparently someone did not understand whose chart it was because the Senator from New York (Mr. JAVITS) heard the Senator make his speech in favor of cutting the depletion allowance, and he said, "I agree with the Senator, as the charts well demonstrate."

Those were my charts. They proved my point. Apparently the Senator thought they proved the case against my point.

I ask unanimous consent to have the chart printed at this point in the RECORD.

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

TAXES ON OIL

	1963	1966
Direct taxes (in millions):		
Federal income	$490.0	$780.0
State taxes	630.0	720.0
Local taxes	480.0	550.0
Other	400.0	450.0
Total (5 percent of total revenue) (in billions)	2.0	2.5
Excise taxes (in billions)	6.5	8.0
Total taxes (in billions)	8.5	10.5

Mr. LONG. Mr. President, the chart says taxes on oil. It lists the same items I covered with the Senator. And it shows that on direct taxes, Federal income taxes, State taxes, local taxes, and others, as of 1966, the figure was $2.5 billion. And it has a total in parentheses. It says 5 percent of total revenue.

The reason that is there is that it is about what an investor expects to make when he goes into business. He expects that he will make about 5 percent of his total revenue.

Five percent will be paid in taxes. If one goes behind the decimal point, he will find that they were not paying about the same as other people, but were paying more. He would find that the figures were even more favorable to my contention.

So this industry is paying more in terms of direct taxes than all other industries actually if these factors are taken into consideration. Then, if we add the excise taxes, the figure will be vastly bigger. That is a big burden on the product.

Gasoline minus taxes is selling at the refinery gate today for the same price that it was selling for 30 years ago. In terms of constant dollars, it is selling for one-third of what it was selling for 30 years ago. Very few other products can say that. The industry was able to accomplish this reduction because of improvements in technology.

Everybody in the industry and every good economist thinks one can sell more of a product if it does not have to carry a big burden. If an industry did not have to carry a burden as heavy as that borne by this product in some cases, naturally it could sell more. But even if we did not include the excise tax burden on the product, which is relatively heavier than on any other product except on tobacco or liquor, the oil industry is taxed more heavily than any other industry.

Some people vote against the liquor industry, and some people vote against the tobacco industry because they thought those products were injurious to health, or morally wrong. But taking those aspects out of it, oil is an essential item. It is taxed more heavily than is any other industry with the exception of the liquor and tobacco industries.

The Senator says they get away with too much. The truth is that they make less than the average because they pay more tax.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PROXMIRE. Mr. President, there is a very interesting discrepancy which I think I can explain. The Senator has just made a vigorous presentation in which he stated that the petroleum industry pays a much higher tax than does any other industry.

As I understand it, they pay far less than even small business. The figures I have from the U.S. Oil Week show that the oil industry paid something like 21.9 percent of its net income in virtually all its Federal, foreign, and State taxes including property taxes. Even small business pays 22 percent of its income in the revenue income tax alone.

But the Senator from Louisiana argues that oil pays a much higher percent in taxes. Why the difference? The difference is simple when one thinks about it. The reason is that the oil industry is an industry which makes a terrific net income on a relatively small revenue. As a result, if we compare their taxes with their over-all revenues, their total, gross income it seems that they pay a higher rate. However, I submit that the fair basis to use is the taxes compared with net income. This is what businessmen have available to pay taxes. That is the comparison I use. The Senator from Louisiana, uses gross.

My figures show that they are taxed far less heavily than almost any other industry. As I say, it is 21.9 percent of their net income, and this includes virtually all of their taxes, State taxes, foreign taxes, and Federal taxes.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. Mr. President, I ask unanimous consent that I be permitted to continue for an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, let me go on to show how this industry pays more taxes than any other industry. On the chart it shows $8.5 billion in 1963 and $10.5 billion in 1966. Those figures ought to include at least another $1 billion for income taxes to foreign countries. Actually, their total income and operating taxes paid to foreign countries in 1966 amounted to $3 billion.

The Senator said concerning foreign taxes that there is no basis for giving a depletion allowance for oil produced in foreign countries.

Insofar as I am concerned, I do not much care if someone is producing oil in Venezuela or Saudi Arabia whether he gets a depletion allowance. However, we do not allow him the allowance for the same reason that we allow it over here.

The reason is that the fellow is competing with other companies—German, Japanese, Italian, British. And those countries do not charge their oil companies any tax at all on what they pro-

duce over there. They charge them nothing. It is only when they bring it back and declare a dividend that they charge a tax.

As far as a corporate tax is concerned, they do not charge it there. And if our people had to pay the kind of taxes the Senator would impose upon them, it would be found that they could not compete with the British, the Japanese, the Italians, the Germans, or even the Russians. And we would not be getting any money from that source. As far as making money for the Government, we would be losing it because we would be killing the goose that lays the golden egg.

We do not collect the corporation taxes—and we collect very little corporation taxes—on what the oil companies are making in foreign countries. However, we get a lot of money out of that oil. Let me show the Senator why.

With respect to most companies, the big companies, the rule of thumb is that they will declare a dividend on a part of every dollar they make. They will put 50 cents into dividends and the other 50 cents will be put into expansion to keep the company rolling forward, to build it up bigger and better and to build new refineries. That all reflects it is not a reduction in the price of a product in the long run.

When the company makes more money in Saudi Arabia because of the price of oil, whether they sell the oil here or some place else, they bring back as much as they can and they declare half of it in dividends.

The people holding the corporate stock, relatively speaking, are high income people. They are paying as high as 40 cents on the dollar in taxes. They do not get any depletion on their dividend. The depletion allowance has already been taken. There is no depletion allowance available for the fellow receiving the dividend. It is probably safer to say that the man receiving the dividend pays a tax of 50 cents on the dollar for everything he gets. So, 25 cents out of every dollar they are making is going into Uncle Sam's Treasury.

So, if the Senator worries about this matter, bless your lucky stars, in addition to that, I submit that we are getting 25 cents out of every dollar they make in the world market. We are getting that much right here in the United States.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PROXMIRE. The Senator has not met my point that, while it is true—and I would concede to him—that the oil industry does pay high taxes in relationship to its gross overall revenue, this is not the proper comparison. One can go broke on an enormous gross, even though his tax may be very light.

The taxation authorities in this country, in all our States, years ago, felt that a net income tax was the fair way to impose taxes on a corporation rather than a gross tax. On a net basis, the oil industry is very lightly taxed. It pays less than half the taxes paid by other industries, on the basis of the figures from U.S. Oil Week's publication, which are taken from the SEC files.

My argument is that what they pay in relationship to their net income, their net profit, what they have available to pay, is a far better comparison than what the Senator is using, which is their gross. The Senator and I, I think, can get together.

Mr. LONG. I have put my figures in the RECORD, and the Senator has put his figures in the RECORD. I suggest that I study his figures overnight and he study my figures overnight, and tomorrow we will agree that I am right.

Mr. PROXMIRE. Tomorrow, I think we will agree, if the Senator will really think about this matter seriously, that they do pay a much lower tax in relation to their profits, in relation to their net income, in relation to their ability to pay. After all a company cannot pay a tax very long out of its gross if it is losing money without going bankrupt. It can pay out of its net. Here is the fair comparison.

Mr. LONG. I am going to make a big concession. I am going to agree with the Senator that the oil industry in the United States pays a smaller amount of Federal income tax than other industries or than the average for all manufacturing—much less. I will agree to that.

Mr. PROXMIRE. A much smaller percentage of all taxes in relationship to their net income.

Mr. LONG. That is where the Senator is wrong. I have not seen the Senator's pink sheet, but——

Mr. PROXMIRE. It is yellow.

Mr. LONG. But I have had these gone over by economists, and I am positive that I am right; and if I look at the Senator's sheet——

Mr. PROXMIRE. I concede that those figures are right. I do not dispute them. But I say they are irrelevant, because we should be talking about net profit. Here is the basis—not gross—on which any fair comparison of tax burden must be based.

Mr. LONG. Mr. President, I repeat the statement: It is true—I agree with the Senator—that if all you are looking at is the Federal income tax, this industry pays less than the average for all manufacturing, on profits.

Mr. PROXMIRE. All taxes.

Mr. LONG. But if the Senator will look at the severance tax, he will find that this is one of the very few industries that pay any severance tax, and the other industries that pay it pay very little.

In Louisiana, we hit them for 10 percent of gross before we know whether they made a profit or not.

Mr. PROXMIRE. The severance tax is included in the figures I have.

Mr. LONG. That is a tax they pay that nobody else pays.

When you take into account that they pay pipeline taxes——

Mr. PROXMIRE. That is included.

Mr. LONG. Take into account the property taxes. The Senator asks, "Why do they pay more property taxes?" The Senator is an apt listener, but he left the floor before I explained that yesterday.

The reason why this industry pays so much more property taxes is that when they go to drill a well somewhere and they want to produce from that well, they cannot do what some other industry does if they think that the tax is unreasonable. They just cannot get up and move out, because the only way they can get the oil is to be there with that well.

As I said yesterday—I do not know whether the Senator left the floor before I said it—a well cannot be drilled far enough to get Louisiana oil out of the ground up in Wisconsin. You might get some out of Minnesota, but you cannot get it out of Louisiana.

They have to be in Louisiana to get the oil. And the tax assessor is sitting on top of them. They put a higher assessment on the tanks and whatever else is there, to get more money out of these oil fellows.

I should like to conclude by making one more point, Mr. President, with regard to the organizations that are raising the price. There is not just one, but there are two organizations in business for the purpose of maintaining a higher price on oil sold on world markets. They are OAPEC and OPEC. OAPEC, which sounds almost the same, refers to the Organization of Arab Petroleum Exporting Countries. It is composed of the mideastern and African countries. The other one—OPEC—refers to Organization of Petroleum Export Countries. It consists of all members of OAPEC, but it also includes Venezuela and Indonesia. The purpose of OAPEC was to be more vigorous and more forceful than OPEC and, hopefully, more effective and more militant about bringing pressure on foreign oil companies, such as those of the United States, with threats of nationalization of their properties and other measures so as to obtain a higher price and a better deal for the producing countries, more advantageous to them. In my speech of March 12 I included a memorandum showing how these organizations work to bring more and more out of U.S. oil companies. It is on page 6174 of the CONGRESSIONAL RECORD for that date.

Mr. President, the Senator made the statement that he thought increase in competition would cause the price to go down if the demand for the product was greater. That does not make any sense to any economist—that when the demand for a product is greatly increased, the price goes down. It works the other way around, and any classical economist, I think, would say that when the demand for a product is increased, the price goes up.

To prove my point, check with the people administering the program. My impression is that they say if you did not have the oil import program, the world price would go up at least 39 cents a barrel. That is too conservative in the point of view of people with whom I have discussed the matter, who work for major companies. They have estimated a fairly swift rise of somewhere between 50 and 75 cents a barrel in world market prices, and they said it would creep up after that.

Mr. PROXMIRE. Then, would the Senator concede that the price to the American consumer would go down sharply, even though the world prices of oil went up?

Mr. LONG. Temporarily. In the long run, as these organizations became more and more effective in working together and collaborating and sharing markets, the price would go up to the price at which you could make fuel out of shale. That would be the limiting factor. I do not think they would want to take a chance on forcing America to produce its fuel from shale, because once they got into that, they would have lost a good market for a long time to come.

This is a quotation from the statement I made when I spoke about the Machiasport issue on March 12. It is a quote from the Department of the Interior document entitled "Cost of the Oil Import Program to the American Economy." They say:

> The assumption that foreign crude oil prices, taxes and royalties would not rise with increased imports is probably valid only in the short run. While unused world capacity to produce crude oil might delay an immediate rise in world crude oil costs, shipments to the United States would rise from 5 percent of free foreign supplies in 1967 to 15 percent by 1980, *and would almost certainly result in higher prices.* Moreover, the growing reliance of the United States on foreign crude oil would strengthen the bargaining position of a host of producing countries *whose past performance demonstrates intentions of continually increasing their share of producing profits.*

Mr. President, when I made that speech and referred to that quotation, I placed in the RECORD a memorandum discussing case after case after case where these foreign countries have repeatedly, even in violation of their pledged word, their sworn word, raised the prices up, and up, and up, and made the companies pay more and more and more, even though they promised not to do it. There is no way they can be held to their word because they cannot be sued in the Supreme Court or in any court in the United States. The only court to which we could go is the one that they appoint. Mr. President, then you are likely to be told what the Peruvian court told the company that was a subsidiary of Standard Oil of New Jersey; that although the court was on the side of Standard Oil, the court had no power to overrule the decree of a military junta, which means, in effect, that the power over there is with the military people. In effect, it means, "It is too bad you have to be confiscated." That is typical of what you run into, Mr. President, when you go into court in foreign lands.

I filled the RECORD on that occasion of examples where host countries kept boosting the price so the price would go up if you rely on them.

ORDER OF BUSINESS

Mr. JAVITS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MONTOYA in the chair). Does the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. JAVITS. Mr. President, I wish to ask a question of the principal author of the resolution (S. Res. 167), dealing with the speech reinforcement system.

The Senator will remember that I have been a protagonist of this idea which is incorporated, in general principle, in the resolution which provides that we should have some way of making ourselves heard. I am grateful that at long last the Committee on Rules and Administration has reported a proposal on that score. I would like to ask the Senator a question.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield so that I can make the resolution the pending business?

Mr. JAVITS. Of course. I am sorry. I thought the resolution had been made the pending business.

Mr. JORDAN of North Carolina. The resolution has not been laid before the Senate yet.

Mr. JAVITS. I yield to the Senator for that purpose.

SPEECH REINFORCEMENT SYSTEM FOR THE U.S. SENATE CHAMBER

Mr. JORDAN of North Carolina. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 111, Senate Resolution 167, authorizing a speech reinforcement system for the U.S. Senate Chamber.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 167) authorizing a speech reinforcement system for the U.S. Senate Chamber.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. JAVITS. Mr. President, it has been suggested, inasmuch as this matter is the pending business, that a quorum call be suggested so Senators will know the matter has been laid before the Senate. Therefore, I respectfully suggest the absence of a quorum, and ask at the same time unanimous consent that at the termination of the quorum call I may be again recognized.

The PRESIDING OFFICER. Does the Senator suggest the absence of a quorum without losing his right to the floor?

Mr. JAVITS. Exactly.

The PRESIDING OFFICER. Is there objection?

Mr. JORDAN of North Carolina. Mr. President, I think I had the floor and I yielded to the Senator from New York. Is that true?

Mr. JAVITS. I was recognized.

The PRESIDING OFFICER. The Senator from New York had the floor and he yielded to the Senator from North Carolina.

Mr. JAVITS. Mr. President, if the Senator from North Carolina wishes to be recognized, I withdraw my request. I hope that he will yield promptly to me, because I do have other problems.

Mr. JORDAN of North Carolina. I shall yield to the Senator promptly.

Mr. JAVITS. I thank the Senator.

Mr. JORDAN of North Carolina. 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. JORDAN of North Carolina. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. JORDAN of North Carolina. I yield to the Senator from New York.

Mr. JAVITS. I shall be very brief. We have discussed this matter many times. The Senator will remember that I was the author of the original resolution that sought to accomplish this purpose 10 years ago. I brought it up in the Committee on Rules and Administration when the Senator from Montana (Mr. MANSFIELD) was presiding over that committee. My proposal did not get anywhere. Subsequently, a compromise was arrived at because we left it to the majority leader and the minority leader to come in with some ideas.

A number of us have been discussing this matter in the Republican conference luncheon. We are deeply concerned about the very questions I addressed to the Senator from North Carolina when the matter was before his committee and when I was there with the Senator from Colorado (Mr. ALLOTT).

The question I raised is whether we are really adopting the most sophisticated and modern techniques to meet our needs, because I had a queezy feeling that what we are doing was a little bit old fashioned.

I wish to ask the chairman of the committee the following questions, and we will arrange later on to get the ranking minority member of the committee to agree if the chairman agrees.

Would it be the intention of the chairman and the committee if the resolution is agreed to—and the resolution gives the authority to the Committee on Rules and Administration—to seek also the concurrence of the majority leader and the minority leader? Many of us feel that if the committee and the majority leader and minority leader had concurred that we would really be getting the best break we could in the sense that we would have explored every conceivable avenue of modern technology and we would be coming up with the very best we could so that all of us can have pride in it in the Senate.

Does the Senator feel that is reasonable?

Mr. JORDAN of North Carolina. I readily agree to that because we would really want that kind of help. I remember vividly the part the Senator has played in this matter over a number of years, and the majority leader and the minority leader asking that something be done, going back to the Reorganization Act which the Senate passed and which the House of Representatives did not pass. That proposal was part of the Reorganization Act.

Mr. JAVITS. On my own amendment.

Mr. JORDAN of North Carolina. The Senator is correct. It was section 335 in the Reorganization Act.

The Committee on Rules and Administration did what the Senate asked it to do, which was to instruct the Architect of the Capitol to hire what he considered to be very competent engineers, which they did. They reported to us.

We would like to have any additional information to be furnished because we do want the most modern system that can be installed.

Mr. JAVITS. Then, the Senate can feel that whatever is done would have the concurrence of the majority leader and the minority leader. Is that correct?

Mr. JORDAN of North Carolina. The Senator is correct. We would not want to have it any other way.

Mr. President, so far as I know, I will be glad, now, to answer any questions, although the information is fully included in the report which has tried to answer everything we can think of. Everything is explained as to the engineers, and so forth.

I am ready now to answer any questions but am happy at this point to yield to the Senator from Illinois for a statement.

Mr. PERCY. Mr. President, let me commend the distinguished Senator from North Carolina for the report and moving this project forward. It is one which I think is urgently needed and long overdue.

In the area of electronics, let me urge that quality is exceedingly important. I would hope that we would not in any way sacrifice quality, and strive to obtain the best possible sound reproduction and the best possible system in order to maintain the intimacy of the Senate and not have a system which would blare forth, as do some audio systems with which we have had experience.

May I ask the Senator one technical question, as to whether it would be possible, or whether the committee has given consideration to having individual volume controls on the speakers themselves, because hearing, like sight, varies with individuals and the comfort of listening is considerably changed and altered if we can bring up a soft voice or tone down a loud one to the individual capacity of the Senator.

If there could be an individual volume control on the speaker itself, I think it would add a great deal of flexibility and comfort to the system.

Mr. JORDAN of North Carolina. Let me answer that question by reading question 10 at the top of page 10 of the report, as follows:

Question No. 10.—Can the volume of the loudspeaker be adjusted by the Senator? *Answer.*—It is not recommended by the consultants, because the system is designed to operate at low volume throughout the entire Chamber. Random adjustments or complete silencing of several loudspeakers would upset the inherently refined balance of the system.

Mr. President, I certainly am not an expert on this kind of system, or things related to it, but we did hire what was considered to be one of the best engineering consultant firms in the country, and this recommendation and the other things were gone into thoroughly. It is a low-frequency system which takes into consideration the low voice as opposed to the high voice and will be regulated accordingly. We can shut the speaker off. The microphone will not be in service unless it is picked up, because if it were live any conversation with one's seatmate could be broadcast, which we would not want, of course. There would be a console somewhere, in a proper location in this Chamber, to regulate the voices. I know what the Senator from Illinois means, that there are some voices which are pretty loud. They will be handled adequately by competent engineers.

Mr. PERCY. I thank the distinguished Senator from North Carolina.

Mr. CURTIS. Mr. President, I should like to be recognized for the purpose of offering an amendment.

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Nebraska for that purpose?

Mr. JORDAN of North Carolina. I am happy to yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I offer an amendment now at the desk and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 7, line 8, insert the following: "*Provided*, That the Architect of the Capitol and the Sergeant at Arms of the Senate, shall not enter into a contract for such system prior to thirty days after the detailed design and costs for the same have been presented to the Committee on Rules and Administration."

Mr. CURTIS. Mr. President, let me say that I am for an amplifying system being placed in the Chamber. So far as I know, I have no quarrel with what has been proposed and I commend those who have worked on it.

I invite attention to the fact that a fairly good summary of what is proposed here appears on page 13 of the report, in the form of a letter to the Sergeant at Arms from the Architect of the Capitol and I ask unanimous consent to have that letter printed in the RECORD.

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

ARCHITECT OF THE CAPITOL,
Washington, D.C., October 11, 1968.

Hon. ROBERT G. DUNPHY,
Sergeant at Arms,
U.S. Senate, Washington, D.C.

DEAR MR. DUNPHY: Pursuant to the provisions of contract No. ACbr-576 dated May 6, 1968, our acoustical consultants, Mr. Richard H. Bolt and Mr. Robert B. Newman of Cambridge, Mass., have engaged in comprehensive studies related to (1) the acoustical characteristics of the Senate Chamber as presently constructed and furnished, (2) the objectionable background noises which persist when the Chamber is totally unoccupied, (3) the unavoidable noises generated by the movement and intermittent presence of visitors, and (4) the adverse effects of echoes on the intelligibility of speech emanating from the Senate floor. All of the aforementioned circumstances, contributing in varying degrees to the present poor reception of natural speech in some areas of the Senate floor and in all galleries, are fully described in the accompanying report.

Our consultants' conclusions concerning the circumstances and adversities now prevailing in the Senate Chamber are as follows:

(1) The basic acoustical characteristics of the Chamber are typical for such spaces and will not present any significant problems when and if a speech reinforcement system is installed in the Chamber and its galleries.

(2) The background noises presently being generated by mechanical equipment operating both in the attic and basement of the Senate wing are extrinsic circumstances that can be reduced significantly by the proper application of modern sound attenuating procedures and devices in the areas where these noises are generated.

(3) The unavoidable transient noises generated by the movement and presence of visitors are intermittent in nature and their momentary sound levels in many instances are significantly higher than the continuous ambient noise levels produced by the mechanical equipment located in the attic and basement. At times, when the visitors remain quiet, the noise produced by the mechanical equipment becomes predominant. Advantages to be gained by enclosing the galleries with combined glass and solid partitions are described in the consultants' report and are reiterated hereinafter.

(4) The speech reception in all areas of the Chamber floor and in all galleries can be audible, natural, and effective if a properly designed speech reinforcement system is installed.

It is the opinion of our consultants that a speech reinforcement system consisting generally of (1) individual desk-mounted microphones and miniaturized loudspeakers for all Members, (2) a complement of microphones and loudspeakers distributed in the rostrum area for the Presiding Officer and other Senate officials, (3) a removable floor-stand microphone for use by distinguished visitors occasionally addressing the Senate, (4) a complement of loudspeakers for the Official Reporters, and (5) a wide distribution of loudspeakers in the galleries collectively will provide audible, natural, and effective speech reception throughout the entire space. An installation of this type, including extensions to the cloakrooms and Marble Room, is described and delineated in the accompanying report. The extensions to each cloakroom would provide facilities for the use of earpieces at will by Senators desiring to follow the floor proceedings, and a loudspeaker with local volume control at the page desk. The facilities in the Marble Room will be limited to the use of earpieces. An installation of this type is recommended in the accompanying report submitted by Messrs. Bolt and Newman, and they have estimated that the cost thereof, based on current price levels, will be approximately $108,500.

To avoid conflicts with the activities of the Senate and to conform with established security regulations, the physical installation of the system components should be accomplished by the qualified electronic technicians presently on my staff. The consultants' cost estimate is based on this premise.

The aforementioned cost estimate does not include expenditures for the reduction of background noises generated by mechanical equipment. Rectification of this annoyance is separate and distinct from the speech intelligibility solution and should be accomplished whether or not a speech reinforcement system is installed. Likewise, the cost of constructing enclosing partitions is not included for reasons hereinafter mentioned.

Our consultants have indicated in their report that the effectiveness of a speech reinforcement system in the Senate Chamber can be enhanced generally, and particularly in the galleries, by the construction of combined glass and solid partitions extending

from the top of the railings at the perimeter of the galleries to the Chamber ceiling. The presence of such partitions would intercept the noises generated in the galleries and improve the microphones pickup at the desks. Both of these factors would be beneficial to the transmission of speech from the rostrum and floor of the Chamber. Furthermore, such partitions would permit the use of higher sound amplification levels in the galleries, a circumstance that would improve reception by the gallery audience.

The consultants agree with the Sergeant at Arms that enclosing the galleries also would make it possible to provide a significantly better accommodation for the thousands of persons that visit the Senate Chamber annually. By removing one or two rows of rear seats in one section of the gallery to form an aisle or passageway between two corridor entrance doors, a continuous procession of guided tour visitors could observe the proceedings of the Senate, while other less transient visitors are seated in the front rows of the same gallery section. In this way a significantly larger number of visitors would have an opportunity to briefly observe the activities of the Senate without being subjected to crowding and prolonged waiting in the corridors, or departing with an attitude of frustration and disappointment.

Since the architectural aspects and structural problems associated with the construction of enclosing partitions are factors beyond the scope of accoustical consultants, as well as any esthetic considerations in connection therewith, Messrs. Bolt and Newman have correctly confined their remarks to the acoustical efficacy of such partitions. The practicality of such new construction, including the determination of the cost thereof, necessarily would have to be the subject of a separate study and report developed by competent architects and structural engineers engaged by this office upon proper authorization.

You will be interested in knowing that our acoustical consultants have designed and specified speech reinforcement systems for the State Capitol, House of Representatives, Jefferson City, Mo.; the State Capitol, Concord, N.H.; the North Carolina State Reynolds Coliseum, Raleigh, N.C.; the Field House, University of Virginia, Charlottesville, Va.; and many other successfully operating installations.

Attached are two copies of the formal report prepared and submitted by the acoustical consultants. Additional copies presently are in transit from Cambridge, Mass. The arrival of this shipment is expected momentarily.

The assistance and extraordinary courtesies extended by your staff have contributed substantially in the effective accomplishment of this endeavor.

Sincerely yours,

J. GEORGE STEWART,
Architect of the Capitol.

Mr. CURTIS. Mr. President, the only estimates of the cost I can find are not too specific. On page 56, referring to the cost of the system, the grand total, including equipment cost is given as $86,818.35; installation $10,000—that is an allowance for overtime because it will be done by employees from the Architect's office; and professional services, $11,600, making a total of $108,418.35.

However, the Committee on Rules and Administration has already made some modifications of that, in that it is proposed there be a glassed-off passageway for tourists who come into the galleries and go out quickly so that they can hear what is going on but the noise they create will not filter down into the Chamber. That is discussed in the report on page 7.

It is entitled "Proposed Visitors Passageway Through Southwest Corner of Senate Gallery." I ask unanimous consent to have that excerpt of the report printed in the RECORD.

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

PROPOSED VISITORS' PASSAGEWAY THROUGH SOUTHWEST CORNER OF SENATE GALLERY

A proposed visitors' passageway would eliminate a substantial amount of the ambient noises which now emanate from the galleries. At present guided tours visit the gallery very briefly in the course of the Capitol Building tour. These groups enter galleries set aside for them, move to seats, remain a few minutes, arise and leave to continue their tour. Their movement is, unavoidably, accompanied by a good deal of distracting sound. In addition, and especially during the spring and summer months, a substantial number of gallery seats must be set aside for these visiting tours.

Assuming a speech reinforcement system as proposed will be installed in the Senate Chamber, a plan has been developed which will provide an opportunity for guests on the Capitol Building tour to have a brief exposure to the Senate during its sessions, without going through the seating procedure described above.

This envisions the installation of a passageway in the southwest corner of the gallery with an entrance opposite the top of the west grand staircase and an exit to the third floor corridor immediately south of the Senate Chamber. Such a passageway can be constructed without impairing the dignity of the Chamber. It would be constructed of vertical transparent panels topped with a transparent ceiling. Obviously a passageway constructed in this manner would confine the unavoidable noises generated by the intermittent ingress and egress of large groups and, in addition, provide the opportunity for a greater number of visitors on tours to observe and hear the Senate proceedings. Moreover, it would free a substantial number of seats now reserved for tours, which could then be used by visitors who desire to observe the Senate for longer periods. This enclosure would be equipped with several loudspeakers of the type installed on the desks to provide low-level sound distribution within the passageway. The transparent walls and ceiling of the passageway would obviate the need for additional lighting.

Mr. CURTIS. Mr. President, let me explain what I have in mind by my amendment. Its purpose is to provide the Committee on Rules and Administration with specific details as to what is proposed. By specific details, I mean as to each desk, and so forth, and what all of this will cost, and that the Committee on Rules and Administration have that information for 30 days before a contract is let. During that 30 days, if it be my expectation that the Committee on Rules and Administration would ask the majority leader and the minority leader for their opinions as to whether the system should proceed, I believe that this proviso will hurt nothing and think that it will be of considerable help to the Architect of the Capitol and the Sergeant at Arms.

The resolution as drawn is quite broad. It reads:

The Architect of the Capitol in conjunction with the Sergeant at Arms of the Senate be authorized to install a speech reinforcement system and auxiliary appurtenances in the Chamber of the United States Senate subject to the approval of the Committee on Rules and Administration; and that there are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this resolution.

How much money? We do not know. The first part of the resolution authorizes these two officials to install it, and that would be the voice of the Senate. It is true it reads "subject to the approval of the Committee on Rules and Administration." Does that mean we are sidewalk foremen or that we are asked about something after it has already been done? I do not know, but I do know that very often, in contracts pertaining to the U.S. Capitol and Congress particularly, projects are started which cost much money, Members are dissatisfied, the public is dissatisfied, and we all have red faces after it is done and wonder why it was not done differently.

All the proposal provides is that, before a binding contract is entered into to spend any money—because we have already paid a consultant some money—the detailed design and cost be filed with the Committee on Rules and Administration and that 30 days go by.

That provision will give the Committee on Rules and Administration an opportunity to refer to the leadership. If the leadership or any other Senator have any doubts as to the wisdom, the propriety, or the cost of it, the floor is open. They can take such action as is necessary.

At the same time, I do not think this provision would cause an undue burden or undue delay. Whatever is installed will be used for a long time. It should be installed in a way that meets with the approval of the greatest number of Senators possible and that will be an irritation to the fewest number possible.

Therefore, I believe that, as a matter of precaution, we would not make a mistake by asking for the detailed plans and cost before a contract is let.

Now I want to say to the distinguished chairman of the committee, the Senator from North Carolina (Mr. JORDAN), that, because of illness, I could not attend the Committee on Rules and Administration. I am coming in late with my amendment. I plead guilty. I offer this amendment as no criticism of the Committee on Rules and Administration whatever. It should have been suggested before, but, under the circumstances, I could not do it. I hope the amendment can be adopted.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. CURTIS. Yes; surely.

Mr. JORDAN of North Carolina. I think it is a very reasonable amendment which the Senator has offered. I am glad to accept it. We would do that, anyway. We certainly would not want to let a contract unless the Senator and I and a great many other people had an opportunity to review it, because we are going to be responsible for it.

Mr. CURTIS. I appreciate that very much. I believe the provision will be of considerable help to the Sergeant at Arms and the Architect of the Capitol. As the resolution stands, they are directed to install. The amendment provides that they are not to enter into a contract until the detailed design and costs have been delivered and a period

of 30 days has gone by in order to give an opportunity to examine it.

Mr. JORDAN of North Carolina. May I go a little further? Just a few minutes ago the Senator from New York (Mr. JAVITS) posed a question. I readily accepted the idea that the majority leader and minority leader be consulted before anything was definitely decided on, so we could get their thinking on it. I told him I agreed with that idea.

Mr. CURTIS. My amendment would fit in with that thinking.

Mr. JORDAN of North Carolina. It fits in with what the Senator from Nebraska has said.

Mr. CURTIS. So something more concrete would be referred to the leadership than what we have today.

Mr. JORDAN of North Carolina. I may go a little further. On the day the Senator from Nebraska was unavoidably absent, the Senator from Colorado (Mr. ALLOTT) appeared before the Committee on Rules and Administration, where we had a mockup desk with the full instruments, and so forth, on it. We asked each Senator to be there. A good many Senators came. We were delighted with that. The engineers were there to answer questions.

I think the Senator from Nebraska has offered a very valuable amendment, and we are glad to take it.

Mr. CURTIS. I thank the Senator.

Mr. ALLOTT. Mr. President, if the Senator will yield, I would also like to support the amendment of the Senator from Nebraska. I have been interested in this matter for a long time. I am interested in it because in several of the committee rooms in which we meet in the New Senate Office Building we have so-called loud speaker systems. Of those rooms in which I meet, the one which most needs a loud speaker system is the Committee on Interior and Insular Affairs room. I am sure there is approximately $5,000 worth of equipment in that room, and I am sure that even a person who was relatively an amateur in sound techniques could set up a system that was better, for perhaps one-tenth of the cost of that equipment. It is completely inadequate.

I must say that I was not entirely happy with the answers of the engineer who was present at the meeting. For example, he said we would need a separate channel for each speaker if we used a wireless system. I have no basis for knowing whether that is true or not, but I have been in rooms where wireless systems were utilized, and I am positive that not more than one channel was used in those rooms.

For those reasons, I myself do not want to see the Senate commit itself unequivocally to a system that may cost us a great deal of money. I do not think what we spend is as important as is that we get something which is satisfactory and which suits the needs of the Senate, because the amount we spend is going to be less than a drop in the bucket compared to what the operation of the whole Congress costs, let alone what the Government costs.

For those reasons, I am happy to support the amendment of the Senator from Nebraska. I know that the chairman of the Committee on Rules and Administration and the members of that committee worked hard on this matter. Yet I also realize that this is an area in which probably only two or three in the Senate could claim to have expertise, despite the fact that all of us use loudspeakers all the time.

Therefore, I hope we go slowly, and I hope a system is installed which is adequate and which satisfies the needs of the Senate.

I must say the aspects of the system which is proposed, which is not a loudspeaking system, but, rather, a voice augmentation system, composed of a great number of small speakers scattered throughout the Senate and at Senator's desks, appeals to me. However, I still feel that an individual volume control, if there is to be a speaker at each desk, should be provided Senators in order that, if a Senator is really orating with great vocal strength, we can at least turn down the volume a little so we are not blasted out of our seats. On the other hand, some Senators speak in a very, very low tone of voice. For what I would call the "whispering Johnnys" we might want to turn it up a little. Therefore, I think we should have a little flexibility in whatever system we get.

I thank the Senator for yielding.

Mr. JORDAN of North Carolina. I thank the Senator from Colorado. I hope the very things he is talking about will be incorporated in the system, so we will get the best system that competent engineers can provide.

Mr. ALLOTT. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nebraska.

The amendment was agreed to.

The PRESIDING OFFICER. The resolution is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the resolution, as amended.

The resolution (S. Res. 167), as amended, was agreed to, as follows:

Resolved, That the Architect of the Capitol in conjunction with the Sergeant at Arms of the Senate be authorized to install a speech reinforcement system and auxiliary appurtenances in the Chamber of the United States Senate subject to the approval of the Committee on Rules and Administration; and that there are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this resolution; *Provided*, That the Architect of the Capitol and the Sergeant at Arms of the Senate shall not enter into a contract for such system prior to 30 days after the detailed design and costs for the same have been presented to the Committee on Rules and Administration.

S. 1817 AND SENATE JOINT RESOLUTIONS 92 AND 93—INTRODUCTION OF A BILL AND JOINT RESOLUTIONS ON ELECTORAL REFORM

Mr. BAKER. Mr. President, I rise to introduce three proposals designed to strip away conditions to full participation in the electoral process. These measures, if adopted, would provide for a system of 50 State presidential primaries, allow transients the right to vote in national elections, and establish a uniform 24-hour voting period for all presidential and congressional elections.

I offer my proposals, in the form of a bill and two joint resolutions, for appropriate reference.

The PRESIDING OFFICER. The bill and joint resolutions will be received and appropriately referred.

The bill (S. 1817) to provide a uniform 24-hour voting period for polling places in Federal elections, introduced by Mr. BAKER (for himself and Mr. BAYH), was received, read twice by its title, and referred to the Committee on Rules and Administration.

The joint resolution (S.J. Res. 92) proposing an amendment to the Constitution of the United States to provide for the conduct within each State of presidential preference elections and the election of delegates to conventions of national political parties for the nomination of candidates for President and Vice President; and the joint resolution (S.J. Res. 93) proposing an amendment to the Constitution of the United States enabling citizens of the United States who change their residences to vote in presidential elections, introduced by Mr. BAKER, were received, read twice by their titles, and referred to the Committee on the Judiciary.

Mr. BAKER. The first of these measures is a proposed amendment to the Constitution providing for the establishment of a presidential preference primary in each of our 50 States. Under the terms of this proposal each State would be required to conduct its own primary election in which candidates for the presidency could enter at their own discretion. Voters would cast ballots for a presidential candidate in the primary of the political party of their choice and would, at the same time, also cast ballots for two candidates for delegate to the national convention from their congressional district and for the number of at-large candidates for delegate to the national convention to which their state might be entitled. The results of the presidential primary would, of course, be ascertained and announced but would not be binding upon the delegates elected by the people to the national nominating conventions.

Such a system of State primaries—in which each candidate for the Presidency might enter and in which delegates to the national nominating conventions would be duly elected by the rank and file—would have many benefits without the attendant disadvantages that might be present under a nationwide presidential primary. Since under this proposal the national nominating conventions would be retained, many of the arguments that have been advanced against a nationwide primary would be overcome. A system of 50 State primaries followed by a national convention would not eliminate the compromise mechanism for registering and accommodating dissent within our political parties. A single sudden death national primary would achieve this undesirable result and would eliminate the national party convention as a forum for bargaining and, ultimately, reconciliation.

Further, a national primary would often necessitate a runoff, eliminate re-

luctant candidates and the possibility of a draft, and might create a problem in the selection of a nominee for the Vice Presidency. These problems would not be present under the proposal which I introduce.

At the same time a system of 50-State primaries would insure a more open and democratic method of selecting presidential nominees. It would reinforce rather than weaken our system of federalism, greatly strengthen party structures in each of the States, involve many more citizens in the vitally important work of partisan political activity, inhibit political manipulation, stimulate discussion of the issues by the candidates, and provide clear and unequivocal indicia of a given candidate's merit and of his ability to move the people.

Mr. President, closely connected to this question of reform of our nominating procedure is the intelligent controversy over reform of the electoral college system. I have previously made known my position in favor of direct election of our President and Vice President, and am a cosponsor of the proposed constitutional amendment to this effect introduced by the distinguished junior Senator from Indiana (Mr. BAYH).

The many advantages of a direct vote have been frequently voiced. Under a system of direct election the possibility that the candidate winning the most popular votes might be deprived of the Presidency through the anachronistic vagaries of the electoral college would be eliminated. The wholesale disenfranchisement of minority voters in each State would be ended, and each vote would be registered equally. No man's vote would be eclipsed or magnified as a result of the chance factor of State residence. The office of elector would disappear, with the result that no unfaithful elector could take it in his own hands to influence the outcome of an election, and splinter parties would no longer have the ability to influence the outcome in pivotal States or to utilize their influence in a handful of States to throw the election into the House of Representatives.

It is for all of these reasons that I have given my support to the direct election of the President, and I seriously hope that the 91st Congress will take prompt and incisive action not only to reform our nominating procedure but also to provide for a direct election of our President.

Mr. President, the other two proposals that I introduce are also, in my judgment, urgently needed electoral reforms. The first is a measure that would provide that no citizen of the United States who is otherwise qualified to vote in a national election shall be denied that right to vote in a presidential election by reason of the fact that he has changed his residence from one State or political subdivision to another. This proposed amendment would require that a State allow one who has removed his residence to vote in a presidential election, by absentee ballot or otherwise, until such time as any residence requirement of the new place of residence is fulfilled.

As we all know, the citizens of our country are increasingly mobile. The Bureau of the Census has estimated that up to 20 percent of our citizenry is in a state of transition. In fact, it has been estimated that during a presidential election year as many as 5 million citizens are today denied the privilege of voting because they move into a new State too late to comply with residence qualifications.

All States have established qualifications for voting, with most including a residence requirement of 6 months to 2 years. No one seriously questions that the States should claim certain reservations concerning the right of any citizen to vote in local elections, on the ground that new citizens do not have sufficient knowledge of local issues and local candidates to draw meaningful conclusions or to cast an informed vote. But a far different situation prevails in national elections, in which a citizen, regardless of his residence, may become well informed on the programs and policies of each candidate seeking the office of President and in which the issues are national in scope. In this situation no citizen should be denied the right to vote because of a State residence requirement. This is a patently unjust impediment, and it must be removed.

Still another badly needed reform is the proposal for 24-hour voting coordinated between time zones. The bill which I introduce today with the distinguished junior Senator from Indiana (Mr. BAYH) provides for a 24-hour voting period for polling places in Federal elections. Under this provision polling places would remain open for a full 24 hours with voting beginning and ending at the same Greenwich mean time across the Nation.

This measure would, I believe, have two salutary effects. First, it would make voting a great deal easier for many Americans who now find polling hours inconvenient or impossible to meet. In almost every election our country is confronted with a serious nonvoting problem. In fact, in no national election in this century have more than 64 percent of the people of voting age gone to the polls, a ratio far below that in most other democratic countries. It is difficult to estimate how many of those millions of people who are sick or hospitalized or away from their homes on business or pleasure on election day would cast ballots if the voting period were extended to 24 hours, but every test of nonvoting that has been made indicates that there are a great number of people who have every intention of voting but are prevented from doing so by some unavoidable sickness, accident, or business.

Second, this measure would have the beneficial effect of eliminating the bothersome questions of whether early returns from eastern States and network computer predictions influence voting patterns in the West where polls are still open. The Baker-Bayh bill is designed to meet the growing concern over the effect on voters of electronic computers, a problem that has been aggravated in modern times by the rapid compilation, projection, and communication of election returns across the country through the media of radio and television. It is, of course, difficult to ascertain the actual effect of network computer projections based on partial returns in broadcasts of radio and television, but in my view we should not run the risk that a close presidential election could be decided by these predictions or that local candidates in these States would suffer because voters stayed away from the polls believing the presidential contest had already been decided.

Mr. President, I certainly do not favor replacing cumbersome, anachronistic electoral machinery that has served reasonably well with new machinery that might prove disruptive of our form of government or our political processes. I am confident that these measures will not have this effect, and I urge their enactment.

Mr. President, it occurs to me, as I have said in the Chamber before, and as I reiterate with enthusiasm now, that the hallmark of the greatness of the American democratic system is that the machinery of government, designed so exquisitely by our forefathers, is uniquely adapted to the job of sensing and determining the full range of desires, demands, and dissents of the people of the Nation, so as to assure that the governing policies of the country resonate fully to that range of desires, demands, and dissents expressed in terms of electoral activity by the people at the polls on election day.

I am convinced beyond the shadow of doubt that no single President, no administration, no Congress, no collection of people, no group within the academic community, or otherwise, possesses, singly or collectively, the insight, sensitivity, compassion, or intelligence to meet and cope with the problems that confront the Nation now and will confront it in the future as far as I can see; and that only one force in the world and in America is adapted to the changes of these times; namely, the collective genius of the people of America, the collective judgment of the electorate within this country.

So one of the most important jobs we can undertake, in my view, is to update the electoral machinery so as to provide maximum participation by the greatest number of citizens in the serious—in fact, the most serious—business of compiling the programs of the Government in the years just ahead, and making certain that all within the Nation, in every locality, of every race, color, and creed, of every political persuasion, can feel that they do in fact have a voice—an effective voice—in the formulating of the policies of the future.

Much as I venerate the democratic institutions which have made our country great; much as I believe the electoral process and the electoral machinery given us by our forefathers are uniquely adaptable to the present and the future, I believe they must be modernized to provide full effectiveness.

Therefore, I join the distinguished junior Senator from Indiana (Mr. BAYH) in introducing proposals that our two chief magistrates, the President and Vice President, be elected by popular vote, undiluted. I introduce these

three measures to assure further that the machinery of government in this country will be fully responsive and will resonate accurately to the demands, desires, and dissents of all of the people of the country.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. BAKER. I am happy to yield to the Senator from Indiana.

Mr. BAYH. Mr. President, I compliment the Senator from Tennessee for the introduction of these measures which are designed to make the election process of the country more meaningful. I suppose, as both of us have found in our study of the electoral college process and our efforts to refine it, that there will be in this case opponents of any meaningful change or any meaningful reform.

I second the statement which the Senator from Tennessee just made, indicating as delicately as I have heard indicated what an election process in the United States means. Those of us who have lived with it year in and year out for many years are prone to take it for granted. And those who live in some nations from which several Members of the Senate have just returned would give anything they own really to have an opportunity to exercise this franchise. I appreciate having the chance to join with the Senator on the measure, particularly the 24-hour voting procedure. I think that the limited time standards now set at polling places tend to make it more difficult for many voters to cast their ballots.

I think there is a considerable amount of inconsistency and many of us in the Senate and elsewhere yield to the temptation to beat our chests with pride about our Nation being a citadel in which people can make their own destiny. Yet we witness, as we did in 1968, the choice of a President of the United States with barely 62 percent of those eligible to vote making that choice.

I think the impact of the measure would be to make it more convenient to vote and increase the percentage of those who care to take advantage of the opportunity they have to cast their franchise.

Secondly, with reference to the matter to which the Senator from Tennessee referred, the influence that one part of the country may have on the other, I think this is amply taken care of in the measure he suggests.

I would imagine that if the committees have a chance to study the matter and hold hearings, we will have a chance to discuss some of the problems which might arise, financing problems and problems of one kind or another with the State and local officials.

As I see it, it is our responsibility in the Congress of the United States to see to it that elections are held justly if no other units will do so.

I think that the measure will go a long way toward accomplishing a more fair and equitable and growing degree of participation in the election of a President of the United States.

I salute the Senator from Tennessee for the initiative he has evidenced. I am grateful to be associated with him.

Mr. BAKER. Mr. President, I thank the Senator from Indiana. I am especially grateful for his sponsorship of the 24-hour voting rule in view of his leadership in the field of electoral reform.

I am most pleased to have his support in this matter.

Mr. MUSKIE. Mr. President, I compliment the distinguished Senator from Tennessee for his imaginative proposal. I think he has produced some very constructive ideas in connection with the proposal of the distinguished Senator from Indiana to provide for the direct election of the President. I think these are supplementary proposals that are worthwhile.

I indicate my approval.

Mr. BAKER. Mr. President, I ask unanimous consent that the texts of the bill and joint resolutions be printed in full following my comments.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1817

A bill to provide a uniform 24-hour voting period for polling places in Federal elections

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the text of section 1, title 3, United States Code, is amended to read as follows:

"Except as otherwise provided by this chapter, the electors of President and Vice President shall be appointed, in each State, on the Tuesday next after the first Monday in November, in every fourth year succeeding every election of a President and Vice President.

"Whenever electors of President and Vice President are to be chosen by election in any State in any year, such election shall begin on the Tuesday next after the first Monday in November of that year, and the opening time of the polling places for that election shall be as follows: 11 ante meridian standard time in the eastern time zone; 10 ante meridian standard time in the central time zone; 9 ante meridian standard time in the mountain time zone; 8 ante meridian standard time in the Pacific time zone; 7 ante meridian standard time in the Yukon time zone; 6 ante meridian standard time in the Alaska-Hawaii time zone; and 5 ante meridian standard time in the Bering time zone. Such polling places in each State shall remain open until the same such meridian standard time on the Wednesday next after the Tuesday next after the first Monday in November."

SEC. 2. The text of section 25 of the Revised Statutes, as amended (2 U.S.C. 7), is amended to read as follows:

"The Tuesday next after the first Monday in November, in every even numbered year, is established as the day for the beginning of the election, in each of the States, of Representatives to the Congress commencing on the third day of January next thereafter.

"In any such election, the opening time of the polling places in the several States shall be as follows: 11 ante meridian standard time in the eastern time zone; 10 ante meridian standard time in the central time zone; 9 ante meridian standard time in the mountain time zone; 8 ante meridian standard time in the Pacific time zone; 7 ante meridian standard time in the Yukon time zone; 6 ante meridian standard time in the Alaska-Hawaii time zone; and 5 ante meridian standard time in the Bering time zone. The polling places in such election in each State shall remain open until the same such meridian standard time on the Wednesday next after the Tuesday next after the first Monday in November."

S.J. RES 92

Joint resolution proposing an amendment to the Constitution of the United States to provide for the conduct within each State of presidential preference elections and the election of delegates to conventions of national political parties for the nomination of candidates for President and Vice President

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE ——

"SECTION 1. During each year which immediately precedes a year in which the terms of President and Vice President expire, each State shall conduct a presidential preference election in which voters of that State may express their preference for candidates of national political parties for nomination for President. Each such candidate shall be entitled to have his name placed upon the ballot of his party in such election conducted in any State in accordance with the law of such State. No person shall be named upon any such ballot as such a candidate without his consent. The number of votes cast in such election within each State for each such candidate shall be officially ascertained and announced, but the result of such preference election shall not be binding upon delegates to any nominating convention.

"SEC. 2. Delegates of each national political party from each State to each nominating convention of that political party shall be chosen in the presidential preference election conducted in that State. Delegates of each such political party so chosen from each State shall include two delegates elected from each Congressional district of the State, and two delegates elected from the State at large for each Representative in the Congress who is elected from the State at large. Delegates of each such political party so chosen from each State shall include such additional number of delegates elected from the State at large as the national governing body of that political party shall prescribe.

"SEC. 3. Each State shall determine by law the manner in which the names of candidates for the nomination of any national political party for President, and candidates for delegate to the nominating convention of any national political party, shall be placed upon the ballot in any presidential preference election. The time at which any presidential preference election is conducted in any State shall be determined by the law of that State unless the Congress shall by law appoint a different day.

"SEC. 4. Each State shall prescribe by law the qualifications of voters in presidential preference elections conducted within that State, but each qualified voter in any such election may cast ballots for candidates of any political party of his choice without regard to his registration as a member of that political party or any other political party. No voter in any such election may cast ballots for candidates of more than one national political party. Each such voter in any State may cast his ballot for one candidate for the nomination of that political party for President, for two candidates for delegate to the nominating convention of that political party from the congressional district in which he resides, and for the number of candidates for delegate to such convention elected from that State at large equal to the number of such delegates so elected to which that State is entitled.

"SEC. 5. The candidates of each national political party for President and Vice President shall be chosen by majority vote of the delegates elected under this article from all States to a nominating convention of that party which shall be convened not later than September 15 in the year in which such delegates are chosen. Upon the final adjournment of each such convention, the presiding officer thereof shall certify the names of the candidates so chosen in such manner as the Congress shall prescribe by law.

"SEC. 6. Under this article, the District of Columbia shall be considered to be a State, and the Congress shall enact legislation necessary to carry this article into effect within the District of Columbia. For the purposes of this article, a political party shall be considered to be a national political party if in the most recent previous presidential election the candidates of that political party for elector for President in all States received in the aggregate at least ten per centum of the total number of votes cast in all States for candidates of all political parties for elector for President.

"SEC. 7. The Congress shall have power to enforce this article by appropriate legislation.

"SEC. 8. This article shall take effect on the 30th day of January following its ratification.

"SEC. 9. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of the submission hereof to the States by the Congress."

S.J. RES. 93

Joint resolution proposing an amendment to the Constitution of the United States enabling citizens of the United States who change residences to vote in presidential elections

Resolution by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several states:

"ARTICLE ——

"SECTION 1. No citizen of the United States who, while a resident of a political subdivision of any State, has become qualified to vote in that political subdivision in an election to choose electors for President and Vice President shall be denied the right to vote in that political subdivision in that election because of the removal of his legal residence before the date of that election to another political subdivision of the same or any other State if that election occurs before the expiration of the minimum period of residence in such other political subdivision which is required of that citizen for qualification to vote in that election in such other political subdivision. For the purposes of this article, the district constituting the seat of Government of the United States shall be considered to be a State.

"SEC. 2. The Congress shall have power to enforce this article by appropriate legislation.

"SEC. 3. The article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress."

ORDER FOR ADJOURNMENT UNTIL FRIDAY

Mr. KENNEDY. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until noon on Friday next.

The PRESIDING OFFICER (Mr. BELLMON in the chair). Without objection, it is so ordered.

AUTHORITY FOR THE SECRETARY OF THE SENATE TO RECEIVE MESSAGES AND FOR COMMITTEES TO FILE REPORTS DURING ADJOURNMENT OF THE SENATE

Mr. KENNEDY. Mr. President, I ask unanimous consent that during the adjournment of the Senate until noon on Friday next, the Secretary of the Senate be authorized to receive messages from the President of the United States and from the House of Representatives, and that they may be appropriately referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I also ask unanimous consent that, during the adjournment, all committee be authorized to file reports, together with individual, minority, and supplemental views.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that this be done without the Senator from Maine losing his right to the floor.

The PRESIDING OFFICER (Mr. BELLMON in the chair). Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PROPOSED FOREIGN TRADE ZONE AT MACHIASPORT, MAINE

Mr. MUSKIE. Mr. President, with the distinguished Senator from Massachusetts (Mr. KENNEDY) and the distinguished Senator from New Hampshire (Mr. MCINTYRE), I should like this afternoon to spend a few moments of the Senate's time to discuss a project which is of particular interest to my State and to New England, and which has already been the subject of some discussion on the floor of the Senate—the so-called Machiasport project.

I expect that the discussion this afternoon will be only one of many such discussions in the weeks and months ahead, so I do not expect to cover the subject exhaustively this afternoon. It is our desire to begin a discussion from the point of view of New England, from the point of view of those who support this project in New England's interests.

The people of New England know their needs for low cost fuel have been ignored for too long. The Governor of Maine has taken steps to reverse this situation by making application for a foreign trade zone in Machiasport, Maine. The trade zone would contain an oil refinery which will use foreign crude oil to produce cheap fuel for New England. The plan has had powerful opposition. There has been a great deal said and written about the impact of this proposed refinery on the U.S. economy and national security. Many of these statements have been misleading, or based on incomplete information. The New England delegation has a responsibility to set the record straight, to present the facts so that a proper judgment may be made with reference to the foreign trade zone proposal, the application for an oil import allocation, and the proposed change in the mandatory oil import regulations.

On March 12, 1969, our colleague, the junior Senator from Louisiana (Mr. LONG) made a speech on the floor in which he spoke of the risks he saw in constructing an oil refinery in New England. We, the New England delegation, would like to submit for the RECORD a paper which briefly disputes the major points made in that speech. As the weeks go by, we will continue to speak to these points in detail. We will provide the facts to enlighten the Senate on the advantages of the Machiasport proposal. So I ask unanimous consent that this brief statement be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MUSKIE. With respect to the many points which might be raised in refutation of the speech made by the distinguished Senator from Louisiana, I should like to touch upon one this afternoon, and I except that the distinguished Senator from Massachusetts and the distinguished Senator from New Hampshire will touch upon others.

For example, the distinguished Senator from Louisiana challenged the request for an oil import quota of 100,000 barrels per day to serve the proposed refinery in New England. He described it in such terms as "fantastic oil concession," "crippling body blow to the oil import program," and "discrimination against other companies." He went into detail to explain how the allocation of 100,000 barrels a day of foreign oil would in his judgment threaten our national security.

In the same speech, however, he expressed approval of the allocation of import quotas of 240,000 barrels to three companies for the development of desulfurization plants. On January 23, 1969, Guardian Oil Co. was granted a 95,000-barrel-per-day quota; Supermarine was given 46,500, and Fuel Desulfurization Inc. was given 100,000 barrels per day.

The rationale was that these quotas of foreign oil would be used to produce low-sulfur oil to meet clean air regulations, thus eliminating air pollution problems in New England. I should explain that the three companies awarded these oil import quotas were newly organized. They have no prior marketing experience, no oil production, no transportation and distribution facilities, no markets, and no specific plant location. By the same token, a site has been selected in New England for the Machiasport refinery, a company has been selected that will refine low-sulfur oil, and New England independent marketers are ready to supply the market outlets.

We cannot understand how anyone can attack a refinery at Machiasport which would use a 100,000-barrel-a-day quota, and at the same time endorse allocations to import 241,000 barrels a day.

I support any legitimate move to produce and supply low-sulfur, nonpolluting residual fuel oil, oil not presently being produced in this country. That is one reason that I support the refinery at Machiasport which will produce such an oil because it will be refining low-sulfur crude oil from the Middle East instead of the high-sulfur Western Hemisphere crude oil.

On March 12 our colleague from Louisiana assured us that this 241,000-barrels-a-day import allocation for desulfurization refining will, "preserve the integrity of the mandatory import program." I think there is evidence to the contrary. In the April 7, 1969, issue of the Oil and Gas Journal there is an interesting article titled "Resid Sweetners Pluck Import Plum." This article states in part:

A sleeper in oil-import regulations will allow operators of U.S. desulfurization plants to generate quotas for high-quality crude worth about $1/bbl in exchange for domestic residual actually processed in the plants.

This was disclosed by Interior Department sources last week as a fourth desulfurization plant was announced. Steuart Refining Company, Washington, D.C., applied for a 100,000 barrel per day residual quota for a refinery-desulfurization plant to be built at Piney Point, Maryland. Steuart has been stymied in efforts to obtain a foreign-trade zone for that location. . . .

The rules allow desulfurization plants to generate import quotas for residual fuel, or topped crude, equal to the low-sulfur residual produced for sale to meet clean-air regulations. The residual actually processed to make low-sulfur product must be high-sulfur material.

But the plant operator does not have to import high-sulfur product. He can import high-quality, low sulfur topped crude which is good refinery feedstock, Interior sources confirmed last week, and exchange this for domestic high-sulfur residual to be run in the desulfurization plant. The difference in value, Interior officials say could be as much as $1/bbl.

The typical desulfurization plant can generate quota equal to about 80% of its inputs.

This means that a company can import high-quality topped crude and exchange it for the domestic residual it will actually process. This exchange will earn the company as much as $1 a barrel, the difference in price between foreign and domestic crude. Equally important, a typical desulfurization plant can generate 80 percent of its input. Therefore, a plant using 300,000 of crude a day could import 240,000 barrels of foreign topped crude free of the mandatory import program. I cannot agree with our colleague from Louisiana that the desulfurization program will, "preserve the integrity of the mandatory oil import program."

The distinguished Senator from Louisiana also spoke of the massive research programs being carried out by the oil industry and the Government to solve air pollution problems at reasonable costs. He indicated that if special treatment is given to the proposed refinery in Machiasport, a refinery that will produce low-sulfur fuel, it would be difficult to justify alternative programs benefiting the entire Nation. He stated, with reference to pollution and the desulfurization plants, "Surely, cheaper ways are available and are now being intensely investigated." What we were not told was that it requires four refineries to process desulfurized oil using Venezuelan crude under the program and procedure he endorsed. And who will pay for the fuel products that require four refineries? If past experience is a guide, the consumer will pay.

Mr. President, I have discussed just one small segment of the controversy over the Machiasport proposal. Today, and in the ensuing weeks my colleagues from New England and I will continue to clarify and correct the many illusions that misinformed discussion has created.

Mr. KENNEDY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BELLMON in the chair). Does the Senator yield?

Mr. MUSKIE. I am happy to yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I wish to commend the Senator from Maine for the statements he has made this afternoon. His comments are balanced, reasonable, responsible, and pertinent to the issue at hand. They answer some of the arguments which our good friend and colleague, the Senator from Louisiana, made on the floor of the Senate a few weeks ago in attacking Machiasport. In reviewing these arguments we find several misleading distortions which are unfair to the people of New England.

The Senator from Maine, in providing leadership on the question of Machiasport, has addressed himself to some of these very important issues.

I wish to ask the Senator from Maine if he would give me his thinking and reasoning on one of the other areas which we have been very much interested in. The only justification advanced for the Mandatory Import Control Program is that for national security.

It is claimed that only by keeping inexpensive foreign oil out, and domestic prices high, would exploration in this country be sufficiently encouraged and sufficient oil reserves available in case of war or other international crises.

Now it seems to me that there is a flaw in the argument that our reserves will be conserved if we consume them first; for by keeping out foreign oil, we must, of course, use our own to satisfy our peacetime demands. Thus, while Senator LONG maintains that reserves have fallen despite the program, it seems to me that if they have fallen, it is—at least in part—because of the program. For under this program, U.S. production in 1967 was slightly greater than Middle East production, yet while our proven reserves remained about constant, Middle East proven reserves have grown to the point that they are now about 250 billion barrels, or about eight times our proven reserves. If we continue to force domestic consumers to use U.S. oil in peacetime, this trend will continue.

Does the Senator from Maine, then, not find some difficulty in following the reasoning of those who support an oil import program on the basis of national security? It would certainly appear to me we would be much better off conserving our own domestic resources, perhaps by finding a program that will maintain our productive capacity at less cost to the oil-consuming public throughout the country, and in particular to the consumers of New England.

Does the Senator find trouble in justifying an oil import program, as I do, in justifying it under the rationale of national security,

Mr. MUSKIE. The Senator from Massachusetts, I think, has touched upon an important point. In response to it, there are two or three observations which are relevant.

First—and I suppose this is the least substantive of the answers that would be relevant—we do not propose to use any kind of project to eliminate the oil import program. As a matter of fact, we are not asking for any increase in the total import quotas. What we are asking for is the earmarking of some of the quotas for New England, which is a special deficit area in all kinds of fuel.

When the national security argument is raised by the distinguished Senator from Louisiana and other Senators or other opponents of the project, they are not responsive to the nature of the project and its application. That is the first point I should like to make.

Second, there is a national security argument in reverse. There has been in the nature of an oil import program which is concentrated—well over one-third of our total refinery capacity—in the Texas-Louisiana gulf area. These gulf refineries, concentrated as they are, are likely to become a prime target of enemy attack. Thus, national security involves not only sources of oil but also the refining of oil.

At this point, with so much of the refinery capacity concentrated in the gulf area, there is a national security argument for building Machiasport in New England.

The third point I should like to make, with respect to the arguments made by the opponents of the project, is the inconsistency of the case they make to protect the oil industry. They are the first to fight for the oil depletion allowance. For example, the oil depletion allowance, they argue, is necessary in order to discover new sources of crude—new sources of oil, and that the oil depletion allowance is available for prospecting overseas as well as at home. So that, to the extent the American oil industry has foreign sources of crude which has been subsidized by the taxpayers of the United States by way of the oil depletion allowance, the same oil companies come to us and say that these sources of crude, which have been supported by taxpayers' dollars are not reliable sources in times of national security. It seems to me that that makes the case against the continuation of the oil depletion allowance to support foreign prospecting by American oil companies.

Mr. KENNEDY. As the Senator from Maine has well pointed out, not only do the oil companies get an oil depletion allowance for the exploration and re-

search abroad as well as at home, but we also know, as has been revealed at the antitrust subcommittee hearings chaired by the Senator from Michigan (Mr. HART), that they are, in effect, able to credit foreign taxes against U.S. taxes otherwise owed on a dollar-for-dollar basis. Under any realistic kind of labeling, these payments to foreign governments are quite clearly royalties. Yet the companies are able to obtain a tax credit for these payments. If those same payments were made to landowners in this country they would be royalties and could be deducted, not credited. So not only do they get the oil depletion allowance, but also the written-in kind of special privilege which, as the Senator from Maine has pointed out, provides for an additional incentive for exploration outside the country. This is contrary to the rationale of the oil depletion allowance itself and to that of the oil import program which is meant to encourage domestic—not foreign—exploration.

Mr. MUSKIE. Let me say to the Senator from Massachusetts that there are a combination of ironies which confront the citizens of New England. One, they are asked to pay taxes and, by payment of those taxes, subsidize the oil depletion allowance of the American oil companies for exploration of foreign sources of oil. Then, when they seek to import that oil for use in a fuel deficit region, which pays the highest oil prices in the country, the taxpayers are told, in the interests of national security, that they must not import that oil but should rely upon local sources. They argue it both ways. We have an earthy way to describe that kind of situation in America but I guess I should not use it on the Senate floor. But, this is getting it both ways, and I think it is therefore perfectly appropriate for us to say to the distinguished Senator from Louisiana and others who oppose this project, "Choose one of the two, but you cannot have both."

Mr. KENNEDY. In the meantime, as all of us know in New England, where we are suffering because of the possibility of the limitation of oil, we see the free flow of cheap textiles and cheap shoes which come pouring into the country, which works to the disadvantage, in many instances, of New England, and adds to its problems.

On the first point on which the Senator talked in this area, does the Senator from Maine have the same kind of trouble I have with respect to importation of oil from Canada. This oil is more secure than our offshore or Alaskan production, yet Canadian imports are deducted from the 12.2 limitations. This means that even less than 12.2 percent of crude oil—excluding residual—can be imported into Districts I to IV from abroad.

We find, for instance, in the State of Alaska—which I have just had the good chance to visit recently——

Mr. MUSKIE. It seems to me I read something about the Senator's visit there. [Laughter.]

Mr. KENNEDY. It was a lonely trip up there.

We find Alaskan and offshore production not included in the 12.2 percent program, but Canada, whose production is more secure included.

If we are talking about the question of national security, it would certainly appear to me to be self-evident that so far as having that oil come in here by sea from Alaska, it would certainly be a lot more difficult than having it come across the border at any one of a number of places from Canada.

Thus, once more, if we are going to talk about the question of national security, it seems to me that consideration should be given to the total concept of security. Certainly, we should be willing to look at the resources in Canada as being resources which would be readily available, since our security is so intimately involved with hers.

Mr. MUSKIE. As a matter of fact, the oil supplies from domestic sources are brought to us by water. The water lines from the Gulf—where so much of the refinery capacity is located—to Portland, Maine, are as long as the water lines to Europe. I think, almost as long as the water lines to the Middle East. Water is the method of carriage of oil domestically produced, as well as overseas production.

Mr. KENNEDY. It seems to me that if our enemy—whoever it may be—sinks a coastal ship, it can sink it whether it comes from the gulf ports of this country, from Venezuela, or from the Middle East.

Mr. MUSKIE. If we could get some kind of exemption for coastwise traffic, I suppose that might be helpful.

Mr. KENNEDY. I am wondering whether the Senator believes, as I do, that we could devise a system that would not be nearly so costly to the consumers of New England, and to the taxpayers generally, to preserve the possibility of immediate production—if there were some kind of national crisis; for disinterested, expert witnesses before the antitrust subcommittee have estimated that our existing programs cost some $4 billion a year to the American consumers.

Does the Senator not agree with me that it certainly would seem possible to continue the kinds of production facilities necessary for our national security without having to burden the American consumer with up to $4 billion a year.

Mr. MUSKIE. As a matter of fact, as I recall the testimony before the Hart Subcommittee, the import program in effect subsidizes, at the expense of the American taxpayer and consumer, the least efficient units, wells producing 10 to 20 barrels a day, a producing capacity that we would really be better off without, in terms of the impact on consumer prices. If the import controls were eliminated and the price were allowed to seek its natural level, domestic production could compete with foreign producers of oil. At least, that appears to be the finding of the Hart committee.

Mr. PASTORE. Mr. President, will the Senator yield to me?

Mr. MUSKIE. I yield.

Mr. PASTORE. First of all, I congratulate the Senators from Maine, New Hampshire, and Massachusetts for the magnificent fight they are carrying on for the establishment of a free trade zone in Maine.

Speaking of the security of the Nation and the preservation of our natural resources, I think one thing we should keep in mind is the fact that it is to the advantage of America's posterity to hold in reserve as much as we can hold in reserve the supply of oil that is underground in this continent. After all, there is only so much oil there, and in a matter of time, the supply will become exhausted.

I think if we can at this time promote and stimulate the importation of oil from abroad, to the advantage of the consumer, the ultimate result will be that we will stretch out our own reserves, so that, if the day should ever come when we needed domestic oil in greater supply, we would have it here if the foreign supply were shut off.

Mr. KENNEDY. Mr. President, if the Senator will yield, one of the very impressive pieces of testimony that came before the Antitrust and Monopoly Subcommittee some 2 weeks ago—and this testimony has not been refuted—shows that even if imports were permitted without restriction most of our domestic production, if it were not encumbered by wasteful and inefficient prorationing regulations, would be competitive with foreign. This testimony reveals that we are paying a great deal of money to bring forth a rather small increment to domestic production.

Mr. MUSKIE. The Senator refers to production controls?

Mr. KENNEDY. Production controls. That is exactly right.

Mr. PASTORE. Mr. President, will the Senator from Massachusetts yield, with the permission of the Senator from Maine?

Mr. KENNEDY. I yield.

Mr. MUSKIE. Yes.

Mr. PASTORE. Of course, I believe the whole matter of quotas of oil importation has developed into a national scandal. It is a scandal. There is no earthly reason for it. Our hospitals and our manufacturing plants use residual oil. We do not manufacture sufficient residual oil because it is more profitable to produce higher octanes. However, for some reason, when the directive was issued during the Eisenhower administration, someone gave it the interpretation that it even included residual oil. So residual oil comes under the restriction. As a result, there are small oil dealers in Rhode Island who have to beg for tickets. The problem now is that once a small distributor becomes a customer of the large oil companies he becomes a captive customer because he has no choice. Thus, if a customer wanted to go somewhere else to get oil or have some competition for his business, he would not get the ticket he needs. So the whole distribution system has been tied up in a knot. The result is that the price keeps going up, and up, and up. The people of Rhode Island who have to use oil for heating homes or heating their plants or for manufacturing purposes are paying exorbitant prices unnecessarily.

This oil question has become a scandalous and sickening matter in New Eng-

land, because, in the final analysis, the consumer is the one who has to pay the price, and he is paying it very dearly. I hope something will be done about it.

I again congratulate my colleagues for at least making this a public issue on the floor of the Senate of the United States.

EXHIBIT 1

NEW ENGLAND SENATORS' STATEMENT ON OIL IMPORT POLICY AND THE PROPOSED FOREIGN TRADE ZONE AT MACHIASPORT, MAINE

The debate over the proposed foreign trade zone at Machiasport has dragged on for many months. It has been embroiled in the politics of oil and conflicting pressures on two administrations.

Because the debate has raged so long, the discussion has become disjointed and confusing. Issues have been raised, ranging from the alleged disaster one oil refinery would create for the domestic oil industry to accusations of favored treatment for one oil company.

The New England Senators believe the Senate deserves more than a series of verbal broadsides. We believe the Machiasport project and other steps which could alleviate New England's petroleum supply problems should be considered on their merits.

The following statement is a brief expression of our concerns. We present it as evidence of our unity of purpose, as a brief refutation of arguments raised by opponents, and as a document to re-orient public discussion to the genuine issues involved. In the coming weeks we shall add to our case with more detailed discussions and factual presentations.

The case for Machiasport can be adequately presented under the following headings:

NEW ENGLAND'S NEED

New England's per capita consumption of heating oil is 3½ times the national average. The region has no indigenous sources of raw petroleum, no operating oil refineries, and no pipelines. It does not have indigenous supplies of coal. Because of its geographic position at the end of long oil supply lines, New England's oil supplies are restricted and unreliable. Fuel shortages in parts of the region have deprived people of heat during the coldest months of the year.

It is difficult for non-New Englanders to appreciate the seriousness of the problem. Few realize, for example, that winter temperature ranges and averages in Burlington, Vermont, are virtually identical with those of Anchorage, Alaska. Fuel supply in New England is not a matter of mere comfort. It is a matter of survival.

PRICING

New England pays higher prices for heating oil than the rest of the country. In 1968, New Englanders paid over 7 percent more for heating oil than people in the rest of the United States.

The following table documents the price disadvantage suffered by New England.

NO. 2 HEATING OIL PRICES, 1967-68

[In cents per gallon]

	New England	Middle Atlantic	South Atlantic	Midwest	West	United States without New England	United States including New England
1967	16.89	16.38	15.83	15.56	15.90	15.92	16.05
1968	17.54	17.00	16.31	15.96	15.92	16.29	16.44

Source: Fuel oil and heat (reanalyzed).

PRICE DIFFERENCE BETWEEN NEW ENGLAND AND THE REST OF THE UNITED STATES

	Cents per gallon	Percentage
1967	0.97	6.3
1968	1.25	7.4

Source: Fuel oil and heat (reanalyzed).

New England's need is clear—and so is one of the remedies.

The Maine Port Authority has proposed the establishment of a free trade zone which would include the construction of a large oil refinery at Machiasport. That refinery would have the capacity to refine 300,000 barrels of oil per day, shipped directly from sources in North Africa. One of the benefits from the refinery would be a reliable and economical supply of low sulfur heating oil for New England.

ECONOMIC EFFECTS OF THE PROPOSAL

The plan for a free trade zone and oil refinery at Machiasport would help guarantee a reliable supply of heating oil for New England homes. It would also bring industry and employment to an economically depressed area. Although Machiasport has a magnificent natural harbor, its economic potential has not been developed. The projected oil refinery would provide the impetus for economic growth.

The most striking effect of the new refinery would be its impact on prices. New England prices are higher than national levels because of extremely high costs of distribution. The only way to reduce costs to consumers is to obtain crude oil at low cost. The Machiasport project would have access to low cost foreign crude. Economists have estimated that New England could realize a cost reduction of 10 percent—enough to bring its fuel prices into line with the rest of the country.

FOREIGN TRADE ZONES

Under the Foreign Trade Zones Act, each port of entry in the United States is entitled to a foreign trade zone. Under the act, approval of the application is an administrative, rather than a policy-making process. If the proposed foreign trade zone meets the requirements of the act, approval should be given.

The Foreign Trade Zone Board of Alternates reviewed the proposal and recommended approval. Under normal circumstances, that recommendation would have been adopted by the board itself.

But opponents of the refinery have succeeded in clouding the issue for this administration, as they did for the last, by injecting oil import policy questions into a proceeding before a board which does not control oil import allocations. There is no connection between oil import allocations and the eligibility of a port for a foreign trade zone.

The purpose of a foreign trade zone is to serve the convenience of commerce. The creation of a zone does not in any way relax the protections which are given to goods or domestic industries by reason of our trade policy—whether tariffs or quotas.

The responsibility for the board to approve a zone is clear. The board must decide that:

(1) The applicant conducted an economic survey that reflects, "that the anticipated commerce, benefits and returns, both direct and indirect, will justify its construction to expedite and encourage foreign commerce."

(2) There is adequate proof of the ability of the applicant to finance a zone.

(3) There are adequate physical facilities in the form of warehouses, transportation connections, sanitation, light and power, fire protection, adequate enclosures to segregate the zone from the customs territory, and such other facilities that may be recommended by the Board.

Officials of two administrations, including Secretary of Commerce Stans, have openly stated that these are the only considerations pertinent to the foreign trade zone board's jurisdiction.

USE OF THE FOREIGN TRADE ZONE

The State of Maine's port authority would be the operator of the foreign trade zone. Occidental Petroleum Company has applied to the authority for a license to operate a refinery. If that application were approved, Occidental would operate its refinery according to standards set by the State of Maine.

Under the law, foreign trade zones are operated as public utilities. Use of Maine's foreign trade zone could not and would not be limited to one company or to one kind of manufacturing. Applicants for use of zone facilities must be treated equitably.

Companies other than Occidental have indicated interest in applying for use of the zone. Their proposals, when submitted, would be given equitable consideration. Approval would depend entirely on their ability to live within the foreign trade zone regulations.

Contrary to opposition assertions that Occidental Petroleum is guaranteed exclusive rights to the foreign trade zone. Occidental is only one out of several potential users of the zone.

OIL IMPORT REGULATIONS

Oil import restrictions, under the presidential proclamation of 1959, have a direct bearing on the refinery proposal. Under current regulations there is no provision for the withdrawal of finished products from foreign trade zones for consumption in the United States customs area.

In 1968, the Secretary of the Interior recognized this circumstance and requested staff proposals to amend the oil import regulations to permit him to judge applications for such withdrawals on their merits. Two proposals were published, each of which would have given the secretary authority to approve allocations of oil imports from foreign trade zones when such allocations would be in the best national interest. The major difference in the proposals concerned the source of crude oil to be refined in foreign trade zones. Under proposal "A" there were no restrictions on the source of crude oil. Under proposal "B" there was a requirement that 50% of the finished products withdrawn from a foreign trade zone would have to be refined from crude oil produced domestically.

If proposal "B" had been adopted it would not have been economically feasible to construct a refinery in any foreign trade zone that was not located next to a source of supply of domestic oil. The Johnson administration did not act in favor of either proposal.

President Nixon has transferred the responsibility for review of the oil import regulations from the Secretary of the Interior to himself. He has appointed a task force headed by the Secretary of Labor to study oil import policies. We anxiously await the result of this task force study.

NATIONAL SECURITY

The stated rationale of the import control program is to guarantee adequate oil reserves and refinery capacity for national defense. Proponents of our current oil policies maintain that the import control program, coupled with the oil depletion allowance, encourages domestic oil exploration, which in turn contributes significantly to our national security.

What the proponents fail to mention is that the current oil import regulations have forced the concentration of well over a third of our total refinery capacity in the Texas-

Louisiana Gulf area. These gulf refineries are likely to become the vulnerable first targets of an attacking enemy.

As concerns the impact of the oil depletion allowance program on national security, it should be noted that the depletion allowance applies to international oil operations, as well as domestic, giving equal encouragement to exploration in foreign fields.

CONSERVATION

Those of us who have supported the proposal have been concerned about its effect on the natural beauty of the Maine coast. The State of Maine has obtained technical advice in developing a set of anti-pollution standards for the off-loading facilities and refinery. The proposed standards require chemical and thermal wastes from the oil refinery to be disposed of without making the surrounding air and water offensive to humans. Biologists from the U.S. Department of the Interior have agreed that the standards are high enough to protect surrounding fish and wildlife.

Designing oil handling facilities and an oil refinery to meet such standards is expensive, but it is possible. We are aware of the need to enforce the anti-pollution standards, and intend to do all we can to ensure that the enforcement mechanisms are adequate. In addition, we believe the location and design of the facility will reduce the environmental impact to an absolute minimum.

CONCLUSION

These are the chief areas of relevant discussion. We think this short statement contains the basic arguments in favor of the proposal. We shall present, over the next few weeks, a series of speeches to provide the Senate with a detailed and straightforward set of evidence on behalf of a more rational and equitable oil import policy.

Mr. PASTORE. Mr. President, Secretary of Commerce Stans shocked me by an announcement he made recently to newspaper reporters. He said no decisions will be made on a foreign trade subzone at Machiasport, Maine, until the White House study of the oil import program is finished.

Mr. Stans knows that this is specious reasoning and double-talk.

The question of a foreign trade zone for Maine and the study of the oil import programs are entirely unrelated; unrelated, that is, except for the part the powerful oil lobby is playing in these events. The oil industry favors, and urged the President to conduct the study, but they have used all their vast influence—with apparent success—to thwart the efforts of all New England to establish a foreign trade zone in Maine.

Oil imports are supposed to be the responsibility of the Department of the Interior.

The application for a foreign trade zone is supposed to be considered by three other Department heads, the Secretary of the Army, the Secretary of the Treasury, and Mr. Stans, the chairman.

Secretary Stans is giving the Rhode Island consumer and all citizens of New England the run around. He knows it and I can guess why.

Six weeks ago, when Mr. Stans was before the Commerce Committee on the question of his nomination to head the Department of Commerce, I asked him if he was ready to consider the Machiasport matter as soon as he took office and give to the people of New England the benefit of his decision as expeditiously as possible.

Mr. Stans assured me and the committee that he was convinced that the Maine application had to have priority of attention as soon as he took office.

I am going to quote what the nominee said:

I will do my best to expedite it, having in mind, of course, that there are other departments of the government that also have a voice in the subject, but I will expedite it just as quickly as I can.

"I will expedite it just as quickly as I can." What caused the Secretary to switch his signals in 6 short weeks? How can he justify this dilatory tactic in light of the unanimous decision of the subordinate board of alternates in favor of the Maine application?

There is no logic to Secretary Stans' position. It is another monument to the awesome power of the oil lobby. You could not convince a single Rhode Island consumer otherwise. This is a power play that is costing the housewife in my State a couple of cents a gallon for the fuel oil burned to keep her family warm. That amounts to $2 million more each year that Rhode Island families are paying for oil than they should.

We, in New England, perhaps naively, never really knew the depth and breadth of control that the oil industry had fastened on the Government. That is why the facts compiled by Senator McINTYRE's Banking and Currency Subcommittee appalled and shocked us so. If anyone in New England ever had any doubt about the raw political power of the oil companies, we certainly have no illusions left now.

That is one lesson we have learned from the Machiasport project. Time and again, over the past several months, the big oil companies have worked their will to delay, postpone, and destroy the good and valid application of the State of Maine to establish a foreign trade zone at Portland, with a subzone at Machiasport. Time and again, when a decision based on the merits was about to be made on one phase or another of Maine's application, an oil industry policeman signaled "stop" and the Government apparatus conveniently found a new way to grind to a halt.

To characterize what happened to Maine's application during the last administration as an administrative irregularity would be a kindness. We, in New England, soon learned that we were getting the runaround from Secretary Smith. We hoped for better things under Secretary Stans.

Decisions now, we are told, would be made on a businesslike basis—without prejudice. Judged by these recent developments, however, it appears as though "businesslike" really means business as usual, at the same old stand, with the big oil companies calling the tune.

New England, indeed the whole Northeast, has had its nose bloodied in this matter by the oil industry; but, as the going gets tough, we are going to get tougher. We in New England are not about to be frightened away from this fight, and, I think, the oil lobby will regret the day they decided to try and stop New England from getting its fair share of the benefits of the oil import program.

Now, I understand that Harold McClure, president of a domestic producers group, told a press conference recently that we New Englanders, in our "exuberance" Machiasport, were misleading our constituents by telling them that the oil industry was mulcting them with the highest prices in the Nation. I understand, too, that he specifically noted that Senators MUSKIE, KENNEDY, and McINTYRE were among the leaders of the group making such "wrong" claims. These three esteemed associates do not need me to defend them, but I strongly resent such criticism, particularly in light of the whole misleading record of oil company propaganda which we have been forced to stomach in New England, once we decided to seek a more equitable arrangement for our consumers under the oil import program.

Mr. McClure had some more industry slight-of-hand statistics to prove that on the average, over the last 11 years, our home heating oil prices were not out of line with those in the rest of the country. I suppose if one goes back far enough and mixes together a sufficient number of figures, one can prove almost anything, but not to the Rhode Island housewife and her husband who are footing the bill. You cannot fool them. They know they are being gouged.

The oil companies should know that we in New England do understand, at long last, the facts of oil industry pricing. We know from our own independent analyses that if one examines the figures for the last 5 years, on a year-to-year basis, that prices for our home heating oil on both wholesale and retail levels have risen far more sharply than in any other section of the country.

We know, too, that at this very moment our consumers are paying higher retail prices and our independent jobbers are paying higher wholesale prices than in any other representative section of the country. These are facts and they cannot be waved away with a magic wand by lumping them together in an 11-year exercise of "averaging".

It seemed that under the new administration, some progress was going to be made on Maine's application for a foreign trade zone. The three-man sub-Cabinet level committee of alternates unanimously endorsed the application. Moreover, Secretary Stans, Chairman of the full Foreign Trade Zone Board, scheduled a meeting of his Board for February 24 and, I understand, he confirmed his intention of disposing of this application promptly to several of my distinguished colleagues from New England on the other side of the aisle. But, the industry called a different tune and Secretary Stans found it convenient to ignore all these pledges. Well, I do not accept that. I believe he should honor his commitments and I am going to do everything I can to insure that he does.

During his confirmation hearings, Secretary of the Interior Hickel promised that the oil import quota application needed to make Machiasport a reality would receive priority treatment. Thus the stage was set for decisive action—action that was long overdue. But, we in New England may have sold the industry short again.

At the request of the oil industry, the President considered a new study of the oil import program. Fortunately, the President kept control of the study in the White House itself. This is good news, since a White House study can be completed far more quickly than one in which several departments have to coordinate their views. And the White House should be less responsive to industry pressures than has been the case in some agencies in the past.

In view of Senator McINTYRE's findings in connection with his subcommittee hearings on Machiasport, that hope may be naive, but I intend to give this administration the benefit of the doubt until or unless I find that trust is misplaced.

The oil industry has urged the White House to seek a complete review before further changes or exceptions are made to the oil import program. The only change they wish to prevent is a change to help consumers.

As shocking and callous as it may seem, 5 days after the White House study was requested, the second largest oil company in this country raised both crude oil prices and gasoline prices. A number of other major companies have now followed suit. The price rises, if they stick, will add between $750 million and $1 billion in extra consumer costs annually.

In rationalizing the reasons for the increase, Texaco noted that gasoline prices had been "depressed" for a decade. During that decade, the company's net profits rose from $354 million to $836 million. A staggering 135 percent. In the last year alone, Texaco profits rose $82 million. The price increase it has requested would add another $100 million or so to Texaco's profit picture. Enough is enough. Something has to be done to stop these oil companies before the whole economy perishes in a wave of inflation. They are unwilling to act responsibly. They are inviting a system under which they shall be forced to act responsibly. I know that Senator KENNEDY is preparing legislation dealing with the oil import program. Another fruitful avenue of approach, I should think, would be a basic overhauling of our whole tax structure, with particular emphasis on eliminating the depletion allowance which, in large measure, is responsible for the fat profits of such companies as Texaco.

Does anyone here have any idea how much Federal tax a company like Texaco pays? Well, I will tell you. According to a list compiled by an independent publication, Oil Week, Texaco's Federal tax payments in 1967 were $17.5 million. Can you imagine a company with a net profit of $754 million paying a Federal tax which amounted to only 1.9 percent of its before-tax income?

To my mind, the system reeks and is ripe for a change. I know the oil industry is used to fighting to retain the status quo. I know, too, that the unholy alliance I spoke of before has, in the past, reached to the very highest levels in government, but the industry should know that this is a time of consumer revolt. This is a time of taxpayer revolt. I might remind the big companies that there are more consumer States than producer States, and more taxpayers who vote than oil companies who vote.

In short, I agree there should be a full-fledged overhaul of the whole oil import tangle. I think, too, that any change in the import control system should include equal consideration of consumer-oriented aims. But studying such changes should not be an excuse for deferral of action on Machiasport. That action is needed promptly, and I add my fervent plea to those of others here that the administration will act promptly.

Mr. KENNEDY. Mr. President, all we are asking is a fair shake for the people of New England. We are only asking that we be allowed to reap the natural economic advantages which our geography and location make possible.

We are not asking that those States fortunate enough to be endowed with oil beneath their land be forced to share that bounty with the people of New England. All we ask is that the oil industry's outlets in New England be opened up to the kind of meaningful competition on which our economy and our free enterprise system is based. But the oil industries resistance to Machiasport has made our people curious about larger issues.

They want to know why large corporations can band together to prevent the entry of competitors into the market. The people want to know how it can be within the confines of equal protection and due process of law to let some oil marketers who do not need imported oil have it, while others who need it cannot get it. The people want to know why the $500 million a year in profits produced by the Federal oil import program should go to private industry at all rather than benefiting consumers and taxpayers. They want to know why the oil-depletion allowance which costs the American taxpayer well over $1 billion per year should be continued. And as new facts become known, they will want to know why the oil companies should be permitted a tax credit on what are essentially royalty payments to foreign governments. They will want to know why the producing States restrict production so that an artificially inflated price for oil can be maintained through a governmentally administered price fix. They will want to know why oil produced on lands leased from the Federal Government is wastefully restricted and discriminated against by State authorities. They will want to know why imports from Canada should not be permitted without deduction from existing quotas. They will want to know if there is a more efficient and more equitable way to protect national security than by imposing costs of over $4 billion per year on the American people. Finally they will want to know why, as one economist has said, the oil industry sings loudest the praise of free enterprise yet relies so heavily on special Government favors.

It has been said that the American oil industry has become a kind of "private government" with sufficient political power to shape the petroleum policies of State and Federal Government to its own benefit. I am afraid that there may be some truth in this observation.

Machiasport is a reasonable, limited proposal designed to comform to the present oil quota system, despite the weaknesses and irrationality of that system. If this proposal is defeated, then the specter of a "private government" cannot be taken lightly.

Mr. President, for the reasons which have been outlined very briefly here today, reasons consonant with considerations of national security, if there really is no violation of the oil importation program, even with Machiasport itself, and the fact that the oil industry itself will not really be disadvantaged to any extent because of this program, we in New England are certainly hopeful that this program will be approved.

Mr. McINTYRE. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. McINTYRE. Is the Senator from Massachusetts a member, along with Senator HART, of the subcommittee that is currently investigating the oil import control program?

Mr. KENNEDY. Yes; I am a member of that committee.

Mr. McINTYRE. I am delighted that the Senator is in that position, because, while I have not had a chance to read any of the record, I have seen some of the newspaper reports. I think the Senator alluded to them earlier, when he said that one witness indicated that the amount of the subsidy that is involved in this mandatory oil import quota program is about $4 billion. I also noticed, in that same report, that even the oil industry's own representative admitted to a figure somewhere in the vicinity of $2.7 billion; is that correct?

Mr. KENNEDY. That is correct; and the $4 billion is generally considered a conservative figure. Some have estimated it to be a good deal higher, perhaps as high as $7 billion per year.

We have used a figure of $4 billion because I think it is a very reasonable and conservative figure. But that is correct.

Mr. McINTYRE. I thought it was significant that a witness for the oil industry would admit to such a figure.

The Senator from Massachusetts may recall, if he was present when our distinguished friend from Louisiana was speaking in opposition to the Machiasport project, that Senator LONG said it was no fault of his that we had such cold winters, I believe he said, or so much snow in New England, but that we were actually looking for something special; that there was some special privilege that New England was looking for in this application.

I believe the Senator will agree with me that even if we do not find the mandatory oil import program being put aside, if we in New England could share in this subsidy, our consumers would realize a significant and completely justified saving.

Mr. KENNEDY. The Senator is correct. As has been brought out, we have only 6 percent of the population, and we consume 22 percent of the heating oil used throughout the country. Heating oil is certainly as necessary for the people of New England as food and clothing. When shortages occur we feel their effects first, and we are hit hardest. Con-

sequently, we bear the heaviest brunt of a potpourri of costly, governmental policies which appear to serve the oil interests. And, we pay a disproportionate share of the $4 billion per year costs of the mandatory import control program. For if it were not for that program we would be able to import enough inexpensive oil from outside the United States to meet our fuel oil needs.

The opponents of Machiasport would also have us believe that Machiasport would not bring substantial economic relief to the people of New England. He argues that "for most years" the price of home heating fuel oil in New England "has been lower than the comparable prices in other areas on the east coast, and lower than the average for the country as a whole." They would have us believe that the high price to consumers is due to excessive "markups" by local New England fuel oil dealers which, he maintains, are by far the highest in the country.

The information given on prices is misleading. You can do anything with statistics according to the time space chosen. Our adversaries generally choose to take a static average over an 11-year period. From it they derive a highly distorted description. The years since 1964 give the true picture: in those 4 years there has been a steady upward curve in prices in New England.

In the last 4 years, the retail price in New England of home heating oil has increased 2.19 cents per gallon, while the average increase throughout the United States, excluding the west coast and New England, has been 1.35 cents. The gap between New England retail prices and average retail prices east of the Rockies has widened in the past 5 years by over 62 percent. The retail price of home heating oil in New England is now higher than it is in any other comparable section of the country. And it is higher than the next highest region by 57 cents per barrel.

Our opponents tell us that the increase in prices is due to wide dealer margins in New England. But dealer margins since 1964 have increased significantly less than wholesale prices have increased. In fact, 80 percent of the increase of 2.14 cents per gallon in the price of retail home heating oil since 1964 is accounted for by the wholesale price change.

These figures on wholesale prices are also misleading, this time because the sample is not weighted to take account of the quantity of oil consumed in different regions. A State-by-State breakdown reveals that 96 percent of all home heating oil is consumed in the 43 States within districts I–IV. And of this 96 percent, 93 percent is consumed in just 20 States. It is these 20 States, then, that most bear the burden of inflated heating oil prices. It is not very significant that the people of Jacksonville, Fla., pay more for home heating oil than the people of New England, for they use much less oil over a much shorter time span. The true picture of who is really hurt by high heating oil prices emerges only if we limit our study to those 20 States which consume 93 percent of this oil. We then find that the pattern of wholesale prices mirrors that of retail prices. Again New England's prices, which were second lowest in 1964, are now the highest. They are also rising faster than they are in any comparable section of the country. Over this 4-year period we have experienced a 79 cents per barrel increase which is 20 cents per barrel more than the average increase in comparable regions. The increase in price, therefore, cannot be attributed in a substantial degree to a rise in dealer margins. But, rather, it is due to increases in wholesale prices. It is correct that the dealer margain—that is, the difference between buying price and selling price—in New England is the second highest in the Nation. But this is because the costs of doing business are higher in New England—in part, of course, because heating costs are higher. What is more relevant is that the margin of profits of New England dealers appears to be in line with, or lower than, the national average.

The facts are clear. The people of New England are paying higher retail prices, even excluding taxes, than in any other part of the Nation. There has been a steady escalation of those prices since 1964. We are concerned about the present and the future, not the story of years ago, and unless relief is granted, the people of New England will continue to bear an unconscionable burden. We are not asking for special favors, but only that we be treated fairly.

Mr. McINTYRE. One last question: On this subcommittee, apparently the paramount reason behind the mandatory oil import program of 1959 was considered to be, in great measure, the national security; was it not?

Mr. KENNEDY. That is correct.

Mr. McINTYRE. Have witnesses testified on that subject pro and con before the subcommittee to date?

Mr. KENNEDY. They have. As a matter of fact, they seem to be unanimous in thinking the program should be modified and relaxed. They differ only on the questions of how far and how fast we should go.

Others seem to agree that the best way to proceed, in terms of our national security, is not by using exclusively the domestic shrinking domestic supply, but by trying to devise a kind of program that will not be nearly as costly to the consumer, and will assure the availability of domestic oil in case a national emergency requires it.

Mr. McINTYRE. I take it, then, that in the evidence the committee has heard to date, this national security argument is not holding all the water that apparently it must have held back in 1959?

Mr. KENNEDY. That is very true; it simply does not mesh. While some import controls may be necessary, we need not be as restrictive with imports as we now are. I think the Senate is becoming increasingly aware of the reasons for that.

Mr. McINTYRE. Does the Senator agree with me that the real purpose of the mandatory oil import program is to maintain the domestic oil price structure?

Mr. KENNEDY. It seems inescapable that this is its primary function. With less restrictive import controls, the price for oil and gasoline would drop dramatically.

I think this is a thing which troubles all consumers. It must trouble all Americans.

Mr. PELL. Mr. President, will the Senator yield?

Mr. McINTYRE. I yield.

Mr. PELL. Mr. President, then the total cost of the present oil import quota or the present benefit to the oil industry would be in the order of billions of dollars.

Mr. KENNEDY. It has been estimated as over $4 billion a year.

Mr. PELL. Basically, is that $4 billion the profit that the oil industry would lose if the import quotas were removed?

Mr. KENNEDY. It is part profit, though not all of it.

Mr. PELL. It would be $4 billion out of the pockets of a small section of the country—New England?

Mr. KENNEDY. This $4 billion figure is for all consumers with relation to the imports; but most dramatically the import controls affect the people of New England who are paying a disproportionate share of these costs.

Mr. PELL. Mr. President, I congratulate my colleagues from New England, the Senator from Maine (Mr. MUSKIE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Rhode Island (Mr. PASTORE), and the Senator from New Hampshire (Mr. McINTYRE) for the work they have done today in bringing this point home to the American people.

Mr. McINTYRE. Mr. President, before discussing a particular aspect of the Machiasport proposal to which I have given considerable attention, namely the reluctance of officials of both the previous and present administration to meet their responsibilities under the Foreign Trade Zones Act, I would like to express my thanks to Senator MUSKIE for the New England statement, which he has presented for the record. Senator MUSKIE's joint statement represents a commendable first step toward recognizing the regional interest in the Machiasport proposal throughout the New England States and, while it is clearly not intended to be a rebuttal of the arguments which have been presented by the opponents of the project, it is a clear and affirmative statement of the case to be made for lower fuel costs to New England through the device of an oil refinery located in a foreign trade zone.

I am particularly happy that the distinguished Senator from Massachusetts (Mr. KENNEDY) is a member of the Antitrust Subcommittee that is studying the mandatory oil import control program at the present time under Senator HART's aegis. The study can be expected to run all year.

I personally intend, and I believe a number of my colleagues share my intentions, to continue to prepare a detailed rebuttal of the many phony arguments which have been raised by the opponents of Machiasport. For today, however, I intend to lay aside the arguments which have been raised, and concentrate on the gross mistreatment which has been re-

ceived by the State of Maine in its efforts to obtain a foreign trade zone.

I would like to refocus the attention of the Senate and the public on the issue of the foreign trade zone application of the State of Maine which is still pending before the administration's Foreign Trade Zones Board. The New England Senators are unanimously agreed that the trade zone questions and the oil import questions are separate and distinct issues. The law itself is quite clear in this regard. The State of Maine has the right to have its application considered on the merits regardless of any reviews, studies, or decisions on oil import policies. Yet that has not been the course followed by this administration. Secretary of Commerce Maurice Stans announced on February 27 that a decision on the application would be postponed until the President's review of oil import controls was completed. He cited no authority for this arbitrary action. He did not consult with other members of the Foreign Trade Zone Board, although his role as Chairman gives him no unilateral power to usurp the functioning of the Board.

Secretary Stans went back on the assurances given at the time of his confirmation hearing—which had been alluded to by the distinguished Senator from Rhode Island (Mr. PASTORE)—that the Machiasport application would be expedited, that it would come to a decision as promptly and early as possible.

On March 3, I wrote to the Secretary and asked him how the study of the oil import program was relevant to any action that might be taken by the Foreign Trade Zones Board especially in light of the fact that the Committee of Alternates which unanimously approved the application clearly stated that approval would not reflect on any decisions to be made under the oil import program. I asked him to state the authority for delay. I ask unanimous consent that my letter to the Secretary and his response be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

SENATE SUBCOMMITTEE
ON SMALL BUSINESS,
March 3, 1969.

Hon. MAURICE STANS,
Secretary, Department of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: Your announment of February 27 stating that you will delay consideration of the Maine application for a Foreign Trade Zone until the White House study on oil imports is completed is both distressing and confusing in light of your previous statements and the law. As you may know, my Subcommittee on Small Business of the Senate Banking and Currency Committee has been holding hearings on the processing of the Maine application in order to determine the cause of delay during the previous Administration. I intend to continue these hearings and would like, for the record, your answers to the following questions:

1. In view of the unanimous resolution of your Committee of Alternates which recommended approval of the application stating, "approval would not be, and should not be regarded as, an expression of a position by the Board with respect to any application . . . for allocations or licenses required under the Mandatory Oil Import Program in connection with use of the proposed subzone," how is the President's study of the oil import program relevant to any action that might be taken by the Foreign Trade Zones Board?

2. Under what criteria set forth in the Foreign Trade Zones Act is a study of the oil import program relevant to whether the State of Maine is entitled to a Foreign Trade Zone since the act clearly states "Each port of entry shall be entitled to at least one zone," and that "if the Board finds that the proposed plans and location are suitable for the accomplishment of the purpose of a foreign-trade zone under this act, and that the facilities and appurtenances which it proposed to provide are sufficient *it shall make the grant.*"

3. Under the Foreign Trade Zones Act and Regulations, what authority do you have to delay consideration of an application pending a study of the Oil Import Program?

4. How was the decision to delay consideration reached? Did you consult with other members of the Foreign Trade Zones Board? Did you consult with members of the White House staff or the Vice President or President?

5. In view of your statements reported in the press and your written assurances to Senator Aiken regarding action by the Foreign Trade Zones Board, what new considerations were studied by the Board leading to the decision to delay considerations?

Sincerely,

THOMAS J. MCINTYRE,
Chairman.

THE SECRETARY OF COMMERCE,
Washington, D.C., March 20, 1969.

Hon. THOMAS J. MCINTYRE,
Chairman, Subcommittee on Small Business of the Banking and Currency Committee, U.S. Senate, Washington, D.C.

DEAR CHAIRMAN MCINTYRE: I have your letter of March 3 with regard to the Foreign-Trade Zones Board's consideration of the application of the Maine Port Authority.

The important dates are as follows:

As indicated by my letter of January 28 to Senator Aiken it was my then intention to convene the Board promptly upon receiving the recommendations of the Committee of Alternates.

The action of the Committee of Alternates was taken on February 10.

On February 13 I did call a meeting of the Board for February 26.

On February 20, the President announced that he was reassuming the full responsibility for oil import policies and that there would be a full review of these policies by the Executive Offices of the President.

The proceedings involved in considering a foreign-trade zone application are, of course, separate from those applicable to allocations under the Mandatory Oil Import Program. Nevertheless, as indicated by the President's announcement, for the first time in many years the White House is conducting a comprehensive evaluation of oil import policies. The matter of oil allocations to refineries and petrochemical plants in foreign trade zones will very likely be affected by such a review. In our judgment, all interests will best be served if the President's position on these maters is available to the Board before the Board decides. We are advised by counsel that the procedures applicable to the Board permit the exercise of such discretionary judgment.

I am confident that the importance of assuring an adequate supply of petroleum products for New England and every other section of the country will be a major consideration of the Administration's review of oil import policies.

Sincerely yours,

MAURICE H. STANS,
Secretary of Commerce.

Mr. McINTYRE. Mr. President, Secretary Stans' response to my questions was inadequate. He agreed that foreign trade zone applications were, "of course," separate from questions under the oil import program but then went on to state that he would like to know what the President's position on oil imports is before he goes on to fulfill his responsibilities under the Foreign Trade Zones Act. If Secretary Stans' curiosity about decisionmaking in other departments and agencies of Government were permitted to interfere with all his responsibilities as Secretary of Commerce, his Department would come to a grinding halt. For instance, would the Secretary delay all overseas expenditures of his Department pending a Treasury review of our balance-of-payments policy? Or suppose his curiosity infected others in Government. The Congress is now reviewing our military commitments around the world. Should the Departments of State and Defense announce that our present treaties and obligations are in a state of suspended animation until the review is concluded? Obviously if Mr. Stans' view of his role were followed to its logical conclusion, Government could not function.

Mr. Stans, however, has an inaccurate view of the functions of the Foreign Trade Zones Board and the administration of the Foreign Trade Zones Act. That law imposes an obligation to reach a decision on the merits of an application in accordance with the criteria of the act. Mr. Stans may wish that oil import questions could be considered. He may think it logical that they be taken into consideration, but that is not the law. An administration which has put so much emphasis on law and order might like to set an example by putting its own house in order, or does the administration believe that some laws are more worthy of observance than others?

I specifically asked the Secretary to cite authority under the Foreign Trade Zones Act and regulations which provide him with the power to delay decision for reasons relating to oil imports. He cited no legal theory or opinion but merely made the conclusionary statement that he had discretionary authority. It is my considered opinion that the reasoning behind his statement was omitted because the act itself provides no such justification.

The stalling of the decision on this trade zone application is not new to this Senator nor to the people of Maine and New England. The previous administration played the politics of oil on the Foreign Trade Zone Board and successfully escaped the responsibility for reaching a decision. The Nixon administration has arranged its own strategy for stall, but the result is the same. The law is flouted, the interests of the people of New England are shunted aside. I fully agree that a public review and reform of our oil import program is essential, but that is not the issue before the Foreign Trade Zones Board. The issue before the Board is found in the statute, and I quote from the Foreign Trade Zones Act, "If the Board finds that the proposed plans and location

are suitable for the accomplishment of the purpose of a foreign trade zone under the act, and that the facilities and appurtenances which it propose to provide are sufficient, it shall make the grant."

Mrs. SMITH. Mr. President, I endorse the statement of my New England colleagues in principal but I wish to disassociate myself from the specific endorsement of the Occidental Petroleum Co.

I disassociate myself from the specific endorsement of, or advocacy for, any specific oil company by any name because I prefer to concentrate on the principle involved in the issue.

INADEQUATE SOIL CONSERVATION BUDGET REQUESTS

Mr. BYRD of West Virginia. Mr. President, I am concerned about the budgetary proposal for fiscal year 1970 for Soil Conservation Service programs, included in the U.S. Department of Agriculture budgetary submission currently undergoing hearings by the Senate Appropriations Committee.

I believe this matter should be brought to the attention of Members of the Senate. I believe they may wish to take a look at a proposal which states a nationwide limit of 25 new starts for watershed planning and 25 new starts for watershed works of improvement for the coming fiscal year. I believe that the Members of the Senate, who are aware of the magnitude of the water pollution crisis which faces this Nation, will not wish to ignore the threat to one of the programs basic to a full-scale attack on that problem.

Speaking for my State of West Virgina, I have received reports on a number of items of importance to the State which are seriously threatened by the present fiscal year 1970 budgetary proposal for the Soil Conservation Service. I would like to bring these to the attention of other Members of this body.

I believe that other Senators may find similar situations in their own States.

First, I am advised that the watershed program, provided under Public Law 566, and the Potomac flood prevention program are making good progress in West Virginia. Many of the floodwater retarding lakes being built are developed for multipurposes, including municipal water supply, industrial water supply, and recreation.

The watershed program in West Virginia is benefiting our local economy by furnishing flood plain protection for houses, businesses, industry, and agriculture. It is helping to create more jobs and a better way of life for our people.

However, the current proposal for an unrealistic limitation of 25 new starts for watershed planning and 25 new starts for watershed works of improvement—for all of the United States—threatens to sabotage these vital, ongoing programs.

I believe that the Senate will want to remove these limitations after a review of the facts.

Consider this: In West Virginia alone, merely one State, and that a State with a relatively light population total, we would expect to have at least six watershed projects in a category where construction could be started during fiscal year 1970. To put a limitation of 25 new starts for 50 States, many with heavy population totals, is truly unreasonable. And I hope that Congress will strike out this limitation.

Federal specialists working with the present national watershed program tell me that, while they feel the watershed program is making good progress, they already are limited in many areas due to the lack of enough funds for full program activity. Based on their inventories, these specialists advise me that what we actually need to do is to double the amount of watershed development in West Virginia. In my State, we have many watersheds on which construction could be started and where local people could meet their commitments for program advancement, if Federal funds can only be made available.

The budgetary provisions for watershed programs should, realistically, be increased for fiscal year 1970, not reduced.

As a second aspect of budgetary proposals for Soil Conservation Service activities for fiscal year 1970, the proposal for flood prevention is nearly $8 million less than the $28 million available for flood prevention in 1969. We use these funds in West Virginia for preventing floods on the Potomac River watershed. I am unable to imagine what forecast can have been made which would justify reduced flood protection in West Virginia for this coming year.

I urge the Senate to act to restore the flood prevention appropriations to the 1969 level.

As the third aspect of the Soil Conservation Service budgetary proposals for fiscal year 1970, so dismaying to those of us who fully realize what the detrimental effects will be, if these proposals are permitted to stand, cuts are proposed in the conservation operations item, through which technical assistance is provided to conservation districts throughout our Nation.

Conservation district officials inform me that they are highly disturbed by the steady reduction of Federal Government support of soil and water conservation district programs because of personnel ceilings imposed in the Federal Establishment and the increased cost of doing business. And well they may be, for I am told that there is already a shortage of more than 2,000 man-years of technical assistance to handle the current workload of districts in the 50 States.

I call to the attention of the Members of the Senate that no funds are provided in the budgetary proposal for the Soil Conservation Service for fiscal year 1970 to staff new conservation districts which are being organized in fiscal year 1969. No funds are proposed in the budget estimate to provide a technical staff to serve new conservation districts in fiscal year 1970. Thus, in staffing these new conservation districts, it will mean that $1 million worth of technical assistance must be withdrawn from existing conservation districts. I believe that the Members of the Senate can anticipate the dismay and resulting protests which such action can be expected to arouse at State levels.

Since their creation, conservation districts have been moving progressively and with substantial success toward the creation of new wealth and new opportunities in both rural and urban America. District programs have strengthened the economy, improved agriculture, retarded erosion and pollution, cut back on water waste and floods, enhanced recreation, served the public interest in many notable ways, and have more than paid their way many times over in terms of cost and benefits.

The future need for resource conservation and development are even more pressing today because of the expanding requirements of the population in our Nation.

I urge that Congress appropriate the additional conservation operations funds which are so essential to provide full technical staffing for each district to meet the current and future resource requirements of our Nation.

As a fourth item of importance to my State of West Virginia, there are two resource conservation and development projects, one near the city of Parkersburg and the second near Princeton, which are creating the chance for strong, local leadership, and the solving of many local problems by group and community action.

Yet under the level of budgetary proposals—$10 million— for resource conservation and development for fiscal year 1970, it is expected that a decline in operations would result, from an average per project of around $208,000 in fiscal year 1968 to a little over $142,000 in fiscal year 1970. This would represent an average reduction of about $66,000 per project.

I wish to urge that the Senate not merely accept this $10 million item in the budget but support a more realistic funding.

Mr. President, as a nation, we express more and more concern and worry for the quality of our environment. As Members of the Senate, we are aware that our actions here, in company with the activities taking place across our land to conserve and improve our soil and water resources, affect the quality of our environment. Our vigorous and consistent support of programs to help offset past detrimental effects is needed, and it is needed on a consistent basis. A piecemeal, off-again, on-again, approach will not serve to carry forward the work which must be done.

I think the time has come when we must face up to the fact that past budgetary actions do not permit us the luxury of relaxation of our efforts. Past funding is not adequate to maintain the programs that are increasingly demanded by the growing complexity of problems presented by our deteriorating environment. We must continue to provide adequate appropriations as the indispensable weaponry to protect the resource base of America.

ORDER OF BUSINESS

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.

S. 1827—INTRODUCTION OF A BILL TO AMEND INTERNAL REVENUE CODE TO PROVIDE MINIMUM INCOME TAX; S. 1828—INTRODUCTION OF A BILL TO AMEND INTERNAL REVENUE CODE TO PROVIDE INCREASED MINIMUM STANDARD; S. 1829—INTRODUCTION OF A BILL TO AMEND INTERNAL REVENUE CODE TO SUSPEND INVESTMENT CREDIT

Mr. HARRIS. Mr. President, I introduce, for appropriate reference, three separate but related bills amending the Internal Revenue Code:

First. Minimum income tax: This bill would provide for a minimum income tax on large incomes, and would bring in increased annual revenues of approximately $1.2 billion.

Second. Increased minimum standard deduction: This bill would increase the minimum standard deduction for smaller taxpayers, relieving over one-half of the 2.2 million poverty-level families from any tax liability and providing tax reduction for other low-income families. The reduction of annual revenue from the passage of this bill would be approximately $1.1 billion and, therefore, would be adequately covered by the minimum income tax.

Third. Suspension of investment credit: This bill is tied in with the extension of the 10-percent income tax surcharge, requested by the administration, beyond June 30, 1969, and would suspend the present 7-percent investment credit, originally enacted to spur business and industrial investment in plant and equipment, during the term of the surcharge extension, resulting in increased annual revenue of approximately $3.3 billion. This bill also provides that the 10-percent surcharge would be reduced by a percentage equivalent to the additional revenue which will be realized from suspension of the investment credit. Thus, the 10-percent surcharge would be reduced to 7 percent, thereby giving much-needed relief to the average middle-income taxpayer without any net effect on the revenues realized.

These three bills, if enacted by the Congress, would be a major beginning toward attaining a more equitable system of taxation and a more just apportionment of the tax burden among classes of taxpayers.

The voice of the American taxpayer is being heard in the office of every Congressman and Senator on Capitol Hill.

A spontaneous grassroots movement has begun. It reflects the dismay of taxpayers who are subject to Federal, State, and local demands for more and more tax dollars.

More importantly, it reflects the anger of the average taxpayer who knows there are many who carry little or none of the burden.

We cannot continue to ignore the abuses and inequities that exist in the Federal income tax system. That they have existed for many years only makes them more burdensome.

Many efforts have been made in the past to reform the system. Most have failed.

We must restore the faith of America's 110 million taxpayers in our tax system. If we do not, we certainly face, in the words of former Treasury Secretary Joseph W. Barr, "a taxpayer revolt."

But our most compelling reason for reform is simply that it is the right thing to do.

I believe we have arrived, finally, at a time when effective tax reform can be realized.

Our colleagues on the Ways and Means Committee of the House of Representatives are conducting hearings on this matter. Certainly we all agree that there is urgent need for general tax reform.

However, I believe that some of the most glaring injustices in our tax system are the most easily corrected.

What I am proposing today is that we take some necessary first steps to insure that every taxpayer shares the tax burden in as equitable a manner as possible.

While I am introducing these bills as a member of the committee on finance, I should point out that the 1968 Democratic platform states that—

> The goals of our national tax policy must be to distribute the burden of government equitably among our citizens.

Our Federal tax system does not meet this standard.

In theory, we have a progressive system of taxation based on ability to pay. In fact, we have a regressive system that places the heaviest burden on those least able to carry it.

MINIMUM INCOME TAX

Several weeks ago I announced my intention to introduce a bill to provide for a minimum income tax on large incomes. The first of the three bills I introduce today would carry out that intention. While I am introducing this bill as a member of the Committee on Finance, I should point out, as I have on other occasions, that this bill would, taken with the second bill increasing the minimum standard deduction, carry out the provision of the 1968 Democratic platform, which states as follows:

> We support a proposal for a minimum income tax for persons of high income based on an individual's total income regardless of source in order that wealthy persons will be required to make some kind of income tax contribution no matter how many tax shelters they use to protect them.

I am confident that there are perfections and improvements which may be made in this bill, both in general concept and in technical implementation. But I believe that the basic intent and purpose of the bill is sound and must be enacted into law. I am very hopeful that we can secure hearings on this bill as soon as possible, giving all those affected an opportunity to testify. From this testimony we can make whatever corrections of improvements that may be indicated.

For example, we ought to be awfully careful that the effect of this bill will not make the State or municipal bond market any more difficult or increase the interest rate. This market is already more difficult than it should be and interest rates are already too high. If there is to be any adverse effect on the market, since it is the abuse of this source of income by some taxpayers which we intend to get at, we would want to write into this bill an equalizing subsidy to the issuing authority so that the issuing authority would not be penalized by this bill. If that could not be worked out, then that portion of this bill would have to be substantially altered or deleted.

As the bill is presently written, it would provide for a minimum income tax to be paid by large taxpayers, taking into account income from regular sources as well as income from: interest from State and municipal bonds; net long-term capital gains; percentage depletion and intangible drilling and development costs; accelerated depreciation on real property; appreciation on property given to charity; and stock options granted to corporate executives.

The inequities which exist under the present tax system compel reform. In the year 1967, 155 Americans with incomes of more than $200,000 paid no Federal income tax, and of this group 21 earned more than a million dollars. At the same time 25 million citizens earning less than $3,000 annually paid $1½ billion in Federal income taxes.

Presently, many wealthy individuals can arrange their income so that it comes from one or more tax-favored sources and thereby pay taxes, if at all, on a much lower rate. In many cases the effective rate is as low as 1 or 2 percent of the real income. Quite often, the result is that a man who earns over a million dollars a year from real estate investments can avoid Federal taxes completely, while a married couple with an income of $2,200 must pay $84.

In a recent year a taxpayer whose net worth is $1.5 million paid income taxes of only $685. Another with an income of $20 million paid nothing. Still another who earned from real estate investments over $1 million every year for 14 years paid no Federal income tax. While this was happening, most of the middle- and lower-income families were paying the regular rate.

These abuses and inequities in the Federal income tax system can no longer be tolerated.

Sheldon S. Cohen, former Internal Revenue Commissioner, when testifying before the House Ways and Means Committee on March 28, 1969, concerning needed tax reform, stated:

> Whether our taxpayers will continue to be patient and understanding is really beside the point. The bulk of our citizens should no longer be required to assume significant burdens of taxation while others are preferred and undertaxed. Our system presently works so well that it is considered the model of the world. This is so because of the high level of voluntary compliance by our citizens. We, therefore, owe it to the American people to constantly strive to

make the system more equitable—because that is the right thing to do—and because it will maintain and improve voluntary compliance which is the backbone of the system.

The minimum-income tax legislation I am proposing would eliminate the most glaring inequities in the present system. The proposal does not eliminate these preferences, but would simply require a tax where the use of the preferences is being abused. Former Commissioner Cohen in his testimony before the House Ways and Means Committee, commented on the soundness of a minimum income tax and stated:

> The minimum income tax does meet and fulfill a fundamental need—a more realistic and just apportionment of the tax burden. To that end its necessity is clear—it is unjust to create a class of tax millionaires while requiring the vast majority of Americans to make significant tax contributions to our Government.

The net effect of the minimum-income tax bill I propose will be that those taxpayers affected will be taxed at the regular rates on at least 50 percent of their total income. It applies to individuals, corporations, trusts, and estates. Thus, a taxpayer who has an actual income of $500,000 a year from totally tax exempt sources and who has paid no tax in the past will now pay $160,000. Similarly, a taxpayer with a total income of $600,000, of which only $200,000 is taxable now, pays approximately $125,000 in taxes. Under the new law, he will pay a total tax of approximately $195,000.

The minimum tax bill I have introduced also provides for the allocation of deductions between taxable and nontaxable income. At the present time, it is possible for a taxpayer to receive a double advantage from his tax-exempt income.

In this case, the personal deductions allowed every taxpayer for various expenses are subtracted only from his taxable income.

Thus, a man may earn $100,000 a year, three-fourths of which is not taxable because the income is derived from one or another tax preferred investment. His adjusted gross income is only $25,000 and from this he can deduct various personal expenses further reducing his tax liability.

Under the bill I propose, he would be required to allocate his deductions proportionately between taxable and nontaxable income. This is a far more equitable procedure since obviously his expenses were paid out of his combined income.

The above explanation is an attempt to make the legislation proposed more understandable, because I am reminded of the statement of Judge Learned Hand on complicated tax measures, when he said:

> In my own case the words of such an act as the Income Tax, for example, merely dance before my eyes in a meaningless procession, cross-reference to cross-reference, exception upon exception—couched in abstract terms that offer no handle to seize hold of—leave in my mind only a confused sense of some vitally important, but successfully concealed, purpose, which it is my duty to extract, but which is within my power, if at all, only after the most inordinate expenditure of time. I know that these monsters are the result of fabulous industry and ingenuity, plugging up this hole and casting out that net, against all possible evasion; yet at times I cannot help recalling a saying of William James about certain passages of Hegel: that they were no doubt written with a passion of rationality; but that one cannot help wondering whether to the reader they have any significance save that the words are strung together with syntactical correctness.

Mr. President, I think that quotation sums up, somewhat, the feelings that many taxpayers have about our very complicated tax system. That is why I have joined the distinguished chairman of the Finance Committee, the Senator from Louisiana (Mr. LONG), and others, in trying to fine some way, in addition to reforming the tax system to simplify it so that the average taxpayer may have a better understanding of the tax system and its effect upon him and his actions.

Today, however, we are talking about reform and improvement in the tax system, and I have just discussed the minimum income tax bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1827) to amend the Internal Revenue Code of 1954 to impose a minimum income tax, to require the allocation of deductions allowed to individuals in certain circumstances, and for other purposes, introduced by Mr. HARRIS (for himself and Mr. HART), was received, read twice by its title, and referred to the Committee on Finance.

INCREASE MINIMUM STANDARD DEDUCTION

Mr. HARRIS. Now, Mr. President, I want to turn my attention to the second bill which I have today introduced, one for an increase in the minimum standard deduction.

It is closely related to the minimum income tax. It provides for a corollary increase in the minimum standard deduction for smaller taxpayers. It would relieve over one-half of the 2.2 million poverty-level families from any tax liability and would provide tax reductions for other low-income families.

The bill I offer is identical to the recommendations of the Johnson administration Treasury Department and simply raises the minimum standard deduction from its present $200 plus $100 for each allowable exemption, to $600 plus $100 for each allowable exemption, subject to the existing overall limit of $1,000.

The reduced revenue from this proposal would be approximately $1.1 billion, a reduction more than fully covered by the additional revenue which would be realized from the minimum income tax, $1.2 billion.

This bill would carry out the provision in the 1968 Democratic platform, which stated:

> We also support a reduction of the tax burden of the poor by lowering the income tax rates at the bottom of the tax scale and increasing the minimum standard deduction. No person or family below the poverty level should be required to pay income taxes.

We may praise the widow in the Biblical parable who voluntarily, from her mite, gave proportionately far more than the rich man; but our Government should not require such involuntary generosity from its poorest citizens.

Our tax system should not be an extra hurdle for those who already have enough hazards in their race for economic survival.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1828) to amend the Internal Revenue Code of 1954 to increase the minimum standard deduction, introduced by Mr. HARRIS (for himself and Mr. HART), was received, read twice by its title, and referred to the Committee on Finance.

SUSPENSION OF INVESTMENT CREDIT

Mr. HARRIS. Mr. President, the third bill I am introducing is designed to dampen inflationary pressures while giving some immediate relief to middle-income taxpayers, who now pay more than their fair share of Government costs.

The bill is tied in with the extension of the 10-percent income tax surcharge, requested by the administration, beyond June 30, 1969, and would suspend the present 7-percent investment credit during the term of such surcharge extension.

The suspension of the investment credit would permit a reduction of the 10-percent surcharge to 7 percent, as is provided in this bill, without any net effect on the revenues realized, since suspension of the investment credit will bring in an additional $3.3 billion.

The investment credit, enacted in 1962 during the administration of President John F. Kennedy to spur business and industry investment in plant and equipment, was suspended by Congress upon the recommendation of President Lyndon B. Johnson when the economy became overheated in 1966. The suspension, which became effective on October 10, 1966, was to have lasted for a period of 15 months, but was restored on March 9, 1967.

Despite the relatively short period during which the investment credit was then suspended, two private studies, one by the Economics Department of McGraw-Hill Publications, Inc., and the other by Lionel D. Edie and Co., Inc., indicate that the suspension was definitely anti-inflationary in its effect.

The need to curb inflation is a matter of highest priority today. Thus, the administration has recommended the extension of the 10-percent tax surcharge. Since a flat increase in taxes at all income levels, even with some exceptions at the bottom, is inequitable and regressive, it would seem fairer to grant some relief to the overburdened middle-income taxpayer by not asking for the full 10-percent surcharge extension, and, instead, cutting down also on the inflationary pressures of plant and equipment expenditures.

This approach is especially indicated by reason of the fact that capital expenditures for this year are projected to be 14 percent higher than they were last year.

Since manufacturers which were operating at 90 percent capacity during 1966 were operating at approximately 84 percent of capacity 2 years later, during the third quarter of 1968, I believe there is no sound reason to believe that the suspension of the investment credit would add to inflationary pressures by allowing demand to outrun supply. To the contrary, by cutting down on the inflationary pressures of otherwise increasing capital expenditures, running some 14 percent higher this year over last year, the suspension of the investment credit would, in my judgment, have an important anti-inflationary effect.

The bill I propose calls for the suspension of the investment credit, effective on the date of introduction of the bill, with an exception for contracts already entered into for capital investments as of that time. The bill does not provide other exceptions, as was done in the 1966 bill, because I felt these matters ought to be the subject of hearings in the light of present circumstances.

Thus, this bill has two important objectives. First, the suspension of the investment credit will help curb inflation; second, the suspension of the investment credit will increase revenues by $3.3 billion, permitting reduction of the present surcharge tax from 10 percent to 7 percent, thereby giving much-needed relief, particularly to the middle-income taxpayer. It may be that at hearings on this bill, the facts developed may warrant an increase in individual exemptions from the present $600 figure as an alternative to the approach provided in this bill, that is, a reduction in the surcharge.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1829) to amend the Internal Revenue Code of 1954 to reduce and extend the tax surcharge and to suspend the investment credit during the remaining period of applicability of the tax surcharge, introduced by Mr. HARRIS (for himself and Mr. HART), was received, read twice by its title, and referred to the Committee on Finance.

CONCLUSION

Mr. HARRIS. Mr. President, the three bills which I have introduced will by no means erase all of the inequities in the present Internal Revenue Code. Nevertheless, I believe they represent significant steps toward effective tax reform. They will insure that the burden of taxation falls more fairly on all taxpayers. The taxpayers of America are demanding fairness in our tax system, and they are entitled to nothing less. These bills will move us much closer to that goal.

Mr. President, I ask unanimous consent that there be printed at this point in the RECORD a summary of the three bills; a copy of the minimum income tax bill with a section-by-section analysis of it; a copy of the increased minimum standard deduction bill; and a copy of the investment credit suspension bill.

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

SUMMARY OF BILLS

1. MINIMUM INCOME TAX

This bill would require every individual, corporation, trust or estate with substantial income to make a fair contribution to the cost of operating our Government and would operate as follows:

A. The taxpayer would compute his tax as he has done in the past under the present provisions of the Internal Revenue Code;

B. The taxpayer would total the following: income from interest on state and local bonds; deductions for capital gains; percentage depletion in excess of cost; amount of depreciation in excess of straight-line depreciation on real property; amount of appreciation in property donated to a charitable organization; difference between fair market value and the cost of stock acquired pursuant to stock option plan; and the amount of the deduction claimed for intangible drilling and development costs in the case of oil and gas wells—all less certain deductions including a special $5,000 deduction;

C. If the aggregate of the items and deductions mentioned in paragraph 2 do not exceed taxable income the taxpayer computes his tax in the regular way. If that amount is greater than taxable income, the taxpayer is subject to the minimum tax; and

D. To one-half of the total income, taxable and preferential the regular rate table would be applied.

This bill also requires that individuals allocate certain personal deductions between taxable income and the income from the items described in Paragraph 2.

2. INCREASED MINIMUM STANDARD DEDUCTION

This bill simply increases the minimum standard deduction from $200 plus $100 for each allowable exemption to $600 plus $100 for each allowable exemption, subject to the existing overall limit of $1,000.

3. SUSPENSION OF INVESTMENT CREDIT AND REDUCTION OF SURCHARGE

This bill calls for the suspension of the investment tax credit during the applicability of the tax surcharge. There would be excepted from the suspension property acquired pursuant to legally binding contracts entered into not later than April 15, 1969.

This bill in addition calls for a reduction of the tax surcharge from 10% to 7% for the period beginning June 30, 1969.

S. 1827

A bill to amend the Internal Revenue Code of 1954 to impose a minimum income tax, to require the allocation of deductions allowed to individuals in certain circumstances, 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 "Minimum Income Tax Act of 1969".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

Section 2. Minimum income tax.

(a) IMPOSITION OF TAX.—Subchapter A of Chapter 1 (relating to determination of tax liability) is amended by adding at the end thereof the following new part:

"PART VI—MINIMUM INCOME TAX

"Sec. 55. Minimum income tax.

"(a) IMPOSITION OF TAX.—Except as provided in subsection (e), in the case of any individual, corporation, trust, or estate, in lieu of the tax imposed by section 1 (relating to tax imposed on individuals), section 11 (relating to tax imposed on corporations) and section 641 (relating to tax imposed on estates and trusts), there is hereby imposed for such taxable year a minimum tax equal to the amount computed under subsection (b), if such minimum tax exceeds the tax imposed on such individual, corporation, trust, or estate by this chapter (other than this section) for such taxable year.

"(b) MINIMUM TAX RATE.—The minimum tax shall be computed in the same manner as the tax otherwise imposed by this chapter except—

"(1) the taxpayer's taxable income for the taxable year shall be equal to his section 55 income, and

"(2) the tax applicable under section 1 (relating to tax imposed on individuals) and section 11 (relating to tax imposed on corporations) shall be applied to one-half of the amount of the section 55 income for the taxable year.

For purposes of the preceding sentence, in determining the amount of any allowable credit or deduction whose amount is limited or determined with reference to tax liability under chapter 1, the tax liability shall be equal to the amount imposed by this section.

"(c) SECTION 55 INCOME.—For purposes of this section, the term 'section 55 income' means the taxable income (as defined in section 63) for the taxable year plus

"(1) any amount excluded from gross income for the taxable year by reason of section 103(a)(1) (relating to interest on certain governmental obligations), plus

"(2) in the case of an individual, estate, or trust, the amount of the deduction allowed under section 1202 (relating to deduction for capital gains) for the taxable year, plus

"(3) an amount equal to the amount by which the allowance for depletion under section 611 (relating to allowance of deduction for depletion) for the taxable year exceeds the adjusted basis of the property at the end of the taxable year (computed without regard to the deduction for depletion for such taxable year), plus

"(4) the amount, if any, by which the deduction under section 167 (relating to depreciation) with respect to real property for the taxable year, was greater than it would have been under the straight line method of depreciation (applied to such property for such taxable year), plus

"(5) the amount by which the fair market value of any property (other than money) the subject of a charitable contribution during the taxable year for which a deduction under section 170 (relating to charitable, etc., contributions and gifts) is allowable (without regard to the percentage limitations specified in sections 170(b)(1) and 170(b)(2)) exceeds the taxpayer's adjusted basis therefore under section 1011 (relating to adjusted basis for determining gain or loss), plus

"(6) the amount equal to the difference between the fair market value of stock received by the taxpayer, pursuant to the exercise during the taxable year of a qualified stock option (as defined in section 422) and the price paid for such stock, plus

"(7) the amount of any deduction for the taxable year for intangible drilling and development costs in the case of oil and gas wells pursuant to the exercise by the taxpayer of the option to deduct such costs under the provisions of Treasury regulations 1.612–4, less.

"(8) any expenses and interest otherwise nondeductible under section 265 (relating to expenses and interest relating to tax-exempt income), but only to the extent such expenses and interest are allocable to an obligation described in section 103(a)(1), the interest income from which for the taxable year is included under paragraph (1), less

"(9) the amount, if any, of deductions disallowed under section 277 (relating to limitation on deductions for individuals), less

"(10) a special deduction of $5,000 ($2,500 in the case of a married taxpayer filing a separate return).

"(d) SPECIAL RULES.—

"(1) BASIS ADJUSTMENT FOR DEPRECIATION.—If a taxpayer is subject to the minimum tax imposed by this section for a taxable year, and his section 55 income for such year includes an amount under subsection (c)(4), the proper amount of the depreciation allowed or allowable for the taxable year for purposes of section 1016 (relating to adjustments to basis) shall be determined in accordance with regulations and rules prescribed by the Secretary or his delegate.

"(2) NET OPERATING LOSS DEDUCTION.—The allowance of net operating loss deductions under section 172 (relating to net operating loss deductions), for purposes of computing section 55 income shall be subject to such rules, limitations, and modifications as are necessary to effectuate the purposes of this Act that the Secretary or his delegate shall by regulations prescribe.

"(3) STOCK OPTION AND INTANGIBLE DRILLING COST ADJUSTMENT.—If a taxpayer is subject to the minimum tax imposed by this section for a taxable year, and his section 55 income for such year includes an amount under subsection (c)(6) or (c)(7), appropriate adjustment shall be made to the basis of the property involved in accordance with regulations issued by the Secretary or his delegate.

"(e) EXCEPTIONS.—This section shall not apply to—

"(1) the tax imposed under the provisions of section 871(a) (relating to income not connected with United States business), and

"(2) the tax imposed under the provisions of section 881 (relating to tax on income of foreign corporations not connected with United States business).

"(f) SPECIAL DEFINITIONS.—If a taxpayer is subject to the tax imposed by this section for a taxable year—

"(1) GROSS INCOME.—The term 'gross income' shall, with respect to such taxable year, have the same meaning otherwise applicable under the subtitle, except that the aggregate of the amounts specified in subsections (c)(1), (c)(5), and (c)(6) shall be added thereto.

"(2) ADJUSTED GROSS INCOME.—The term 'adjusted gross income' shall, with respect to such taxable year, have the same meaning otherwise applicable under this subtitle, except that the aggregate of the amounts specified in subsections (c)(1), (c)(2), (c)(5), and (c)(6) shall be added thereto.

"(3) TAXABLE INCOME.—The term 'taxable income' shall, with respect to such taxable year, have the same meaning otherwise applicable under this subtitle, except that the aggregate of the amounts specified in subsections (c)(1) through (c)(7), inclusive, shall be added thereto, and the aggregate of the amounts specified in subsections (c)(8) through (c)(10), inclusive, shall be subtracted therefrom."

(b) CLERICAL AMENDMENT.—The table of parts for subchapter A of Chapter 1 is amended by adding at the end thereof the following new item:

"PART VI—MINIMUM INCOME TAX"

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1968.

Section 3. Limitation on deductions for individuals.

(a) DEDUCTION LIMITATION.—Part IX of subchapter B of chapter 1 (relating to items not deductible) is amended by adding at the end thereof the following new section:

"Sec. 277. Limitation on deductions for individuals.

"(a) GENERAL RULE.—If an individual for a taxable year has section 277 deductions, such deductions shall be disallowed in an amount equal to the aggregate of such deductions multiplied by the section 277 percentage.

"(b) DEFINITIONS.—For purposes of this section—

"(1) SECTION 277 DEDUCTIONS.—The term 'section 277 deductions' means the amounts allowable as deductions (other than under the provisions of this section) under the following sections, but only if not otherwise deductible under section 162 or in determining adjusted gross income under section 62—

"(A) section 163 (relating to interest),

"(B) section 164 (relating to taxes),

"(C) section 165(c)(3) (relating to casualty losses),

"(D) section 170 (relating to charitable, etc., contributions and gifts),

"(E) section 213 (relating to medical, dental, etc., expenses),

"(F) section 216 (relating to deduction of taxes, interest, and business depreciation by cooperative housing corporation tenant-stockholder).

"(2) SECTION 277 PERCENTAGE.—The term 'section 277 percentage' means the percentage that the aggregate of the amounts described in paragraphs (1) through (7), inclusive, of section 55(c) (relating to section 55 income) bears to the taxpayer's adjusted gross income (as defined in section 62) plus the amounts described in paragraphs (1) through (7), inclusive, of section 55(c)."

(b) CLERICAL AMENDMENT.—The table of sections for such Part IX is amended by adding at the end thereof the following new item:

"Sec. 277. Limitation on deductions for individuals."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1968.

SECTION-BY-SECTION EXPLANATION, MINIMUM INCOME TAX BILL

SECTION 1. SHORT TITLE, ETC.

(a) *Short Title:* Subsection (a) of section 1 of the bill provides that the bill may be cited as the "Income Tax Reform Act of 1969."

(b) *Amendment of 1954 Code:* Subsection (b) of section 1 of the bill provides that, except as otherwise provided in the bill, whenever in the bill an amendment or repeal is expressed in terms of an amendment to or repeal of a section or other provision, the reference is considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SECTION 2. MINIMUM INCOME TAX

(a) *Imposition of Tax:* Subsection (a) of section 2 of the bill amends the Internal Revenue Code by adding a new section 55. In general, section 55 imposes the minimum income tax and contains the provisions specifying the rate of the tax, the conditions under which it applies, and the items of income or deduction which are included in the computation of the tax.

Section 55. Minimum income tax

(a) *Imposition of Minimum Tax:* Subsection (a) of section 55, as added by the bill, provides that any individual, trust, estate, or corporation is subject to the minimum income tax if that tax is greater than the regular income tax to which he would otherwise be subject.

(b) *Minimum Tax Rate:* Subsection (b) of section 55 provides the rate of the minimum tax. The minimum tax is equal to the regular income tax rate otherwise applicable to the taxpayer, computed as if his taxable income for the year were one-half his "section 55 income," that is, his expanded income for minimum tax purposes. The term "section 55 income" is defined in subsection (c) of section 55. This means that if the total of the items added to taxable income (gross income less deductions and exemptions) in determining "section 55 income" is equal to or less than taxable income, he will not be subject to the minimum tax. On the other hand, if this amount exceeds taxable income, the taxpayer will know he is subject to the minimum tax and will compute his tax in the manner described.

For example, if an unmarried taxpayer had taxable income in 1969 of $60,000, his income tax (without the surcharge) would be $28,790. If the total of the items to be added to taxable income under the minimum tax provisions did not exceed $60,000, his tax would not be adjusted under this bill for that year. If, however, the aggregate of such items were $100,000, his "section 55 income" would be $160,000. He would then compute his tax for the year by applying the regular rate table to one-half of $160,000, or $80,000. The resulting tax would be $41,790, an increase over the regular tax of $13,000.

As under the regular income tax, the taxpayer is permitted to reduce his minimum income tax liability by the amount of any credits allowed under the law, such as the retirement income credit. If the computation of an allowable credit involve a limitation based on tax liability for the year, the taxpayer would utilize the minimum tax liability in making the computation of the allowable amount of the credit.

(c) *Section 55 Income*: Subsection (c) of section 55 defines the term "section 55 income." In general, "section 55 income" means taxable income plus the aggregate of the items specified in subsection (c).

"Section 55 income" is the base used for computing the minimum tax. Also, by totaling the various items specified in subsection (c) and comparing that with taxable income, the taxpayer will know whether he is subject to the minimum tax.

In practice it is assumed that the tax forms will contain a simple schedule for listing the items set forth in subsection (c). The taxpayer will complete this schedule and will compute his tax in the regular way if the resulting amount is not greater than taxable income. If it is greater, he will substitute the minimum tax computation for the regular income tax computation.

Under subsection (c), "section 55 income" means taxable income, plus

1. Interest income received on state and local bonds which is excluded under section 103 in determining the regular income tax.

2. The 50% deduction allowed to individuals, estates, and trusts for long-term capital gains.

3. The amount of percentage depletion claimed which exceeds the cost of the property with respect to which the depletion allowance is granted.

4. In the case of buildings and other depreciable real property, if the depreciation deduction is claimed on the basis of some accelerated depreciation method, the excess thereof over the amount which would have been allowed if the straightline method were used.

5. The amount of the appreciation (fair market value less cost) in property donated to a charitable organization.

6. The difference between the fair market value and the cost of stock acquired pursuant to the exercise of a qualified stock option.

7. The amount of the deduction claimed for intangible drilling and development costs in the case of oil and gas wells.

The resulting figure is then reduced by deducting therefrom the following three items:

1. Expenses and interest (otherwise nondeductible under section 265) attributable to carrying state and local bonds, the interest income from which is included in "section 55 income."

2. The amount of an individual's personal deductions which are disallowed under the companion proposal relating to the allocation of deductions.

3. The amount of $5,000 ($2,500 in the case of a married taxpayer filing a separate return). This is a special deduction allowed only in computing the minimum tax.

(d) *Special Rules:* Subsection (d) of section 55 provides special rules designed to insure that the effect of including certain items in the minimum income tax are properly reflected for other purposes.

This subsection authorizes the Secretary of the Treasury to issue rules and regulations to prescribe the basis adjustments which are required when a taxpayer is subject to the minimum income tax for a taxable year, and his "section 55 income" for such year includes excess real estate depreciation, the profit realized when stock is acquired below its current market value pursuant to a qualified stock option, or the deduction of intangible drilling costs.

For example, if a taxpayer claims a depreciation deduction of $50,000 with respect to a building under an accelerated depreciation method, his basis in that building is reduced by $50,000. However, if straight-line depreciation on the building was only $30,000, the $20,000 difference is includable in "section 55 income" under the bill. If the taxpayer is subject to the minimum income tax, it would be improper to reduce his basis $50,000 since he did not receive an effective deduction of $50,000. Similarly, it would be incorrect to reduce basis only $30,000, since the $20,000 difference was not taxed under the regular income tax rate structure, but rather under the lower minimum income tax rates. Consequently, an adjustment must be made which reduces basis for the $20,000 taxed under the minimum income tax only by an amount which properly reflects the relationship between the minimum income tax and the regular income tax in this case.

The Secretary of the Treasury is also granted authority under subsection (d) to prescribe rules necessary to adjust net operating loss deductions to reflect the minimum income tax.

(e) *Exceptions:* Subsection (e) of section 55 prescribes two exceptions to the minimum income tax. The tax does not apply to income earned by nonresident aliens and foreign corporations not connected with the conduct of a trade or business in the United States. Under the regular income tax, these amounts are taxed at a flat 30% rate (unless otherwise provided by treaty) without the allowance of any deductions or exemptions.

(f) *Special Definitions:* Subsection (f) of section 55 contains special definitions of the terms "gross income," "adjusted gross income," and "taxable income" in the case where a taxpayer is subject to the minimum income tax. Under subsection (f), these terms are adjusted to reflect the proper inclusion in each case of items specified in subsection (c). This will facilitate the operation and application of procedural provisions of the Code, such as requirements to file tax and estimated tax returns, the imposition of penalties, exceptions to statute of limitations provisions, etc.

(b) *Clerical Amendment*: Subsection (b) of section 2 of the bill makes a clerical amendment to a table of parts in the Code required by the addition of section 55 to the Code.

(c) *Effective Date:* Subsection (c) of section 2 of the bill provides that the minimum income tax provisions will apply to taxable years beginning after December 31, 1968. For most individuals who report on a calendar year basis, this means that the minimum income tax will apply to the calendar year 1969. For other taxpayers who report on a fiscal year basis, the new provision would apply to their taxable years beginning in 1969.

SECTION 3. LIMITATION ON DEDUCTIONS FOR INDIVIDUALS

(a) *Deduction Limitation*: Subsection (a) of section 3 of the bill amends the Internal Revenue Code by adding a new section 277. In general, section 277 limits the amount of certain personal deductions allowed to individuals to reflect an allocation of such items between income subject to tax and items which are untaxed.

Section 277. Limitation on Deductions for Individuals

(a) *General Rule:* Subsection (a) of section 277, as added by the bill, provides that an individual's "section 277 deductions" for a taxable year will be disallowed in an amount equal to the aggregate of such deductions multiplied by the "section 277 percentage."

(b) *Definitions:* Subsection (b) of section 277 defines the terms "section 277 deductions" and "section 277 percentage."

Paragraph (1) of subsection (b) defines the term "section 277 deductions" to mean the following deductible items, but only if such items are not otherwise allowable as an ordinary and necessary business expense, or as a deduction from gross income in arriving at adjusted gross income: interest; state and local taxes; casualty losses; charitable contributions; medical expenses; and the deduction allowed to owners of cooperative apartments for taxes and interest.

Paragraph (2) of subsection (b) defines the term "section 277 percentage" as the percentage that the total of items added to taxable income under section 55(c) (without regard to the deductions allowed in computing "section 55 income") bears to the sum of that amount plus the taxpayer's adjusted gross income.

The operation of section 277 can be illustrated by the following example. Assume an individual taxpayer for a given year has $25,000 of salary income and $15,000 of tax-exempt interest income. He itemizes his deductions and claims $5,000 as a charitable contribution deduction and $3,000 as a deduction for state income and sales taxes. His "section 277 deductions" total $8,000. The "section 277 percentage" is 37.5% ($15,000 divided by $40,000). Consequently, $3,000 ($8,000 multiplied by 37.5%) of the charitable contribution and state tax deductions are disallowed under this provision.

(b) *Clerical Amendment:* Subsection (b) of section 3 of the bill makes a clerical amendment to a table of parts in the Code required by the addition of section 277 to the Code.

(c) *Effective Date:* Subsection (c) of section 3 of the bill provides that the allocation of deductions provisions will apply to taxable years beginning after December 31, 1968, the same effective date for the minimum income tax imposed by section 2 of the bill.

S. 1828

A bill to amend the Internal Revenue Code of 1954 to increase the minimum standard deduction

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 141(c) of the Internal Revenue Code of 1954 (relating to minimum standard deduction) is amended to read as follows:

"(c) Minimum Standard Deduction.—The minimum standard deduction is an amount equal to the sum of—

"(1) $100, multiplied by the number of exemptions allowed for the taxable year as a deduction under section 151, plus

"(2)(A) $600, in the case of a joint return of a husband and wife under section 6013,

"(B) $600, in the case of a return of an individual who is not married, or

"(C) $300, in the case of a separate return by a married individual."

SEC. 2. The amendments made by this Act shall apply to taxable years beginning after December 31, 1968.

S. 1829

A bill to amend the Internal Revenue Code of 1954 to reduce and extend the tax surcharge and to suspend the investment credit during the remaining period of applicability of the tax surcharge

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 48 of the Internal Revenue Code of 1954 (relating to definitions and special rules for purposes of the investment credit) is amended by redesignating subsection (k) as (l) and by inserting after subsection (j), the following new subsection:

"(k) SUSPENSION OF INVESTMENT CREDIT DURING APPLICABILITY OF TAX SURCHARGE.—For purposes of this subpart—

"(1) GENERAL RULE.—Section 38 property which is tax surcharge suspension period property shall not be treated as new or used section 38 property.

"(2) TAX SURCHARGE SUSPENSION PERIOD PROPERTY DEFINED.—Except as otherwise provided in this subsection, the term 'tax surcharge suspension period property' means section 38 property—

"(A) the physical construction, reconstruction, or erection of which begins either during the tax surcharge suspension period or pursuant to an order placed during such period, or

"(B) which is acquired by the taxpayer either during the tax surcharge suspension period or pursuant to an order placed during such period.

"(3) BINDING CONTRACTS.—To the extent that any property is constructed, reconstructed, erected, or acquired pursuant to a contract which was, on April 15, 1969, and at all times thereafter, binding on the taxpayer, such property shall not be deemed to be tax surcharge suspension period property.

"(4) TAX SURCHARGE SUSPENSION PERIOD.—The term 'tax surcharge suspension period' means the period beginning on April 16, 1969, and ending on the last day on which the tax required to be deducted and withheld on wages under section 3402 includes any amount attributable to the tax surcharge imposed by section 51."

(b) The amendment made by subsection (a) shall apply to taxable years ending after April 15, 1969.

SEC. 2. (a) Section 51(a) of the Internal Revenue Code of 1954 (relating to imposition of tax surcharge) is amended to read as follows:

"(a) IMPOSITION OF TAX.—

"(1) CALENDAR YEARS.—In addition to the other taxes imposed by this chapter, there is hereby imposed on the income of every person whose taxable year is the calendar year a tax equal to—

"(A) for calendar year 1969, 8.5 percent of the adjusted tax for such year, and

"(B) for calendar year 1970, 3.5 percent of the adjusted tax for such year.

"(2) FISCAL AND SHORT TAXABLE YEARS.—In addition to the other taxes imposed by this chapter, in the case of taxable years ending after June 30, 1969, and beginning before July 1, 1970, there is hereby imposed on the income of every person whose taxable year is other than the calendar year, a tax equal to the sum of—

"(A) 10 percent of the adjusted tax for the taxable year, multiplied by a fraction the

numerator of which is the number of days in the taxable year occurring before July 1, 1969, and the denominator of which is the number of days in the taxable year; and

"(B) 7 percent of the adjusted tax for the taxable year, multiplied by a fraction the numerator of which is the number of days in the taxable year occurring after June 30, 1969, and before July 1, 1970, and the denominator of which is the number of days in the taxable year.

"(3) LIMITATION.—In the case of—

"(A) a husband and wife (or surviving spouse) who file a joint return under section 6013 and whose adjusted tax for the taxable year is less than $580,

"(B) an individual who is a head of a household to whom section 1(b) applies and whose adjusted tax for the taxable year is less than $440, and

"(C) any other individual (other than an estate or trust) whose adjusted tax for the taxable year is less than $290,

the tax imposed by paragraph (1) or (2) shall not be greater than an amount equal to twice the tax which would be imposed by paragraph (1) or (2) if the tax were imposed on the amount by which the adjusted tax exceeds $290, $220, or $145, respectively."

(b)(1) Section 3402 of the Internal Revenue Code of 1954 (relating to income tax collected at source) is amended by adding at the end thereof the following new subsection:

"(n) WAGES PAID AFTER JUNE 30, 1969, AND BEFORE JULY 1, 1970.—In the case of wages paid after June 30, 1969, and before July 1, 1970, the amount required to be deducted and withheld under subsection (a) or (c) (1) shall be determined in accordance with tables prescribed by the Secretary or his delegate which shall take into account the tax imposed by section 51."

(2) Section 963(b)(3) of such Code is amended by striking out "June 30, 1969" and inserting in lieu thereof "June 30, 1970".

(c) The amendments made by subsections (a) and (b)(2) shall apply to taxable years ending after June 30, 1969, and beginning before July 1, 1970. The amendment made by subsection (b)(1) shall apply with respect to wages paid after June 30, 1969, and before July 1, 1970.

THE ABM ISSUE

Mr. BAKER. Mr. President, the remarks of the distinguished majority leader on yesterday dealing with the ABM issue have caused me great concern. First, I would like to state that I entirely agree with the distinguished majority leader (Mr. MANSFIELD) that debate on the ABM ought not to be a hard and fast political confrontation. It is obvious, I think, to the majority leader, as it is obvious to this very junior member of the minority, that there is substantial and well reasoned support for the Safeguard system on the Democratic side as well as on the Republican side, and there is opposition to the deployment of the Safeguard system on both the Democratic and Republican sides of the aisle. It is not a crystallized political confrontation.

I think one of the basic strengths of this body is that it has always, in my judgment, exercised its free will and important constitutional functions to the maximum, not by institutional political confrontations, but, rather, the Senate, in the scheme of Government, has taken into account the intricacies and delicacies of important issues that confront this country, and, indeed, the whole world.

So, I commend the majority leader for his admonition, yesterday, that the issue of the deployment of the Safeguard ABM system is not, and should not be, a political confrontation between the Republicans and Democrats. Once again, it is not. Nor should it be.

It has come to my attention that there has appeared in print, in a publication of the Democratic National Committee called the "Demo Memo," a little article entitled "A Look at the Issues: No. 1. ABM—Safeguard or Hazard?" which deals primarily with opposition to the ABM system. As I read the article I do not believe it represents a uniform consensus of opinion on the Democratic side.

It has also come to my attention that remarks attributed to the new Republican National Committee Chairman, Representative ROGERS MORTON appeared in the New York Times and the Baltimore Sun this morning and indicated that the resources and facilities of the Republican National Committee would be devoted to support of the deployment of the ABM Safeguard system.

Taken together, both of these matters disturb me somewhat. That is why I was especially pleased to read this morning the remarks by the distinguished majority leader urging consideration of this issue on its merits and admonishing against an institutional confrontation between the Democratic and Republican Parties and why today I call Representative ROGERS MORTON to discuss this matter with him further. I was told by Representative MORTON that it is not the intention of the Republican National Committee to try to turn this matter into an institutional political confrontation but to espouse what it feels to be the reasonable and logical reasons which go into making up the decision of the President of the United States with respect to the deployment of the Safeguard ABM system.

I do not care to criticize Senator HARRIS as chairman of the Democratic National Committee, nor do I criticize Representative MORTON as chairman of the Republican National Committee, for taking any position. Both of them are Members of Congress, one of them of this body and the other of the other body, and both are entitled, and required, I suppose, by the Constitution, to have and espouse their individual views.

Both of the governing bodies of our two great national parties are probably required, by the very nature of things, to take a position one way or the other, in general terms; but the point of these remarks is simply to join with the majority leader in hoping that we do not have a national, partisan, political confrontation on this issue, and to applaud Representative MORTON for what he said today in his conversation with me that he had no such intention and did not intend to proceed in that manner.

Mr. President, on another aspect of this matter, I would like to exercise my own constitutional prerogative as a Member of this body, not as a Republican, but, rather, as a conscientious American citizen and elected official of the United States, to say I support the Safeguard ABM system. I support the deployment of the ABM. I supported it in the last Congress during a Democratic administration. I support it now during a Republican administration.

I support it for different reasons than many of my colleagues do, and certainly I support it for reasons that my colleagues who oppose it do not find convincing.

I shall not impose on the time of the Senate to rehearse all the facts and circumstances which make up my somewhat difficult judgment of where we should go in this field. I wish to make only one point, and I hope to make it clearly, because I feel very keenly about it.

Since Hiroshima and Nagasaki, this world has lived essentially in a state of balanced terror. That term is used so often that it takes on now the coloration and character of a cliche, but it is still accurate. It is a state of balanced terror. There is American terror that the Russians can incinerate us, and there is Russian fear that we can incinerate them; fear that each might perish at the hands of the other.

We have contributed to that state of balanced terror by building, in greater and greater numbers, in an ever-spiraling increase, more and bigger and more accurate offensive intercontinental ballistic missiles, with nuclear and thermonuclear warheads, with destructive capacities ranging from kilotons to 15 or even 25 megatons, which could destroy all of mankind.

So far, with God's help, and the judicious restraint of the super powers of the world, we have avoided a nuclear holocaust; but I fear it cannot so continue; I fear that a state of balanced terror based on offensive weapons may lead us into the very incineration that we must avoid.

I really grow weary of a moral, conscientious United States of America basing its defensive strategy on the proposition that it always will build more and more and bigger and bigger offensive nuclear weapons and point them at Moscow or Peking.

I think if I were a citizen of the Soviet Union and lived in Moscow, I might be a little bit concerned by the knowledge that the United States is building greater numbers of ever-larger thermonuclear-tipped intercontinental ballistic missiles, and pointing them at me. I know I grow weary of being held hostage—one of perhaps 70 or 80 million Americans—to the nuclear threat of the Soviet Union. I am sure they would grow weary, as I grow weary, of this continuing escalation of the threat of offensive nuclear blackmail. It has worked so far, but I am not sure it will always work.

I believe that the arms spiral is fed by the continuing requirement that we equalize the offensive threat of Russia by building greater, more deadly, and more novel offensive weapons. I believe the arms spiral can be defused and decelerated by dedicating a part of our energy and effort to a defensive posture in this Nation. There is, I believe ample—certainly abundant—proof, that the Soviets do not consider the ABM system provocative. But you can bet your bottom dollar that they consider MIRV provocative, or that they consider FOBS provocative; and you can certainly bet that if we propose to put, as

we could, a 50 or 100 megaton warhead on a Saturn V rocket, and point it at Russia, that this would be considered provocative. But the same amount of money spent on a defensive posture is not; and the reaction of the Soviet Union so far supports that thesis.

It seems to me that there is something vaguely immoral about the greatest and most moral nation on earth defending itself by saying, "I can kill you quicker than you can kill me." I believe the time has come when we have got to bring our intellectual and moral resources to bear on some different course. I believe that the deployment of an anti-ballistic-missile system is it. I believe it is distinctly superior, from a moral standpoint, to dedicate our assets and our treasure to the evolution, development, and deployment of a defensive system that is calculated to defend this country and its population, and which categorically cannot hurt or injure anybody outside the continental limits of the United States because of the limited range of defensive weapons, rather than to build 7,000-mile monsters, with 20 megaton warheads, that can kill 30 million people in one 4-mile fireball.

So, Mr. President, I am tired of an ICBM mentality that proposes to defend this country by nothing other than the threat of destroying someone else. That is not befitting the strongest and most moral nation on earth.

We are at the crossroads. We now have it in our grasp, by reason of the gifts of science and technology, to do something, I believe, effectively to defend ourselves, other than continuing to hold mutual hostages of 80 to 100 million Russian citizens versus 80 to 100 million American citizens under the threat of nuclear annihilation.

That is why I support the Safeguard system, and that is why I hope that the moral strength and the conscience of this Nation will rise up to say, "We have had enough of an ICBM mentality; we have had enough of being the bully; we have had enough of responding to the Russian threat by saying, 'We can burn you up faster than you can burn us up,' " and we will begin to think in terms of trying to defend ourselves instead of provoking a reaction from the Soviet Union.

I hope these arguments are persuasive, because I feel that the future of this Nation, therefore the future of the free world, is intertwined inextricably with the decision we make at this point in history.

So in conclusion, Mr. President, I am pleased that our new Republican Chairman has assured me that Republicans and Democrats together will be welcomed in the support of the deployment of this system, and that he is aware that Republicans and Democrats together will oppose it, and that for his part, he does not foresee and hopes to avoid a partisan political confrontation.

I have so much confidence in our two-party system and in the integrity and the promise of both of our great national parties that I feel sure that there must be a similar reaction in the Democratic National Committee.

Mr. President, I yield the floor.

THE NUCLEAR ROCKET ENGINE

Mr. ANDERSON. Mr. President, the revised budget submitted today by President Nixon continues support of NERVA, the nuclear rocket engine. This project in which the Atomic Energy Commission and the National Aeronautics and Space Administration jointly participate has my strong support. A March 29, 1969, article published in Business Week magazine reflects on the success of this program to date and tells why it has many enthusiastic supporters.

I request that this article, "NASA Puts an Atom in Its Tank," be inserted in the RECORD.

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

NASA PUTS AN ATOM IN ITS TANK

A flash of flame, a cloud of steam, and a muffled roar—from a distance of two miles across the barren Nevada desert at Jackass Flats, it looked like just another static rocket test.

But last week's successful first "burn" of the Nerva XE nuclear rocket engine was the culmination of two decades of experimentation by engineers and scientists backed by NASA and the AEC. It also was a critical first step in developing what could be the workhorse space engine for the U.S. in the next two decades.

The 50,000-lb-thrust XE isn't meant to fly. But it is put together in exactly the way a flight engine would be built. This means that if it continues to perform well, technicians can move on to the next step in the program to start to build a 75,000-lb. flight version by this summer.

Then by 1977—barring any huge technological hurdle—the first U.S. nuclear rocket could be performing in space.

CAPABILITIES

Nerva isn't designed as a booster for getting heavy payloads off earth, as are the Saturn V and the Titan IIIM. It will be used to power the upper stages of space vehicles, firing only after they are safely out in space to prevent the release of radioactive matter in earth's atmosphere.

But once out in space, Nerva's virtues are numerous. It is a light, flexible, compact energy source. It is more efficient than any liquid or solid rocket propellant, chiefly because it uses a different principle to produce its power.

All space engines today are powered by chemical rockets operating on the same principle that moves an auto—internal combustion. An oxidizer and a fuel are brought together and burned in a combustion chamber, and the resulting hot gases are forced through a nozzle to provide thrust.

The nuclear rocket engine operates by heat exchange. Liquid hydrogen passes through a hot nuclear reactor and is heated to temperatures of around 4,500F. The rapidly expanding hot gas forces its way out through an exhaust nozzle. Although shielding requirements would necessarily add weight to the Nerva-powered rocket stage, there is no need for it to carry an oxidizer. Thus, the net weight saving would be substantial.

ADAPTABLE

Milton Klein, NASA's Nuclear Propulsion Office manager, predicts that Nerva's greatest asset will be its adaptability. It should be able to respond, he thinks, to any space mission NASA manages to think up for it.

Among its first jobs will be long, unmanned, interplanetary trips. But it also should be able to perform complicated earth-orbital work, where many stops and starts and changes in orbit are needed. One of the goals of the 75,000-lb. Nerva is a total operating time of one hour, with 10 stop and start cycles. This is four times the lifetime and more than seven times the thrust of the Apollo moon-descent engine. But engineers are already talking about the next step—a nuclear engine that could operate on a stop-start basis for a total of two hours or more in space.

None of the many roles suggested for Nerva are being pushed by the AEC or NASA, nor by Nerva's prime contractors—Aerojet-General Corp. for the rocket and Westinghouse Electric Corp. for the reactor. The reason: They are fearful that Nerva could become tied to one particular space mission and would rise or fall as goes the mission.

COMPATIBLE

The whole Nerva development, they maintain, has been a unique and farsighted piece of planning. Its funding, unlike that of most space projects, has been modest and restrained. Over the past 20 years, only about $1.1-billion has been spent on developing a nuclear rocket engine. Total cost, by the time the 75,000-lb-thrust engine is tested, will be nearly $2.2-billion.

This could turn out to be the best investment the U.S. has made in a piece of space hardware, however. Nerva already is compatible with almost any large booster or second-stage engine the U.S. has built to date. And it should be simple to work into future rocket booster designs. Some time in the late 1970s, says Dr. Chandler C. Ross, senior vice-president of the Nuclear Div. of Aerojet-General, it could make "a beautiful combination with a 260-in. solid propellant booster rocket."

In performance, says Ross, nuclear rocket engine can be considered twice as powerful as chemical engines. Doubling the performance of an engine, he says, means getting twice the performance from the same weight of fuel and that means a doubling of what engineers call "Delta V," or change in velocity. It is this change in velocity that gets a rocket off the launch pad and into orbit, or out of orbit and into space.

This little trick, which Nerva will be able to deliver 10 times or more, will be valuable in making course changes on long interplanetary trips or for changing orbits near earth. Nerva should be powerful enough to switch a satellite, say, from an equatorial orbit to a polar orbit. And, though nobody talks about it, this would also enable future manned spacecraft to go up and inspect orbiting military satellites which are on patrol.

TEST PATTERN

Long before Nerva's time arrives, however, it probably will be the best understood, most perfected engine in history. Already, says Ross, "we have a higher state of knowledge about the nuclear engine than we do about the automobile engine." For one thing, the nuclear engine is amenable to precise modeling: It works the way the engineering curves say it will. And it is easier to understand than a chemical rocket, because scientists' understanding of the physical behavior of gases is greater than their understanding of chemical combustion.

One of the main objectives of the present testing program with the XE engine is to see how it operates in an environment that partially simulates the vacuum of space. This is being done on a new engine test stand (ETS–1) at the U.S. Nuclear Rocket Development Station at Jackass Flats. When shielded doors weighing 1-million-lb. are closed tightly around Nerva and its test equipment, a vacuum can be drawn on it simulating an altitude of 100,000-ft.

The ETS-1 is made out of aluminum because that metal doesn't absorb radiation as steel does. This permits test personnel to get back to work quickly after a power run in which radiation is produced. Other unusual features of the facilities are the re-

actor maintenance assembly and disassembly buildings, where technicians tear down an engine with large mechanical manipulators while they are safely housed behind a radiation shielding window.

OPENING UP

At the moment, Aerojet and Westinghouse seem to have a monopoly on the nuclear rocket engine business. But North American Rockwell Corp., which is studying the engine to see how it might better power the S–11 stage of the Saturn V rocket, says it hopes some day that the nuclear engine program will again be thrown open to competition.

If nuclear rocket engines become big business, North American, as well as several other large aerospace companies, will be clamoring to get into it.

WEST GERMANY'S STAKE IN AVOIDING A NEW ARMS RACE

Mr. HARTKE. Mr. President, the distinguished economic analyst Eliot Janeway recently made another contribution to rationality in an article he wrote on a particular economic consequence of the new missile race that looms so forebodingly before us.

Many of us who have the gravest reservations about President Nixon's call for deployment of an ABM system see as one of the compelling reasons against it the tremendous strain it would place on our own economy. What we sometimes tend to ignore is the fact that any sharp escalation in the United States-Soviet arms race will almost certainly have damaging consequences for our allies as well.

This is the point that Mr. Janeway makes so cogently in regard to the German Federal Republic, in the article that I now ask unanimous consent be printed in the RECORD.

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

WORLD STABILITY KEY IS WEST GERMANY

(By Eliot Janeway)

NEW YORK, February 23.—The more of a nagging backache Viet Nam remains, the more of a powder keg the middle east becomes, the more of an outrage the Red army occupation of Czechoslovakia is, the more of an inflationary burden the missiles race imposes, and the more of a force for monetary instability the weakness of the French franc becomes, the more strategic a key to world stability Germany becomes.

The outward and visible form trouble takes in world affairs nowadays reflects underlying stresses and strains in America's relations with the soviet powers. While a new Russian-American missile race would portend a long-term international political catastrophe and would assure an immediate international financial catastrophe, nevertheless if it develops in spite of the negotiation aimed at avoiding it, it would develop as the consequence of troubles recurring between Russia and America on more familiar fronts.

For the barometer measuring the rise and fall of atmospheric pressures between Moscow and Washington is not located along the air waves missiles travel nor is it centered in Viet Nam or in the Mediterranean. West Germany is where it is. When trouble backs up from the fringe fronts to the critical front on which both sides are committed to gamble and on which neither side can afford to lose, West Germany is where the confrontation centers.

CALLED "THE HEARTLAND"

Europe is what yesterday's geopoliticians used to call the heartland, and what today's geoeconomists have no alternative but to think of as the heartland. And West Germany is more than ever the heartland of Europe—Europe's entire economy pulsates at the pace set by German industry.

Thus, it seems that the more things change, the more they remain the same. The change of intercontinental emphasis President Nixon's projected tour suggests for American strategic policy gives recognition to this abiding fact of life.

In the nick of time, too. For the condition of West Germany is not nearly as robust as it is said to be or as the raw figures of her formidable performance in the world economic competition suggest. The German economic achievement has been advertised as a miracle. This is more than an exaggeration. It is misleading. Like most misconceptions, it rests on a familiar phenomenon—in this case, the well-known willingness of the German people to work hard and to save diligently.

But the German people have always been willing and, indeed, anxious to work hard and to save diligently. Yet they have not always been able to stage an economic performance that could plausibly qualify as a miracle. The controlling factor in the German economy is not economic at all. It is political, in the sense in which confidence in peace results from the negotiations of statesmen and fear of war feeds on mistrust of the plays of power politicians.

The moment the German economy was freed to operate under the security umbrella provided and financed by America at the end of World War II, it gathered miraculous momentum despite the destruction which had supposedly gutted it. So long as the American umbrella remained intact and unchallenged in power terms, the German economy continued to break its own records—even after the Communists scored their psychological coup in erecting the Berlin wall.

NEEDS SECURITY UMBRELLA

But ever since the Red army moved into its new positions dominating Czechoslovakia and threatening Germany, the continuing momentum of the German productive mechanism has gradually come to seem less important than the ability of the west to pack enough muscle and to develop enough flexibility of maneuver to patch up the security umbrella under which the German economy needs to operate to insure prosperity for itself and security for Europe.

From here on out, the "German economic miracle" looks like it will remain as impressive as American strategic policy proves effective, no more and no less. If a new missile race is allowed to start—especially against a background dominated by an intensification of Red army crackdown operations against the former satellites—Germany will be caught up in it.

A return to the sorry past of German military budgeting will cut short the happy future open to German productivity by freedom from arms burdens. Meanwhile, the fact of uncertainty has been enough to stop the speculation on the presumed strength of the German deutschemark. The proliferation of fiscal fall-out from a new missiles race would subject Germany's currency to the same suspicion that is now plaguing markets everywhere else.

THE NIXON REORGANIZATION PLAN

Mr. MUNDT. Mr. President, President Nixon's recent statement on the restructuring of Government service systems is a significant step in decentralizing Government and making Government more compatible with the times as we face the last one-third of the 20th century.

As a candidate, Dick Nixon pledged that he would modernize our governmental structures so that the ever-growing functions of Government could be performed with a maximization of efficiency and economy. President Nixon's recent statement proves that he is a man of his word, and that the people of this country can expect their Government to achieve its goals with increased efficiency over the past performance of the bureaucratic maze which had far too often engulfed the functions of Government and the demands of its citizens.

I am certain that the people of the United States who have long cast an eye of suspicion on the "inefficiency in Washington" will be pleased to know that our President is taking an active step which will coordinate and decentralize the roles of Government, reduce waste and inefficiency at all levels, and promote economy at this most crucial period in our Nation's history.

I ask unanimous consent that the President's statement and the press conference of Messrs. Moynihan, Hughes, and Ziegler relative to the subject of restructuring the Government be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

STATEMENT BY THE PRESIDENT ON RESTRUCTURING OF GOVERNMENT SERVICE SYSTEMS, MARCH 27, 1969

The Reorganization Act which the Congress has passed and which I am signing today gives the President important tools in his effort to make the machinery of government work more effectively. As a part of that same effort, I am announcing today certain structural changes which I am making in the systems through which the government provides important social and economic services.

It was possible for me to take these particular actions without the authority extended under the Reorganization Act. I announce them at this time, however, because they provide specific illustrations of ways in which we can make significant improvement in the quality of government by making it operate more efficiently.

This restructuring expresses my concern that we make much greater progress in our struggle against social problems. The best way to facilitate such progress, I believe, is not by adding massively to the burdens which government already bears but rather by finding better ways to perform the work of the government.

That work is not finished when a law is passed, nor is it accomplished when an agency in Washington is assigned to administer new legislation. These are only preliminary steps; in the end the real work is done by the men who implement the law in the field.

The performance of the men in the field, however, is directly linked to the administrative structures and procedures within which they work. It is here that the government's effectiveness too often is undermined. The organization of federal services has often grown up piece-meal—creating gaps in some areas, duplications in others, and general inefficiencies across the country. Each agency, for example, has its own set

of regional offices and regional boundaries; if a director of one operation is to meet with his counterpart in another branch of the government, he often must make an airplane trip to see him. Or consider two federal officials who work together on poverty problems in the same neighborhood, but who work for different Departments and, therefore, find themselves in two different administrative regions, reporting to headquarters in two widely separated cities.

Coordination cannot flourish under conditions such as that. Yet without real coordination, intelligent and efficient government is impossible; money and time are wasted and important goals are compromised.

This is why I said in the campaign last fall that "the need is not to dismantle government but to modernize it." The systematic reforms I announce today are designed to help in that modernization process. I would discuss those reforms under three headings: rationalization, coordination and decentralization. It should be recognized, of course, that the three elements are interdependent. Without one the others would be meaningless.

I. The first concern is to rationalize the way our service delivery systems are organized. I have therefore issued a directive which streamlines the field operations of five agencies by establishing—for the first time—common regional boundaries and regional office locations. This instruction affects the Department of Labor, the Department of Health, Education and Welfare, the Department of Housing and Urban Development, the Office of Economic Opportunity, and the Small Business Administration. The activities of these agencies—particularly in serving disadvantaged areas of our society—are closely related. Uniform boundaries and regional office locations will help assure that they are also closely coordinated.

The eight new regions and the locations of the new regional centers are as follows:

Region I (Boston): Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.

Region II (New York City): New York, New Jersey, Puerto Rico, and the Virgin Islands.

Region III (Philadelphia): Delaware, District of Columbia, Kentucky, Maryland, North Carolina, Pennsylvania, Virginia, and West Virginia.

Region IV (Atlanta): Alabama, Florida, Georgia, Mississippi, South Carolina, and Tennessee.

Region V (Chicago): Illinois, Indiana, Minnesota, Michigan, Ohio, and Wisconsin.

Region VI (Dallas-Fort Worth): Arkansas, Louisiana, New Mexico, Oklahoma, and Texas.

Region VII (Denver): Colorado, Idaho, Iowa, Kansas, Missouri, Montana, Nebraska, North Dakota, South Dakota, Utah, and Wyoming.

Region VIII (San Francisco): Alaska, Arizona, California, Guam, Hawaii, Nevada, Oregon, and Washington.

I am asking all other federal agencies to take note of these instructions, and I am requesting that any changes in their field organization structures be made consistent with our ultimate goal: uniform boundaries and field office locations for all social or economic programs requiring interagency or intergovernmental coordination.

My directive also asks that the five Departments and agencies involved provide high-level representation in cities where regional offices do not exist. Such physical relocations as are required will be made over the next eighteen months, with special efforts to minimize disruptions to the programs, the employees, and the communities involved.

II. The second step in this reform process emphasizes coordination. It calls for an expansion of the regional council concept from the four cities where it presently operates (Chicago, New York, Atlanta, and San Francisco) to all eight of the new regional centers. The regional council is a coordinating body on which each of the involved agencies is represented. It offers an excellent means through which the various arms of the federal government can work closely together in defining problems, devising strategies to meet them, eliminating friction and duplications, and evaluating results. Such councils can make it possible for the Federal government to speak consistently and with a single voice in its dealings with states and localities, with private organizations, and with the public.

III. The third phase of this systematic restructuring of domestic programs focuses on decentralization. I am asking the Director of the Bureau of the Budget to join with the heads of nine departments and agencies in a review of existing relationships between centralized authorities and their field operations. Participating in the review will be the Departments of Agriculture; Commerce; Health, Education and Welfare; Housing and Urban Development; Labor; Transportation; Justice; the Office of Economic Opportunity; and the Small Business Administration.

This review is designed to produce specific recommendations as to how each agency: (1) can eliminate unnecessary steps in the delegation process; (2) can develop organizational forms and administrative practices which will mesh more closely with those of all other Departments; and (3) can give more day-by-day authority to those who are at lower levels in the administrative hierarchy. Decentralized decision-making will make for better and quicker decisions—it will also increase cooperation and coordination between the Federal government on the one hand and the states and localities on the other. Those Federal employees who deal every day with state and local officials will be given greater decision-making responsibility.

Again, this action is a concrete manifestation of a concern I expressed during the campaign: "Business learned long ago that decentralization was a means to better performance. It's time government learned the same lesson."

Some of the reforms which I am announcing today have been urged for many years—but again and again they have been thwarted. This inertia must be overcome. Old procedures that are inefficient, however comfortable and familiar they may seem, must be exchanged for new systems which do the job as it must be done.

The particular reforms I have discussed here are part of a broad and continuing process of restructuring the basic service systems of government. The reorganization of the Manpower Administration in the Department of Labor—announced on March 13—is another example of this process. So are the reforms which are being made in the postal system and in the Office of Economic Opportunity.

I have established both the Urban Affairs Council and the Office of Intergovernmental Relations in part so that the government could be better advised on additional improvements in service systems. Further systematic restructuring is on the way. Each reform, I believe, will have a major impact on the quality of American government—an impact which will benefit all of our citizens—in all parts of our country—well beyond the lifetime of this Administration.

The Federal government has been assigned many new responsibilities in the last several decades—many of which it carries and many of which it fumbles. Many of the disappointments and frustrations of the last several years can be blamed on the fact that administrative performance has not kept pace with legislative promise.

This situation must be changed. The actions I announce today are important steps toward achieving such changes. By rationalizing, coordinating, and decentralizing the systems through which government provides important social and economic services, we can begin at last to realize the hopes and dreams of those who created them.

PRESS CONFERENCE OF DANIEL P. MOYNIHAN, ASSISTANT TO THE PRESIDENT FOR URBAN AFFAIRS; PHILIP S. HUGHES, DEPUTY DIRECTOR, BUREAU OF THE BUDGET; AND RON ZIEGLER, PRESS SECRETARY TO THE PRESIDENT MARCH 27, 1969

Mr. ZIEGLER. You have the statement by the President on restructuring of Government service systems. It is relatively self-explanatory. Dr. Moynihan and Sam Hughes are here to discuss this with you and answer any questions you may have. Their comments are on the record, contrary to yesterday when it was on a background basis.

Is Frank Porter here? (Laughter.)

Dr. Moynihan.

Dr. MOYNIHAN. One can say anything one thinks on the record on something about the public administration because it never gets printed anyway. If we had a war to announce, by golly, everyone would be here.

This is about the first major reorganization which the President has put into effect. I think it is a matter of some interest, as Sam Hughes, our distinguished Deputy Director of the Budget will attest, that it has been something Presidents have been trying to put into effect for almost 20 years now.

This is the first time in the history of the American Republic that the regional boundaries of the major domestic programs will be co-terminus.

You see how quickly you lose audiences with things like that? (Laughter.)

The pattern has built up that each department, when departments have been established and agencies have been established, their regional boundaries have responded to the sort of peculiarities of subjects or the Congressional arrangements that led to their enactment or just randomness. The result has been that there has been wide variation in the regional headquarters.

There are two subjects, if I could point this out. One is what is the city which has the regional headquarters, and secondly, which are the States that make up the region. Both the States have varied and the regional headquarters have varied. This, as we have gradually found in domestic affairs as more and more we have had to work one program in relation to another or we have developed programs such as Model Cities, which, by definition and by statute presumed the working between different departments on a common subject, that the regional arrangements simply impeded us very seriously.

It made it possible to stand in the Fish Room, now in the Roosevelt Room, and announce enormous events and nothing happened, because there was no structure out there to make it happen, because if there is a rule in political science, it is that Government follows its structure.

What the President has done in the face of not a little bit of presumed difficulty, is to draw common boundaries to establish common regional headquarter cities for this beginning group of domestic departments with the expectation that they will be expanded in the future.

It is this, I think, that begins to make not just the question of coordination of Federal programs a serious issue and a possible result, but also begins to give some structure to the subject of decentralization. It can't be decentralized government unless you have a system of arrangements in the field to which, with authority, with discretion and responsibility, it can be given.

I think we are creating such a structure. It will be a long time, perhaps, in becoming

a reality, but it is an absolutely indispensible first move. As I say to you, for 20 years we have sought this arrangement and now, at length, we have it.

I suppose my final comment would be that there is still quite a bit of detailed working out of the forms in which authority is delegated from different agencies to their regional headquarters. As between different departments, there are quite different levels of regional responsibilities, initiative and so forth, and bringing some responsibility into that is the work of years to come—the year to come, in any event.

Q. Can you really put these together in a field where you do have a central office or are we going to have a half dozen or dozen offices to go to? Can one person speak with authority in the regional authority?

Dr. MOYNIHAN. Sam, do you want to join me here at the lectern?

That is the work of the years to come. We have already begun in four cities a Regional Council, begun last August; just getting some sense in itself, not more than announced, really. But the question of how much of a coherent decision-making apparatus we will be able to develop at regional levels remains to be seen.

It becomes a question of how much you want, but it is now possible to find that out, and up until now it has simply been a hypothetical question for professors.

Q. Will these offices all be in one office building?

Dr. MOYNIHAN. Some of these are pretty large offices. There is a Federal Office Building in each of these cities. In some cases they will all be in the same structure and in other cases they will not. Some of these are big places.

If I could just say, in the whole question of public administration, making the Government work, in delivering public services, the biggest single weakness of the American National Government has been its field structure.

Mr. HUGHES. I agree.

Dr. MOYNIHAN. And not to attend to that is just not to be serious about this subject. It is perhaps the least exciting subject in Government, and that has been the source of the problem, just not in being able to muster the attention of persons to its absolutely essential nature.

For that reason it was almost the first issue we took up in the Urban Affairs Council out of the experience that if you didn't take it up early and get it done fast, other more glamorous issues would drive it into the next Administration.

Q. Will you save money, too, or is this just for efficiency?

Mr. HUGHES. I would regard it as in the interest of efficiency. In your terms it is a management action. It could produce savings. It is not designed to do that. Rather, it is designed to make it easier to manage Federal programs out in the field where services must be delivered, and also to make it easier for the States and cities to deal with the Federal agencies.

Think of the Governor of Colorado, for instance, or the Mayor of Denver, who must deal with Federal regional offices in Denver, San Francisco, Fort Worth-Dallas, or Kansas City. He has an almost impossible kind of a problem, in a physical sense, to span. He is left with correspondence and telephone calls and so on.

So the co-location is the starting point for a whole range of actions which, as Pat said, we hope to evolve over the coming months.

Q. How many Congressmen are losing offices in their cities and how mad are they about it?

Mr. HUGHES. On the latter point, I am not really an authority. My impression is that the decibels, at least at this point, are not impossibly high. Part of the difficulty over the years, the major part of the difficulty has been, as Pat said, on the one hand this is not a glamorous kind of action, and on the other hand it has been a kind of controversial action and has taken courage and determination on the part of the agency heads, the Urban Affairs Council and the President to bring it off.

If you are interested, we have a map of the revised organizational structure, and a listing of the State movements that are involved, agency by agency. The picture gets fairly complicated because each agency, and in some instances even bureaus within agencies, have a different field structure, so you have to look at it in fairly fine detail.

Dr. MOYNIHAN. Could I add one point? In those cities which have been regional headquarters for departments and will cease to be, we are leaving behind a high-level department representative responding to the fact that those are important cities and are intended to be sub-regions at the very least.

There will be very little actual movement of people here as compared to that which would take place in the normal course of events.

Q. What do you estimate, about 1,800 people?

Mr. HUGHES. Probably less than that net, and we anticipate that the moves will take place, to the extent they are necessary, over a year or a year and a half, so that the personal impact could be minimized.

Dr. MOYNIHAN. These are high-level and particularly high-level people in America tend to move around anyway.

Q. Do you mean you are not closing offices?

Mr. HUGHES. I think the situation is this: With eight regions obviously there are major concentrations of population that would not have a regional office in them. On the other hand, to have as many regions as would be implicit in that kind of arrangement creates an impossible kind of administrative structure.

So as we see it, the ideal would be to have cities not included as regional headquarters, like Kansas City, St. Louis, Detroit, Pittsburgh, perhaps, as focuses within a particular region, focuses of Federal personnel also, and having significant Federal representation and some authority in their own right.

Q. Can either of you name the cities that are losing regional headquarters?

Dr. MOYNIHAN. There are five times eight.

Mr. HUGHES. We can list cities. There are lots of moves back and forth. Because of the change of structure certain agencies move one way and other agencies move another. We can, if you would like, take an agency at a time after this session, if you want to, and discuss the moves individually. We know this, but——

Q. Are there 40 different regional offices now?

Dr. MOYNIHAN. You have eight regions and five agencies. You don't have 40, but you have a maximum of 40. The areas from which people are moving in and out are much simpler.

Mr. HUGHES. I can run through the list. Charlottesville will be affected; Washington, D.C., Austin, Kansas City has been discussed; Birmingham, Baltimore, Nashville. There are a number of moves back and forth involving New York City itself, depending on whether the particular agency had headquarters there or not. New Orleans, Cleveland, Seattle——

Dr. MOYNIHAN. I will give you an example of the kind of thing involved. New York City is no longer a regional headquarters for HUD, but it becomes a regional headquarters for other agencies. People who were in New York City in a HUD arrangement who will move to New England and HUD——

Mr. HUGHES. HUD stays.

Dr. MOYNIHAN. But the New England people go out. HUD's regional headquarters remain in New York, but there will be a transfer of persons who have been in New York working on New England which now goes to Boston. It sounds complex, but it is a simple reorganization.

Q. Will Buffalo, New York be affected by any of these moves?

Mr. HUGHES. Not so far as I know.

Q. The President said the things you are doing today are not involved in the signing of the Reorganization Act. What are you planning to do with the Reorganization Act to streamline the Government, or what are the plans of using the powers of the act the President has just signed?

Dr. MOYNIHAN. Don't you think we have enough trouble for one day? (Laughter.)

Q. You don't have that in the works?

Dr. MOYNIHAN. Yes. Remember that the reorganization powers have existed for 20 years, and are sort of a standing concomitant of the Presidency and in a normally effective Government reorganization considerations are always going on. It is a more intensive point than in the earlier Administration and President Nixon has spoken with special interest on this. I think you can look forward to proposals, but we have nothing right now.

Mr. HUGHES. Lots of things are being looked at.

Q. You pointed out that for 20 years people have been interested in this. Can you identify some of the obstacles that have come up over the years?

Dr. MOYNIHAN. I think Sam put it best. This is the kind of subject that people who are close to Government are very passionate about and people out of Government don't even know about. It always happens. To be associated with the movement of some resources from one part of the Congressional map to another. So there have always been people who by definition will have to be against it.

This combination of a rather low level of public interest and a rather specific level of local opposition has meant by and large that no President has ever been willing to bite the bullet. Now we have done so.

Mind you, once it takes place, then the new arrangements become sacred and absolutely imbedded in the Constitutional division of the Republic.

Mr. HUGHES. I think a factor, also, is the growing obviousness of the need to do this sort of thing, given the structures that the President has set up, the Urban Affairs Council, the interrelationship that this group of agencies and others who are involved in urban problems.

Q. What progress is being made in those cities picked for Regional Councils?

Mr. HUGHES. The Regional Councils that have been established are four in number. They were established at the only four cities where the four agencies involved happen to have co-located regional offices.

Interestingly enough, none of those regions coincide. For instance, the New York regional office, those four agencies have only one State in common, New York State. So that they have been experimental in nature thus far. They have proved, in our judgment and I believe in the judgment of the people who have participated in the Councils, to be a very useful and productive experiment in working together in a fashion that is increasingly necessary, but still is somewhat novel in Federal activities, and this particular geographic action that we are talking about here is designed to encourage that kind of cooperation.

The Federal Government has been organized categorically over the years and agency programs, I think, have tended to construct walls around themselves. We need, by these kinds of measures, to attempt to pierce these walls and put doors in them, and so on, and by the process of co-location and the advantages that are obvious in these four cities, have people being able to meet and discuss common problems, whether it is the Model Cities program or any other of mutual interest.

Those advantages, I think, have appeared in these four locations, and we do plan, hopefully, if the experiment succeeds, to extend it in other areas and to other agencies and programs where there is this same kind of relationship and need.

Dr. MOYNIHAN. We are going to establish Regional Councils in the four regional headquarters. Automatically that is done today.

Q. What is the make-up of these Regional Councils? Who sits on them?

Dr. MOYNIHAN. HEW, HUD, Labor and OEO.

Mr. HUGHES. We started with these as a nucleus. We don't regard it as the end of it all, but we do want to keep the Councils more or less homogeneous in terms of their interest and involve those agencies essentially that would be involved in the Urban Affairs Council structure here in Washington.

Q. The figure 1,800 was dropped, and then you seemed not sure of that. How many people are going to be moved out of the cities?

Dr. MOYNIHAN. The problem there is that these moves will be phased over 18 months and an unknown number of those people will leave their jobs for other reasons, find other places they can stay in and so there will be an empty slot moved—join the Army.

Q. Can you give me a count at all?

Mr. HUGHES. I would say 1,200 or 1,400 may be confronted with a move at some time in this period. I hate to use the numbers, because they focus attention on a problem that may not exist, given the time interval, given turnover, and given the opportunity to establish what may be called essentially sub-regional offices in some of these cities where the employees might otherwise have to move from.

Q. Are these only high-level people, or are you talking about clerical support, too?

Mr. HUGHES. The numbers involve the total range of personnel. Some of them obviously will elect to stay, perhaps, in these agencies or otherwise disassociate from the regional office so they don't have to move. That is part of the problem of estimating the moves.

Q. Do you mean then that there will be 400 who might find jobs in the cities they are now working within Government. Is that your estimate?

Dr. MOYNIHAN. Sure. It is a long-established industrial practice now when you have to make changes in personnel to do them through the normal turn-over as much as you can. These end up to be surprisingly painless affairs if they are given time and advance notice.

Q. I am still not clear on whether any of the current regional offices will completely close in Kansas City.

Dr. MOYNIHAN. Is Kansas City a regional headquarters?

Mr. HUGHES. Yes.

Dr. MOYNIHAN. It will no longer be. That is the one that immediately comes to mind.

Q. Some will disappear but reappear as sub-regional offices?

Dr. MOYNIHAN. Yes. They may have to go around and write "sub" on some of the windows.

Q. Is Kansas City——

Mr. HUGHES. There is a map which would show the new regional structure and we have a map which shows agency by agency the impact in terms of boundaries.

Q. How about the numbers of jobs?

Mr. HUGHES. The jobs we don't have, simply because we don't know what the impact will be over a period of time on these people. We don't know how the sub-regional structure will be involved.

Dr. MOYNIHAN. If we seem to be a little vague on this, it is not that we are vague, it is because this is an immensely complex subject. If you want to know why we are doing it you ought to sit down and spend the day trying to find out what is the present state. We set up a regional council of four major departmetns in New York City—New York City being the headquarters for each of those departments or agencies—only to find that the only State those four departments had in common was New York itself. It is just not beyond anybody's comprehension, it is just a very complex business.

Q. You have not said exactly whether there will be any regional offices completely closed down. Is the answer no?

Dr. MOYNIHAN. Yes, there will be, in terms of specific departments.

Q. Which ones?

Dr. MOYNIHAN. All over this map. We can spend the afternoon on it and we will give you the data.

Q. Are those the ones you read?

Mr. HUGHES. I read the list of cities where there are now regional offices or equivalent which would be affected by this action.

Q. Does that mean they will be closed down?

Mr. HUGHES. No. It means that that will no longer be a regional office. There may be—and in my judgment probably will be—personnel remaining there, perhaps the same personnel, but that will not have the label on it, on the door "Regional Office."

Dr. MOYNIHAN. Let's be very clear. There are not going to be any doors locked in this process. There is no major city in the country that doesn't have in it offices of almost all the major departments of Federal Government. The question is: Where we have tried to establish regional systems, we have settled on eight, and the question is: can we transfer to those areas a measure of initiative, a measure of responsibility and authority so that in fact the work of Government in those very areas can go on closer to the areas involved. Most of these regions are, in terms of population, if you broke these eight regions up and put them in the U.N. Gazetteer, they would be the 8th, 9th, 10th, 11th, 12th, 13th and 14th biggest and richest countries in the world.

Finding a structure where you can give real power and authority is difficult. It is not a question of the taking of people out of Kansas City and into St. Louis and so on. There are going to be HUD and HEW, DOT and Labor people in all those places. It is a question of where do you locate the man you call Regional Director and what kind of authority do you give him and do you give to each of your people a sufficiently convergent set of powers and responsibilities so they in fact can sit down and make decisions of their own that have consequences.

Q. Implicit in that, it seems to me, there will have to be a coordination among these agencies in the level of authority granted regional directions.

Dr. MOYNIHAN. That is correct. That is the next phase of our operation.

Q. Is there going to be any single man representing all of those?

Dr. MOYNIHAN. No, we have specifically rejected that idea.

Q. How about in the cities where you are leaving some people behind, is there going to be a single man there?

Dr. MOYNIHAN. No. The curious fact of the American National Government is that there is only one "single man" and he is called the President and that is the arrangement we have.

Q. I would like to talk about Kansas City. You are going to move HEW, OEO and Labor. That is 825 people involved. That is $10 million a year in payroll. HEW said it will cost them $800,000 to go to Denver. The Missouri and Kansas delegations, Republicans and Democrats alike, are upset. They don't understand why you are moving three bigger offices to Denver instead of two smaller ones to Kansas City.

Dr. MOYNIHAN. These are numbers that have to do with the headquarters functions. They do not in any sense reflect a necessary net loss to that city of Federal employees or Federal payroll. They just don't. It would be our hope that any actual change to this would be very minimal, indeed.

They are changes in our organizational structure, not in the economic structure of Kansas City.

Mr. HUGHES. I think that is a fair statement. The reasons for Denver versus Kansas City—judgments differ on this—but there are reasons of transportation networks, regional practices, regional associations, the suitability of Denver versus Kansas City as the headquarters city for the mountain states and those sorts of things.

We have tried, also, to minimize the moves within the total structure.

Dr. MOYNIHAN. Let's be very candid. When you ask what is the difference between Kansas City and Denver, the answer is that a good case can be made for either, but if you are going to have one regional headquarters you have to have one. It has just been the unsatisfactory nature of the decision that has been part of taking 20 years to make it.

Mr. HUGHES. One of the problems here is that you can slice 50 States and some territories and so on almost an infinite number of ways and it has been extremely difficult to get any measure of consensus or agreement as to the best arrangement. In evolving an arrangement, you cannot just look at the mountain states or Kansas City or Denver. You have to look at the country and the feasibility of fanning out from Washington, how many regions there ought to be in total and those kinds of questions. That is what we tried to stress.

Q. Can we find out about our specific regions?

Dr. MOYNIHAN. The Bureau of the Budget has it.

Q. Should we call the Bureau?

Dr. MOYNIHAN. Yes.

Mr. ZIEGLER. We will pass out maps, together with that release, which spell out the area covered in each region. They will give you an indication of what area the various headquarters cover.

The PRESS. Thank you.

DWIGHT D. EISENHOWER—IN MEMORIAM

Mr. TYDINGS. Mr. President, of only one other citizen in the history of the Republic could it be said "First in war; first in peace; first in the hearts of his countrymen." This memorial to the Father of our Country applies as well to its 34th President, whose passing we now mourn.

His nation's hero in war, its leader in peace, beloved by his fellow citizens and the citizens of the world, Dwight David Eisenhower epitomized the vigor, conviction, discipline, and integrity which are the foundation stones of our country.

He was an American. He was a great American of his era. And even in retirement he enriched our national life with his summons to the fundamental values in the American heritage.

We will miss him. But his life will not be honored if we simply recall his virtue as some relic of our national past. We must, instead, live as he would have lived: tolerant of the views and failings of others, but relentlessly demanding in the energy, honesty and vigor with which we pursue our own life and work.

So let us honor our departed leader. Let us be proud to have been his countrymen.

DEDICATION OF OLIN D. JOHNSTON ROOM AT UNIVERSITY OF SOUTH CAROLINA—ADDRESS BY GOV. ROBERT E. McNAIR

Mr. HOLLINGS. Mr. President, on April 2, 1969, I was pleased to be present for the ceremony marking the dedication of the Olin D. Johnston Room at the University of South Carolina.

The late Senator Johnston, known and beloved by most of the Members of this body, held for 20 years the seat I now occupy.

It is only fitting that the University of South Carolina chose to honor Olin Johnston, in view of his many services and years of dedication and hard work in its behalf. On this occasion, the dedication remarks were delivered by our State's distinguished Governor, Hon. Robert E. McNair. Governor McNair's remarks were eloquent in their simplicity and, indeed, caught the spirit of the life of this great man.

I ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY GOV. ROBERT E. MCNAIR AT CEREMONY MARKING THE DEDICATION OF THE OLIN D. JOHNSTON ROOM AT THE UNIVERSITY OF SOUTH CAROLINA, APRIL 2, 1969

It is a great personal honor for me to be able to participate in this dedication today, because I looked upon Olin D. Johnston as a friend and a great teacher in the art of serving our fellow man. Time permits us to look with some perspective now on the life and career of this man, and yet the vision does not dim. Again and again, we recall the image of the tall senator talking with the factory worker, or the small farmer, or the public employee. We recall him in the role of a man who championed difficult causes. Those causes were difficult because they served nobody but the people, and anyone familiar with public life knows that the little man, the common man, has no lobby in Washington or Columbia. He expresses himself with the only power he has—the vote—and he used this power to send Olin Johnston into high public office for more than four decades.

We are gathered here today with so many distinguished friends of Senator Johnston to dedicate this room to his memory. It is a fitting and proper tribute because this great university belongs to South Carolina, and so did Senator Johnston. I express my congratulations and appreciation to those who have made this memorial possible, because I hope that South Carolinians in the generations ahead will continue to benefit from this man's contributions to our state and nation. This memorial room brings together in one place so many of the papers and other important items of his life and career, and makes his memory a living one for us all.

I would hope, however, that this room will serve as more than a source of research and interest for students. Olin Johnston was a working man, and those who made his public life possible were working people. I would like for that great corps of South Carolinians who loved and depended upon him to feel that this is their room, too. I would hope that the factory worker, the farmer, and the public employee will come to this place, and will understand more fully exactly how much this man gave to all South Carolinians.

We live in days of relative prosperity today, and although we still face many deep and serious problems, our state is experiencing wave after wave of economic expansion. These are days of optimism and confidence in the future of South Carolina. But these are also days when we cannot permit ourselves to forget where we have been. Most of all, these are days in which we must understand fully why we can now say with hope and assurance that South Carolina's day of fulfillment is within reach.

We can say so because in the depths of deepest trouble, our state had a man of vision, courage and strength to lead us. We had a man who looked honestly and frankly at our problems, and met them head-on. History will record that Olin Johnston brought electricity into the homes of thousands of South Carolina farm families. It will record that many thousands of industrial workers gained better working conditions through his efforts, and learned a new sense of dignity through his example.

History chose a particularly challenging period for Olin Johnston to serve his state and his nation, and we can be thankful for it. He governed his state twice—in the depths of the nation's worst depression, and in the midst of our nation's most brutal war. They were not happy times or easy times. Perhaps more than any other time in this century, they were times which demanded a man of excellence to lead his people and Olin Johnston was that man.

He was a man of conviction who arrived at a time when hard decisions had to be made. All of us connected with the leadership of South Carolina today know just how important those decisions were. We know that the hard-fought battles he won for progressive government and fiscal responsibility have formed the very foundation of our economic progress today. We must not let South Carolina forget the lesson he taught us in those difficult days.

But we cannot stand here today as South Carolinians and not realize that Olin Johnston was first and foremost an American, and for the last 20 years of his life served his nation in the United States Senate as a leader of nationwide prominence. Here this tall man from Anderson County reached his fullest height, and became a giant among his peers. Just as he championed the cause of the little man in South Carolina, he spoke up for the working people throughout our nation, and they looked to him for leadership. His colleagues knew this and recognized it. I can think of no better way to give expression to our thoughts than to use the words of our nation's leaders in speaking of Senator Johnston. His long-time Senate companion Senator Richard Russell of Georgia called him steadfast champion of the small farmer and workingman. Senator Margaret Chase Smith said he was the best friend the federal employee ever had. Senator George Aiken of Vermont said that "During his entire career in the Senate, he worked for those who needed his help most and whom it would have been easy to ignore and neglect.

Olin Johnston never ducked a good fight or a sticky problem. When 97 per cent of South Carolina's farmers were without electricity in their homes, he went, as Governor, directly to President Roosevelt and got the first REA grant to bring light to our state's rural areas. In the later years of his career, he was not afraid to cast the only southern vote for the Medicare program as proof that he never deserted those who needed help the most.

But what we say of Senator Johnston's accomplishments are only surface reflections of the inner character of this man. What we will recall after we close the history books on our state and nation will be the image of this strong and imposing man reaching out to grasp the hands of all those thousands of laboring South Carolinians who knew they could place their faith and trust in his large hands. Olin Johnston could speak and fight for them because he was one of them. If I could characterize his life in one phrase, I would have to say that he proved to all of us exactly what America is all about. At a time when our state and nation were not so certain about their future, Olin Johnston gave them new reason to believe in our inner strength. His memory today, and the physical record of his accomplishments which we dedicate, give us that same strength today. These, too, are difficult times. They are not difficult in the same sense as the Depression or War years. These are times of moral uncertainty in our nation and in our world. These are days when we are pushing back the frontiers of space and scientific achievement at an unprecedented rate, but we sometimes do so at the expense of human values, and we leave a debt of unfulfilled individual aspirations. Some of our young people feel that we are de-humanizing our society as we become increasingly dependent upon machines and electronic equipment.

I say today that the life of Olin D. Johnston should be a living symbol to young people throughout America of just how important the individual spirit is in our society. He rose from the red clay of Anderson County and earned his education the hard way, working in our state's textile mills to send himself through Wofford College. Even before he received his law degree from the University of South Carolina, he had embarked on a career of public service in the South Carolina General Assembly.

He knew and understood personal sacrifice, even disappointment, and yet he used all his experience to make him a bigger, and a stronger man. He knew patience, and yet there was no more dynamic figure in our nation in bringing about the type of changes necessary to improve the lot of our working people. To those who would continue his struggle today to make our nation a better place for all persons to live, I suggest that they understand how this man turned ideas and concepts into action. It is easy to speak loudly in defense of a cause; it is much more difficult to deliver the actual means of improving a situation. Olin Johnston was a man who could deliver the type of positive action which meant the most to those whom he sought to represent and assist.

His close colleagues in the Senate knew perhaps best of all just the type of dedicated servant he was. Senator Eastland, a longtime friend, summed up his dedication to the common man this way: "When it came to loving, and being loved by just people, Olin Johnston had no peer. His devotion to his fellow man was deep and abiding. He served equally well the good and the bad, the poor and the rich, the ignorant and the intelligent, and all shades in between."

This was the nature of the man in whose memory we gather today. I am so pleased that Mrs. Johnston and so many members of his family could be with us today, because this is a happy occasion. In dedicating the Olin Johnston Memorial Room at the University of South Carolina, we not only express the appreciation of a grateful state, but we assure that the achievements of this man's life will be felt in the generations ahead. I am proud and honored to be a part of this dedication, because I can think of no greater legacy we can leave to South Carolinians of the future than the living influence of Senator Olin D. Johnston.

THE SS "HAWAIIAN ENTERPRISE"

Mr. TYDINGS. Mr. President, as a member of the Subcommittee of the Merchant Marine, I am very proud of a notable event which took place this April 10. The world's largest containership, the SS *Hawaiian Enterprise*, was christened in the port of Baltimore. The $20 million vessel was dedicated by Mrs. Daniel Inouye, the charming wife of the Senator from Hawaii.

The ship was built for the Matson Navigation Co., one of the Nation's leading unsubsidized lines. The 34,700 deadweight ton vessel, with a 32,000 shaft-horsepower engine and a top speed of 23 knots, illustrates the dedication and abilities of the men who build and comprise the American merchant marine. She is positive proof that America has not priced herself out of the shipbuilding market, as some of our critics would have us believe. Sparrows Point Shipyard's $240 million worth of contracts also validates this proof.

The SS *Hawaiian Enterprise* gave us all a little scare, however. Like the typical woman, she could not make up her mind whether she really wanted to venture from the slip. It took a full 55 seconds for the ship to move into the Patapsco River. As Dan Mack-Forlist, general manager of the shipyard remarked:

It seemed like an hour, but it was only 55 seconds—a long 55 seconds.

But it would take much more than a minute's delay to lessen, in the slightest, our pride in Maryland's great port and shipyard facilities.

THE GREATER WASHINGTON JEWISH COMMUNITY FOUNDATION

Mr. RIBICOFF. Mr. President, in November 1965, the Greater Washington Jewish Community Foundation was organized as a new home for three independent Jewish social service agencies.

The foundation initiated a drive for funds, and the Jewish community of the Metropolitan Washington area can be very proud of its success. For private contributions have now paid the entire cost of the new $8 million complex.

Much of the credit for this accomplishment goes to the foundation's president, Mr. Charles E. Smith, who has shown in so many ways that his foremost concern is the welfare of his fellow man.

Three events have been planned to celebrate the dedication of this magnificent community service complex in Rockville. The first of these, which will honor the Chief Justice of the United States, is described in detail in a newspaper story.

Mr. President, I ask unanimous consent that an article which was published in The Jewish Week be printed in the RECORD:

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

FOUNDATION WILL HONOR WARREN AT MASADA OPENING

The Chief Justice of the United States Earl Warren, who is also Chancellor of the Smithsonian Institution, will be the guest of honor and receive an award from the Jewish Community Foundation on the occasion of the invitational opening of an exhibit entitled, Masada: A Struggle for Freedom. The opening at the Smithsonian Institution's Museum of Natural History will be on May 17, at 8 p.m. The Chief Justice will be the guest of the Foundation and the Regents and the secretary of the Smithsonian.

The exhibit, one of three events in the dedication of the new Jewish Community Foundation in Rockville will be followed by a Ball at the Washington Hilton Hotel June 14 and the Dedication ceremonies at the Foundation complex June 15.

Co-chairmen for the Masada are Sheldon S. Cohen and David Lloyd Kreeger. In asking the Chief Justice to be the honored guest, Cohen referred to: "The struggle against enslavement of the human body and mind is never ending. In 73 A.D. on the rock of Masada in the wilderness of Judea, a few hundred valiant Jews stood off 6,000 Roman soldiers until outnumbered by 20 to one they realized defeat was inevitable and took their own lives rather than submit to enslavement. During your term as Chief Justice the Supreme Court has continued the struggle against enslavement in its historic decisions against discrimination, segregation, denial of rights and denial of opportunities."

In reply, the Chief Justice wrote:

"It will be a great pleasure for me to be present on this occasion, and I am grateful to all of you for thinking of me in these terms."

Charles E. Smith, president of the Foundation said in speaking of the May 17 event, "Both this exhibition and the work of the Chief Justice remind us that freedom is not automatic. It must be preserved and protected by every man in every generation."

During the evening the Dedication Cabinet of the Foundation will present the Chief Justice with an appropriate bronze plaque depicting the Jewish community's appreciation of the Chief Justice on the occasion of the Masada opening.

Members of the Cabinet are: Justice Abe Fortas, Hon. Arthur J. Goldberg, Sen. Jacob K. Javits, Hon. Abraham A. Ribicoff, Hon. David L. Bazelon, Hon. Sheldon S. Cohen, Hon. Sol. M. Linowitz, the Hon. Lewis L. Strauss, Charles E. Smith, president of the Foundation; Bernard S. White, president of the Jewish Community Center; George Hurwitz, president of the Hebrew Home; Richard England, president of the Jewish Social Service Agency; Mrs. Joseph B. Gildenhorn, chairman of the Dedication Ball and David Lloyd Kreeger, chairman of the Dedication.

The Committae has also invited the Ambassador of Israel, Yitzhak Rabin to participate in the presentation ceremonies. The Israel Exploration Society in Israel and New York's Jewish Theological Seminary brought the Masada exhibit to this country.

Working on the Masada Committee are Mrs. Norman Bernstein, representing the Jewish Community Center; Mrs. Robert Smith, representing the Hebrew Home; Mrs. Lee G. Rubenstein, representing the Jewish Social Service Agency and Mrs. Williard I. Zucker.

These three agencies, all members of the United Givers Fund, make up the Jewish Community Foundation.

The exhibition tells the story of archeological work done at Masada in 1963 by Professor Yigael Yadin of the Hebrew University in Israel and over 5000 volunteer archeologists from the nations of Europe and the U.S. Over a two year period they uncovered two palaces of Herod, his enormous storehouses, priceless scrolls, mosaics, jewelry, coins, lamps, cooking utensils, fruits and clothing as well as some of the Roman catapult balls the people of Masada fought against. The exhibit includes scale reproductions of houses, actual artifacts, models and history of this famous modern "dig" and its workers.

The Smithsonian has indicated that Masada is one of the most complete archeological exhibitions ever assembled and the story which it tells is full and accurate.

The exhibit which is free to the public, opens May 18 and will continue through July 20.

COSTLY MILITARY PROCUREMENT MISTAKES

Mr. GOODELL. Mr. President, on April 3, 1969, the Senator from Kentucky (Mr. COOK) and I visited Dayton, Ohio, to view the world's most costly museum exhibit—the XB–70 bomber now in the Air Museum in Dayton. We issued a joint statement at that time, in which we were joined by two other Republican Senators, MARK O. HATFIELD, of Oregon, and WILLIAM B. SAXBE, of Ohio. Two of our Republican colleagues, Senator JACOB K. JAVITS, of New York, and Senator JOHN SHERMAN COOPER, of Kentucky, issued supporting statements.

We made our trip to Dayton to dramatize the fact that military estimates of what is necessary to protect our national security are not infallible. The Military Establishment can make mistakes. The XB–70 was a $1.4 billion mistake, obsolete before it was built. We wished to state our concern that the proposed Safeguard ABM may be another costly mistake; that after billions have been spent on it, it may be found to serve no purpose other than as a museum exhibit.

It has been pointed out that the civilian leadership in the Pentagon, especially former Secretaries of Defense Gates and McNamara, did not support the XB–70. This is true. It is also true, however, that the uniformed Military Establishment strongly supported the XB–70, and prevailed upon Congress to appropriate over a billion dollars for this useless bomber. The military was wrong then, as it was wrong about the "Snark," "Mauler," and "Navaho" missiles and the TFX fighter. Mistakes of this magnitude illustrate the importance of exercising the most searching independent scrutiny of the military's present claims in favor of the ABM and other costly items of hardware.

Mr. President, I ask unanimous consent to have printed in the RECORD the joint statement made by Senators COOK, HATFIELD, SAXBE, and myself, and the supporting statements made by Senator COOPER and Senator JAVITS.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATORS CHARLES E. GOODELL, OF NEW YORK, MARLOW W. COOK, OF KENTUCKY, WILLIAM B. SAXBE, OF OHIO, AND MARK O. HATFIELD, OF OREGON, ON THE PROPOSED SAFEGUARD ABM SYSTEM

I

We are standing here in the Dayton Air Museum before the world's most expensive museum piece—the XB–70.

The XB–70 bomber cost American taxpayers $1.4 billion. It was obsolete by the time it was built. It added nothing to our nation's security. It was a huge, useless, billion-dollar-plus white elephant.

Now, the military establishment is proposing a new multi-billion dollar item of military hardware—the ABM. It will be still more expensive—costing anywhere from $6 to $20 billion or perhaps still more.

Will the ABM be a new Edsel of the air like the XB–70? Are we going to be standing before the ABM in this Air Museum in Dayton ten years from now? Is it going to be another dinasour, obsolete before it is built? Will it cost us billions without adding to the nation's security? We fear it will.

We must do what is truly necessary to preserve our national security. But we have come here to the Dayton Air Museum to make the point that military estimates of what is needed to protect our security are not infallible. The military establishment can make mistakes, just as we all can.

The XB–70 was one of those mistakes. So were missiles like "Snark", "Mauler" and "Navaho" that became obsolete before they were built. So was the TFX single-design fighter on which we have been throwing good money after bad and which still isn't working.

There is only one way to avoid this sort of billion-dollar mistake. Members of Congress and independent, unbiased experts must exercise the most searching scrutiny of military spending projects. This process of inquiry will guard against XB–70's of the future. It will help prevent billions from being wasted that are needed to meet domestic social needs. It will help assure that the weapons systems that pass the test of impartial, intelligent examination are the best in the world.

II

We are now being called upon to approve billions of dollars of spending on the ABM. We have not, however, been given clear and convincing reasons why this system is necessary for our national security.

Because we feel the case for ABM is still full of gaping holes, we believe it our duty to oppose its deployment at the present time.

We are Republican Senators, but we feel the ABM issue transcends partisan considerations. We simply owe it to American taxpayers not to vote gigantic sums for a project that may simply end as no more than another museum piece like the XB–70.

The arguments that have been presented in favor of the ABM have been full of inconsistencies.

Secretary of Defense Laird has argued that the Safeguard ABM is essential to protect our Minutemen missiles against first-strike attack by the Soviet Union. He points to the Soviet SS–9, an intercontinental missile with a 25-megaton warhead capability, as indicative of this Soviet drive for first-strike capacity against our Minutemen deterrent.

According to this thinking, the ABM is essential to our security whether or not the Russians proceed with their own ABM.

On the other hand, Secretary of State Rogers has stated that the United States would consider negotiating a halt in the development of the ABM if the Soviet Union were willing to do likewise. Secretary Laird has said the same thing. This position is clearly inconsistent with Secretary Laird's testimony on the SS–9. If the SS–9 and other Russian hardware could really destroy our deterrent, how could we afford to negotiate our ABM away?

The Administration position is further complicated by President Nixon's statement that arms control talks with the Soviet Union will be approached in terms of "freezing" levels, not limitation or reduction. As for abandoning the ABM, the President is not hopeful. As long as there is a Chinese threat neither the U.S. or the Soviet Union, he feels, would look upon abandoning the ABM with much favor.

A basic weakness of the case for the ABM is that it ignores the deterrent capacity of our Polaris and Poseidon force under the seas.

Even if a Russian first-strike could knock out our Minutemen missiles in their hard sites, our Polaris and Poseidon missiles launched from nuclear submarines could devastate Russian cities, kill 50 to 100 million Russians, and poison their atmosphere. This would make a Russian attack suicidal.

Moreover, we will continue to move ahead in this undersea missile deterrent. Secretary of the Navy Chafee has stated that we are planning an Undersea Long Range Missile System for introduction in the late 1970's.

President Nixon has pointed out that neither the Soviets nor the United States can protect its cities in a nuclear war. This stark potential of mass human destruction—and not any defensive missile system—is the ultimate deterrent against a world nuclear war.

It has been said that the ABM is a purely defensive system. Nevertheless, it will be a stimulus to the arms race. History has shown that there can be defensive arms races, as well as offensive ones. Now both great powers have a sword—the offensive nuclear missile. If one side gets an ABM shield as well as a missile sword it will inevitably seem more menacing to the other side. So the other side will rush to get an ABM shield too, or to strengthen its missile sword by developing penetration aids. This means a continued process of arms escalation.

III

The XB–70 certainly looks impressive, here in this museum. It weighs a half a million pounds. It is designed to fly three times the speed of sound. It is made of stainless steel and titanium. But it does us no earthly good as a museum exhibit.

The XB–70 is not the only white elephant in our arsenal.

In the past 15 years, we terminated over $8 billion in major military hardware that never became operational. Of this amount, about $3 billion was spent on aircraft, of which the XB–70 accounted for about one-third. About $4 billion more was spent on various missiles such as "Snark", "Mauler" and "Navaho" which were abandoned before they were deployed. The attached table lists these abandoned weapons systems.

Is this the same story we are going to hear about the Safeguard ABM System one, two, or ten years from now?

Obviously, there is a need for research and development into new weapons technology. Admittedly, many theoretical concepts don't get off the drawing boards. However, why do we build equipment that is obsolete before it comes off the assembly line—equipment which we neither need nor can use? How much can we afford to spend on weapon abandonment?

The F–111 plane—TFX—is a painful case in point. Ever since this system for a single-design fighter plane for the Navy and the Air Force was proposed in 1961, we have been throwing good money after bad. Congress has appropriated $6.5 billion for this system through fiscal year 1969, but the taxpayer doesn't get much for his money. The Navy version of the plane was cancelled last year because of costs and technical difficulties. The Air Force will receive fewer of its version of the plane this year than originally planned because the costs are too high and other types of aircraft can do the job.

The development of the FB–111—an "interim" strategic bomber version of the TFX—has always been open to question. Nonetheless, we forged ahead with production and deployment plans, despite rising costs and technical difficulties. On March 19, Secretary Laird told the Senate Armed Services Committee that the FB–111 program will be cut back; however, the program will be continued "to salvage what we can of the work in process." Meanwhile, we will "concentrate our efforts on the development of a new strategic bomber, AMSA." As the Secretary put it, "The FB–111 will not meet the requirements for a true intercontinental bomber and the cost per unit has reached the point where an AMSA must be considered to fill the void."

Haven't we heard this story before? Are there enough museums to house the FB–111s?

IV

How did we spend so much money in the past on these dead-end projects? Largely through exaggerated estimates of our opponents' capabilities and inaccurate surveys of our own defense needs.

How often have we been told that we must spend huge sums on a weapons system of questionable utility because we will soon become "inferior" in striking power to the Soviet Union; or because the Russians will outnumber us on the basis of given production estimates; or because Russia will be able to "destroy" us?

And how many times have these predictions been inadequate and proven wrong?

In 1956, General Le May, then chief of the Strategic Air Command, warned us that the Russians were building a huge bomber force which would outnumber our bomber force 2-to-1 by the end of the decade. To counter this supposed bomber challenge, the United States appropriated billions for bombers.

But these bombers became obsolete as a deterrent against a Soviet attack. Our obsession with the numbers game in bombers proved misplaced. Arms competition shifted to missiles.

When a weapon becomes demonstrably obsolete, we should promptly discontinue it. But the military did not do this in the case of the XB–70 bomber. Instead we spent huge sums trying to keep this dying project alive. General Le May was still urging the usefulness of the XB–70 in testimony before the House Armed Services Committee in 1964.

The Air Force tried to salvage the XB–70 by making it a reconaissance-strike plane (the RS–70). It was to follow an ICBM strike to see what targets remained. This plan also flopped.

The Air Force then tried to resuscitate the XB–70 as an experimental supersonic plane. Test flights measured the magnitude and effects of sonic booms produced by large aircraft in supersonic flights. Information obtained from the flights were to be applied to the supersonic transport program. But that program may itself be shelved. It has been reported that President Nixon's 11-member interdepartmental committee to study the SST project is expected to recommend that supersonic transport be deferred for a number of years.

So what did we end up with, in the case of the XB–70? A technological fossil in a museum. This must not be permitted to happen with the ABM.

What of the domestic impact of the ABM? Surely, our military spending must be considered in the context of the urgent needs to meet pressing social problems at home.

If it were clearly established that the ABM is essential in the interest of national security, we would have to build it notwithstanding the cost. We would have no choice but to tighten our belts on other spending.

But the ABM has not been shown to be essential. At best it is of unproven utility. At worst, it is useless or positively harmful. We simply cannot afford to let our domestic priorities be distorted by vast spending on costly military hardware of questionable usefulness. We cannot afford to add another exhibit to this museum at the expense of our deteriorating cities.

The experience of the XB–70 should be a lesson to us. We should think about what could have been accomplished had the $1.4 billion for this airplane been spent on meeting some of our domestic needs. Some comparisons might be instructive.

The world's largest housing development—Coop City—has just been built in the Bronx. This ambitious, moderate-income project will house over 60,000 persons in modern, comfortable, low-cost cooperative apartments. It cost about $340 million to build. For the $1.4 billion spent on the XB–70, four Coop Cities could have been purchased and built. They would have housed 240,000 people—which is as much as the entire population of a medium-sized city.

Alternately, the $1.4 billion for this airplane could have been spent to provide job

training for nearly 1,000,000 unskilled workers. This investment in human beings would have been paid back many fold—in higher wages and better living conditions—instead of sitting uselessly in a museum.

As long as the Pentagon fails to establish a clear and convincing case for the ABM, we cannot afford to spend billions on its deployment. We should not abdicate our own reason and judgment before the power and prestige of the military establishment.

This week, we mourn the loss of our great General and great President, Dwight David Eisenhower. We would do well to remember the words of his Farewell Address delivered to the American people in 1961:

"In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist.

"We must never let the weight of this combination endanger our liberties or democratic processes. We should take nothing for granted. Only an alert and knowledgeable citizenry can compel the proper meshing of the huge industrial and military machinery of defense with our peaceful methods and goals, so that security and liberty may prosper together."

MAJOR PROJECTS TERMINATED BEFORE DEPLOYMENT DURING THE PAST 15 YEARS

Project	Year started	Year canceled	Funds invested (millions)
AIRCRAFT			
Army: XV-3 Convertiplane	1952	1960	$10.1
Navy:			
Seamaster	1951	1959	330.4
F-8U-3	1956	1958	100.0
HSL-1	1950	1955	94.0
F-5D-1	1954	1957	49.0
A-2D-1	1950	1954	47.0
T-40	1954	1958	33.0
A-2J-1	1948	1963	20.0
J-40 engine	1944	1953	18.0
F-10F-1	1950	1953	15.0
F-2Y-1	1949	1955	15.0
Air Force:			
ANP	1951	1961	[1]511.6
F-108	1958	1959	141.9
XF-103	1950	1957	104.0
F-107	1954	1957	100.0
J-83 engines	1956	1959	55.0
C-132	1952	1957	54.0
T-61 engine	1957	1959	37.4
YH-16	1951	1954	23.4
X-21	1960	1966	36.0
X-19	1962	1966	16.0
XB-70	1958	1976	1,468.1
MISSILES			
Army:			
Hermes	1944	1954	93.4
Dart	1952	1958	44.0
Loki	1948	1956	21.9
Terrier (land based)	1951	1956	18.6
Plato	1951	1958	18.5
Mauler	1960	1965	200.0
Navy:			
Sparrow I	1945	1958	195.6
Regulus II	1955	1958	144.4
Petrel	1945	1957	87.2
Corvus	1954	1960	80.0
Eagle	1959	1961	53.0
Meteor	1945	1954	52.6
Sparrow II	1945	1957	52.0
Rigel	1943	1953	38.0
Dove	1949	1955	33.7
Triton	1948	1957	19.4
Oriole	1947	1953	12.5
Typhon	1958	1964	225.0
Air Force:			
Navaho	1954	1957	679.8
Snark	1947	1962	677.4
GAM-63 Rascal	1946	1958	448.0
GAM-87 Skybolt	1960	1963	440.0
Talos (land based)	1954	1957	118.1
Mobile Minuteman	1959	1962	108.4
Q-4 drone	1954	1959	84.4
SM-72 Goose	1955	1958	78.5
GAM-67 Crossbow	1957	1958	74.6
MMRBM	1962	1964	65.4
SHIPS			
Navy: Type II towed torpedo countermeasures	1945	1955	13.0

MAJOR PROJECTS TERMINATED BEFORE DEPLOYMENT DURING THE PAST 15 YEARS—Continued

Project	Year started	Year canceled	Funds invested (millions)
ORDNANCE, COMBAT VEHICLES AND RELATED EQUIPMENT			
Army:			
Vigilante	1952	1961	$26.6
Tank, medium and heavy, T-95	1955	1960	18.0
Truck, cargo, 2½-ton	1946	1965	5.9
Truck, cargo, 16-ton	1959	1965	[2]4.8
Truck, tank, 5,000-gal	1959	1966	([2])
Truck, wrecker, 20-ton	1959	1966	([2])
Area scanning alarm (E-49)	1957	1966	3.9
Infantry mortar, 107-mm, XM-95	1960	1967	10.7
OTHER			
Army:			
AN/USD 5 drone	1957	1962	103.3
AN/USD 4 drone	1957	1960	40.0
Aerial tramway	1947	1957	13.5
Auto integrated switch	1958	1965	39.9
Navy:			
NRRS, Sugar Grove	1957	1962	70.0
High-energy boron (ZIP)	1952	1959	123.0
Air Force:			
AN/ALQ-27	1957	1959	142.0
High-energy boron (ZIP)	1956	1959	[1]135.8
Dyna-Soar	1960	1963	405.0
Total			8,601.7

[1] Air Force costs only.

[2] The 3 trucks listed comprise the 16-ton series of the GOER program which was terminated in June 1965. Work was officially terminated on the tanker and wrecker in February 1966. The cost of the program was $4,800,000.

Source: D.D.R. & E., Jan. 5, 1968.

STATEMENT BY SENATOR JOHN SHERMAN COOPER, APRIL 3, 1969

I support the initiative taken by Senators Goodell, Cook, Hatfield, and Saxbe. I am in agreement with their view that this country's democratic institutions will be strengthened by informed critical examination of such crucial issues as the ABM.

The purpose of those of us in the Senate who oppose deployment of the ABM at this time is to make it possible for the President, the Congress, and the people to consider fully and rationally the implications of a decision which will have such lasting effects upon the life of this country. We have the time to ponder in full security all aspects of this difficult problem. I am confident that through full and thorough inquiry and by hearing the opinions of this country's experts we will come to a sound decision.

I particularly respect the final tribute to President Eisenhower. The words of his last public statement were prophetic and will prove of lasting value to people of this country and will do much to strengthen our true security.

STATEMENT BY SENATOR JACOB K. JAVITS, REPUBLICAN, NEW YORK, APRIL 3, 1969

I welcome the initiative of my colleagues in focusing public attention upon the vast sums of money which have been poured into weapons systems that often proved faulty or obsolete before they even became operational. The billions which have been misspent in this way over the past decade could have been spent on productive civilian projects. The needs of the poor, of our decaying inner cities and of our deprived minorities have—in a budgetary sense—been kept on a starvation diet which contrasts starkly with the sumptuous amounts which have been appropriated for military weaponry.

We are now at a crossroads of perhaps historic import with respect to this fundamental "guns or butter" question. The Johnson Administration tried to avoid a choice and sought instead to pursue a guns and butter policy. The results have been disastrous for our economy which is wracked by inflationary pressures at home and balance of payments problems abroad.

Those of us who have opposed ABM deployment from the beginning feel that the Safeguard variant of the Sentinel system is an issue of especially great moment for our national decision on this weapons system may set the pattern for the next decade. We are poised at the brink. We could try now to gain control of the nuclear arms race through a dramatic gesture of self-restraint or we can plunge ahead with a whole new generation of weapons systems—weapons which will claim many hundreds of billions of tax dollars and will leave us on a new plateau where the balance of terror is less stable and less amenable to rational command and control by duly constituted civil authority.

WILTON J. McKINNEY, GREENVILLE, S.C., HONORED

Mr. HOLLINGS. Mr. President, on Friday, April 18, 1969, citizens of Greenville, S.C., will hold an appreciation banquet for an outstanding citizen of their community and State. Wilton J. McKinney will be honored by his fellow citizens for his dedicated service to the youth of his community. This year Mr. McKinney has been selected by World Tennis magazine for the Marlboro Award for May. Donald Dell, captain of the U.S. Davis Cup team, will be on hand to present the award. Although this is a distinguished honor to Mr. McKinney for his dedication and interest in tennis, the appreciation dinner is far more meaningful for it recognizes his civic pride and dedicated service to youth of his community and State. Mr. McKinney has coached the Greenville Senior High tennis team for over 20 years and never had a losing season. Many of his players have won regional and national honors. He has held offices in the Southern Lawn Tennis Association and the South Carolina Lawn Tennis Association. Although employed full time by the Burlington Cotton Co., Mr. McKinney has contributed untold hours to the youth of his community in teaching and coaching tennis as well as counseling young people of the needs for responsible citizenship. The door of his home is always open, and "his" youngsters are often present and always welcome.

I am proud to join in this honor to Wilton J. McKinney.

CONGRATULATIONS TO SECRETARY LAIRD

Mr. METCALF. Mr. President, I wish to commend Secretary of Defense Laird for his decision yesterday not to permit defense contractors to include donations to "charitable and educational" organizations as part of the cost of doing military work. Some of the Nation's leading defense and aerospace contractors had sought this special treatment, which would enable them to include all donations as operating expenses, instead of simply getting a tax deduction as other businesses and individuals may receive for such donations.

As I pointed out in my remarks on this subject yesterday, beginning at page 8831, this policy would have put defense contractors in a preferential category above that of even utilities in some States, such as California, where the Public Utilities Commission decided that

the consumer should not be required to foot the bill for donations credited to the utilities.

As Roland Page of the St. Petersburg Times points out, in a series of articles appearing elsewhere in today's RECORD, Florida is one of those States—unfortunately a majority of the State utility commissions now permit the practice—in which the power, gas, telephone, and bus companies get the credit, but the customer foots the bill, for donations ranging from Governor Kirk's private police force to lighting a school football field.

The defense and aerospace contractors and their friends in the Pentagon proposed this little scheme, which would have cost taxpayers tens of millions of dollars a year, but which Secretary Laird has squelched, during the last administration. This proposed new policy was the kind that often slips through during the closing days of an administration. I think credit is due former Secretary Clifford and his associates for their refusal to approve the proposal, to the Washington Post and its Laurence Stern for publicizing it last Saturday, and especially to Mel Laird for throwing it into file 13.

PAMELA RANDOLPH

Mr. TYDINGS. Mr. President, on Friday, March 30, my staff and I were overtaken by a personal tragedy of the most poignant nature. Miss Pamela L. Randolph, a member of my staff since her graduation from the University of Maryland in June 1968, died very suddenly of a pulmonary embolism. Her passing has been a severe shock to me and to her associates. Our loss, and that of all who knew her, is very great.

Pam was in the springtime of her years. Just 23, pretty, capable, and full of life, she was to have been married in 8 days and begin a new and exciting life on the west coast. Her last day with us would have been that Friday on which she died, and a farewell party was planned for that afternoon.

Death at such a time of life is hard to accept. It leaves us desolate and conscious of our own uncertain destiny.

Pam's life was bright with promise and potential. She was on the crest of the wave. But she was not given the time to follow it through for the full measure of experience that comes with age alone.

To her parents, Dr. and Mrs. E. Burl Randolph of Clarksburg, W. Va., and to her fiance, Mr. David Distad, I extend profound sympathy and fellowship in our sorrow. We sorely miss Pam, and yet will remember always her sparkle, her friendliness, her love of life.

CEREMONIES AT THE UNVEILING OF THE STATUES OF FATHER DAMIEN AND KING KAMEHAMEHA I

Mr. FONG. Mr. President, today Hawaii's congressional delegation will join representatives from Hawaii for the ceremonies commemorating the unveiling of the statues of two men who occupy illustrious positions in the history of Hawaii.

They are leaders who, by virtue of celebrated conquests in their respective endeavors, have achieved imperishable reverence and esteem in the hearts and minds of the people of Hawaii.

They became heroes in their implacable goals to better the lot and the future of the people they served. They are today the choices of the citizenry of Hawaii for memorialization in the National Statuary Hall.

These inspired men, one a conqueror of despair and a courageous servant of the victims of the most dread disease that man has known—leprosy—and the other, a brilliant military leader who founded the kingdom of Hawaii and what is today the 50th State of the United States of America, are the Reverend Joseph Damien DeVeuster and King Kamehameha I, first monarch of the Hawaiian Islands.

This day in April, when we gather to solemnize the memories of these gallant masters of their times and their destinies, is also a day of rejoicing in Hawaii.

The ceremonies are a further culmination of Hawaii's long drive toward the total benefits of representative government and of full-fledged membership in the Union of States.

The unveiling of the statues is commemoration, too, for the valiant and farsighted men and women of Hawaii—past and present—who strove so diligently and so persuasively for more than 50 years to shape the dream of Hawaii statehood into reality.

Hawaii is proud of this moment.

It is profoundly honored that the statues of two of its renowned leaders are being received and given places of repose and high homage among the great of the greatest democracy on earth.

I for one look upon this day with deep respect, gratitude, and humility. No one, less than a century ago, could ever have visualized that we of a small group of islands in the vast Pacific would one day gather in this magnificent Rotunda to see our own immortals share places of exaltation in the hallowed halls of the Nation's Capitol. The very thought is awe-inspiring.

The Reverend Joseph Damien DeVeuster, known more popularly as Father Damien, and Kamehameha I both meet the qualifications for our State for enshrinement in the National Statuary Hall. They are indeed "illustrious men worthy of commemoration."

It is fitting that we here cite their achievements, their humanitarian deeds, and their conquests in the face of extreme adversities and disorder.

Some of the most notable and most concise biographies written about Father Damien and King Kamehameha are contained in a House of Representatives report authorizing the acceptance for the National Statuary Hall the statues of Father Damien and King Kamehameha. They read:

THE REVEREND JOSEPH DAMIEN DEVEUSTER, SS.CC.

Father Damien's voluntary sojourn among the lepers of Molokai, ministering to their physical and spiritual needs, has shown him to be one of the greathearted humanitarians of all time. His compassion for these sufferers—forcibly banished to a lonely island—is a profound example of devotion to one's fellow men. His death from leprosy at the age of 49, after 16 years in the "living graveyard that was Molokai" continues to inspire men and women throughout the world in their fight to eradicate forever the disease from which he died.

The son of well-to-do peasants, Joseph (Father Damien) was born in Tremeloo, Belgium, on January 3, 1840. He entered the Sacred Hearts Congregation at Louvain, Belgium, and in October 1863 set sail for Hawaii from Bremerhaven, in his brother's place who fell ill of typhus, abroad the *R. M. Wood* at 9 o'clock in the evening. Father Damien got his first glimpse of Honolulu on March 19, 1864. After a few months to finish his priestly studies, young Father Damien was ordained on May 21, 1864, in the Cathedral of our Lady of Peace in Honolulu. Shortly thereafter, he was sent to the Puna district of the island of Hawaii. In July 1865, because of the poor health of one of the other priests, Father Damien was transferred to the districts of Kohala and Hamakua, which extended over 2,000 square miles, marked by steep cliffs, deep ravines, and valleys accessible only by canoe.

He spent 8 years building churches and administering to his parishioners and it was here that he saw many of them being separated from their families and forcibly removed to Molokai.

At his request, Father Damien landed on Molokai on May 18, 1873. During his 16 years on Molokai, Father Damien was everything to his flock: priest, administrator, infirmarian, coffinmaker, undertaker, gravedigger, builder of homes, and defendant for the unfortunate group of people who were segregated and thus best forgotten. In recognition for his efforts in alleviating the distressed and mitigating the sorrows of her unfortunate subjects, Princess Liliuokalani bestowed the Order of Knight Commander of the Royal Order of Kalakaua to Father Damien.

On April 15, 1889, Father Damien died, a victim of his charity, no longer robust but horribly disfigured and a leper. He was buried in the shade of the same puhala tree that served as a home when he first arrived 16 years earlier.

In 1936 at the request of the King of Belgium, President Franklin D. Roosevelt permitted Father Damien's body to be exhumed and returned to Belgium. In February 1955 the case of Father Damien was formally introduced by the Roman Catholic Church and the first steps were taken toward his beatification. It is hoped and prayed by many of the faithful that he will be raised to the altar some day in the future.

Of him, Mahatma Gandhi said: "The political and journalistic world can boast of very few heroes who compare with Father Damien of Molokai * * * it is worthwhile to look for the sources of such heroism."

KING KAMEHAMEHA I

Kamehameha is a hero of the Hawaiian people because it was he who first united the islands under a strong rulership—strong enough to maintain independence during the critical years when the islands were first opened to the enterprise of traders and explorers from Europe and America.

The last quarter of the 18th century is a period of Hawaiian history marked by the emergence of Kamehameha as a victor in a running series of civil wars. The period of peace that followed 1796 enabled him, by the power of his personality, to make firm the foundations of the Hawaiian Kingdom—the polity which eventually emerged as a territory and later the State of Hawaii.

Kamehameha ("The Lonely One") was born in Kohala, Hawaii, on a stormy winter night soon after the middle of the century

(1758 is a probable date). Although his father and mother were of high rank, he was not in the direct line of kingly succession. At the time, the islands were divided into four kingdoms, each ruled by a leading chief. The young warrior grew up at the court on Hawaii and first gained prominence when he was assigned guardianship of the war god. As leader of five lesser chiefs of the Kona district, Kamehameha led their forces in two civil wars to insure an equitable distribution of land. Kamehameha's success in getting foreign arms and foreign recruits gave him the upper hand over chiefs visited less often by the traders. He collected the largest army ever seen in the islands and embarked in an immense fleet of war canoes.

After Maui and Molokai were captured the army landed at Waikiki and marched to Nuuanu Valley and drove the defenders off the brow of the pali (precipice). Eventually, Kauai and Niihau were ceded to him without a fight.

During the two decades after the islands were united, Kamehameha showed his statesmanship by quickly restoring the islands to prosperity. He urged the chiefs and commoners to raise food. Disorder and crime were put down and industry flourished. His policy of fairness in dealing with the traders from foreign lands who had begun to come to the ports of the kingdom added to its wealth and prosperity.

Kamehameha died on May 8, 1819, at Kailua, Hawaii, where he had retired in 1811. The customary funeral ceremonies were carried out and the bones of the great King were taken and concealed in a secret cave. "Only the stars of the heavens know the resting place of Kamehameha."

LAVINIA ENGLE OF THE LEAGUE OF WOMEN VOTERS

Mr. TYDINGS. Mr. President, almost 50 years have passed since women of the United States were guaranteed the right to vote. The XIX amendment to the Constitution was finally ratified in 1919.

We are, today, accustomed to the participation of women in political life, and seldom reflect upon the fact that they have not always had access to the ballot.

For Miss Lavinia Engle of Silver Spring, Md. the right to vote was preceded by many years of hard work. Miss Engle's mother was a crusader for women's suffrage, and Lavinia Engle was 21 when she joined the National American Woman Suffrage Association and began her work, with "justice, logic, and persuasion," for the enfranchisement of women.

She pursued this objective for 6 years after her graduation from Antioch College until women were finally allowed to vote, in 1920. At that time, the Suffrage Association became the League of Women Voters, and Miss Engle became director of the Maryland league. Subsequently, in 1930, she became the first woman delegate to represent Montgomery County in the Maryland Assembly.

Miss Engle's long career with the Social Security Board did not deter her active membership in the league throughout the intervening years. It would be impossible to calculate the extent of her achievement through half a century of active participation in league affairs. She has made an inestimable contribution to the league itself, and to the quality of government in her county, in Maryland, and in the Nation.

I ask unanimous consent to have printed in the RECORD a profile of Miss Engle, published in the Washington Post's Potomac magazine on Sunday, March 16, 1969.

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

LAVINIA ENGLE OF THE LEAGUE OF WOMEN VOTERS

Fifty-six years ago Lavinia M. Engle of 500 Pershing drive in Silver Spring started one March afternoon to walk down Pennsylvania Avenue to dramatize the efforts then being made to obtain the vote for women. But Miss Engle and the thousands of other women who gathered at the foot of Capitol Hill for the march, never got to the other end of the avenue. Crowds, made up mostly of men, surged into the street and the police broke up the march. This was on March 3, 1913, and the next day Woodrow Wilson was inaugurated as President.

The uproar over the women's march did not end with Wilson's first inaugural, however. Two days later the Senate District Committee convened a hearing to look into the disturbances arising from the march. Among the witnesses was Alice Paul who, as a leader of the Woman's Party, organized the march. Today Miss Paul is the president of the Woman's Party and lives in the 19th century brick house across from the U.S. Supreme Court at 144 Constitution Ave. ne. which also serves as the headquarters for the Woman's Party. For 46 years the party has been pressing for a constitutional amendment guaranteeing equal rights to women.

After conducting its investigation of the march, the Senate District Committee concluded that "the line of march was not cleared and the parade was not protected as it should have been." The Committee also concluded that "some of the uniformed and more of the special police acted with apparent indifference and in this way encouraged the crowd to press in upon the parade."

Miss Engle, now 77, was in 1913 a 21-year-old graduate of Antioch College who aligned herself with the National American Woman Suffrage Association, pushing for integration of women into the existing political system, rather than with the more militant Women's Party, which advocated a completely feminine slate on all ballots: local, state and national. (One recent interviewer compared the past differences between the two groups to the present-day differences between integrationist civil-rights leaders and black militants.) Becoming an organizer for the Suffrage Association, she later advanced to field secretary and once traveled on mule back up a dry creek bed in West Virginia to argue (successfully) with a legislator for his support for a suffrage amendment to the State's Constitution.

The Suffrage Association became the League of Women Voters when the vote was won nationally in 1920, and in the 20s, Miss Engle was director of the Maryland League of Women Voters. In 1930 she became the first woman Montgomery County Delegate to the Maryland Assembly and later was appointed (but defeated for election) to the County Commission. In the mid-30s she went to work for the Social Security Board and remained with it and its successor agencies until finally retiring three years ago. Today Miss Engle is still an active member of the League of Women Voters and not only remembers the 1913 parade vividly but also has the gold-and-black banner proclaiming "Votes for Women" which she wore across her bosom as she and thousands of others vainly tried to march down Pennsylvania Avenue.

Her Quaker mother had been an early crusader for women's suffrage. And "early crusader" is exactly the term Miss Engle would use. To her, "suffragette" is an offensive word meaning the radical Women's Party members who poured ink into mailboxes and chained themselves to gates. Her weapons, she says, were "justice, logic and persuasion."

DWIGHT DAVID EISENHOWER

Mr. BAYH. Mr. President, General Eisenhower served America as military leader, as President, as citizen. At all times, in all positions, he was a man utterly dedicated to the welfare of this Nation.

His interest in his country did not diminish when he left public office. As a private citizen he had a sustaining concern for the United States.

It was Eisenhower the citizen who came to Washington in 1964 to give his support to help in the adoption of the 25th amendment, the Presidential succession and disability amendment.

It was Eisenhower the citizen who at that time stated the creed he practiced, both as general and as President:

We do believe that all of us, of all parties and all levels of government, have as our first thought and concern, the United States of America.

And, if we do that, I think all of the other problems kind of recede in their immediacy, their urgency, and in their, you might say, crisis-type of complexion and they become resolvable by people of good will—that is, good Americans.

He believed in the American people, and they in him. To use the words of Dag Hammerskjold:

He had been granted a faith which required no confirmation—a contact with reality, light and intense like the touch of a loved hand; a union in self-surrender without self-destruction where his heart was lucid and his mind loving.

Duty, honor, country, the code of West Point, became his personal commitment. He led America, both in war and in peace, and earned her love and respect forever.

America is greatly saddened by his loss.

A RESPONSIBLE APPROACH

Mr. HANSEN. Mr. President, all of us can, I believe appreciate the sincerity and honesty so implicitly experienced in the President's situation report to Congress.

Most striking to me is his emphasis on the "responsible approach to our goal of managing constructive change in America."

In view of the mass of legislation enacted during the last session of Congress—and, I understand, the two previous sessions—it is my opinion that the President should be congratulated for taking the time that certainly is essential to establish priorities for his legislative proposals to Congress—legislation that "we know we can execute once it becomes law."

The maze of overlapping and duplicating programs already enacted, the hodgepodge of programs piled on programs, is evidence enough of the need for a complete reassessment of many of our domestic programs before adding any more administrative layers, particularly to the already foundering welfare programs.

The President will surely have full support for an increase in social security benefits to help those who have suffered most from the cruel impact of inflation and who cannot bargain for themselves as the continuing rise in the cost of living hits hardest at those on fixed or retirement incomes.

He has placed the priorities where they need to be: an early end to the war in Vietnam, new measures to combat crime, tax reform, postal reorganization, development of our airways and airports, labor and manpower programs and, most importantly, a halt to inflation. Unless we can stabilize prices and restore fiscal responsibility and confidence in the Federal Government, no domestic program is likely to succeed.

The President's message is one of the great majority of hard working, self-reliant, overtaxed, and too-little-appreciated Americans have been waiting to hear. Long on patience and short on complaining, they are entitled to the tax relief the President proposes.

They deserve some honest answers followed by some honest action. Their pleas for an end to irresponsible Federal spending and wasteful, inefficient and ineffective Federal programs have gone unheeded too long. But it is not a turning back of which the President speaks.

It is a new approach to the lingering problems of poverty, welfare, crime and inflation that massive spending has not only failed to cure but, in many cases, has actually aggravated.

Certainly there must be a better way, and I believe the President's proposal to trade the "false excitement of fanfare for the abiding satisfaction of achievement" will appeal to the American people and, I hope, to Congress.

JACK MASUR, M.D.: A EULOGY

Mr. TYDINGS. I deeply regret the passing of one of the country's greatest physicians, Dr. Jack Masur, Assistant Surgeon General of the Public Health Service and director of the clinical center at Bethesda, Md.

Jack Masur dedicated his life to serving his fellow man. His contributions to the medical profession have been heralded throughout this country and in nations around the world.

During his career he served as the executive director of numerous hospitals, Chief medical officer of the Vocational Habilitation Center and as Assistant Surgeon General. Dr. Masur was a fellow of every important medical association in the country and received the Public Health Service Distinguished Service Award in 1965.

He is perhaps best remembered for his contributions to the National Institutes of Health. The original plans for the Bethesda Clinical Center were conceived by Dr. Masur and with his guidance the center has become not only the largest such medical facility in the world but also one of the most excellent institutes available, from a technological standpoint.

He is also one of the world's outstanding hospital planners and designers. Architects from nations around the world sought his counsel on the design of new hospitals and medical facilities.

No single tribute to the late Dr. Masur can adequately convey the greatness of the man. I know, however, that I speak today for the thousands of persons who have been helped by this extraordinary man.

I ask unanimous consent that the text of Dr. W. Palmer Dearing's eulogy of Dr. Masur be printed in the RECORD.

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

JACK MASUR, M.D.: A EULOGY

(By W. Palmer Dearing, M.D.)

It is with deepest humility, but also with a sense of high privilege that I undertake to speak for a few moments in behalf of all of us who have come together here to recall, to recognize, to honor, and to resolve to fulfill the life and work of Jack Masur.

I yield to no one in the enormity of my personal loss. At first contemplation it was overwhelming. When Barbara and Henry asked me to undertake this labor of love, my first thought was, "I cannot physically go through with it."

Suddenly I awakened from self-indulgent grief to realize that I was only one among a great multitude who had been healed in body and spirit, who had gained wisdom and insights, who had found light and strength for the road ahead through the knowing of this compassionate, courageous, dedicated, gifted, utterly honest, truly humble man. Each of us in this specially blessed multitude knows and cherishes the warm, flesh-and-blood portion that Jack gave of himself to each of us to guide, to cheer, to heal, to warn, to support. Yet, like the widow's cruse of oil, Jack was ever filled and ready to give, and give again.

What a waste, then—what a betrayal of Jack's life and work it would be to dwell on the depth of our bereavement! Let us rather direct our thoughts toward the objectives he set, to applying the lessons he taught (always first by his own example, may I say), and toward approaching the standards of excellence which he recognized, admired, and always practiced.

Each of us has his own choice selection from Jack's infinite list of attributes—his love and pride in family, his humor, his appreciation of beauty in nature and in people, his ecumenical religious sense and devotion, his intolerance of sham and cant, his towering rage at inhumanity, sloth, carelessness, or insincerity—the catalogue is endless.

As with Jack's attributes, even so with his accomplishments—their magnitude cannot be contemplated, much less recorded, here. He demonstrated that medical administration is a high calling, demanding the best in the highest traditions of a physician's service to humanity; he showed how to bridge the gap between strictures of Federal services and progressive leadership in the American Hospital Association; at the request of President Johnson, he filled the breach six weeks before Medicare's appointed day when the Government awoke to the need to know the real status of resources to meet its imminent obligations for health services to the elderly; his talents were sought and freely given in England, Holland, West Germany, and Israel.

On top of all this and much more, he was the best equipped frustrated fisherman I have ever known.

Among his greatest accomplishments, I have chosen three to expand on for a moment: The Clinical Center, Jack's counseling of colleagues, and his success in achieving and maintaining the pre-eminence of concern for the patient in medical care and research.

In a very real sense, the Clinical Center is Masur, and Masur is the Clinical Center. This man had served his Country brilliantly during the war and had returned to his chosen field—the voluntary hospital system—where a rewarding future was assured. Yet when a government research hospital to round out the NIH bench research effort was only a gleam in a few starry eyes, Jack Masur perceived its potential for advancing our knowledge of patient care as well as the scientific base of medicine. He turned from the comfortable, honorable future which lay before him to return to the modest prerequisites, the limitations, and frustrations of government service to create and thereafter to direct the greatest medical institution of its kind in the world.

Turning to the second accomplishment I have chosen for special comment, Jack was without parallel in counseling of colleagues. His unswerving devotion to people as people, plus his diligence and formidable insight, made him the Country's single most important recruitment and placement agency in the hospital, medical education, and medical care world. He knew every vacancy, every need, every resource. His wisdom, discretion, and judgment brought information and requests to him, and he always responded promptly, carefully, and cogently.

Jack Masur's crowning accomplishment, however, and the one which poses the greatest challenge to us who follow, is his achievement in maintaining the care and welfare of the patient at the pinnacle of objectives and performance at the Clinical Center and at every institution which he touched. This meant not only application of his standards of excellence, but also intolerance of anything less. In practical terms, it meant accommodation of patient welfare considerations with the real and legitimate research interests of the collection of institutes which the Clinical Center was created to serve, and subordination of research interest to patient welfare when there is conflict. Jack Masur knew that only by strict application of this principle can a great public institution such as the Clinical Center survive honorably, or in the long run survive at all, in today's world.

Now having said all this, my friends, this is a very human occasion. We are privileged to share the grief and the pride of Jack Masur's bereaved, yet fortunate family—fortunate in that they and all of us had the experience and have the heritage of his greatness. With Barbara, Nancy, Henry, Jenny, and Corinne; with Jack's sisters Ida and Mary and his absent brother Louis and all their families, we share gratitude as well as their grief.

I want to close with a quotation from the classics Jack loved and knew so well—a solemn pledge attributed to a Frenchman named de Grellet who died more than 100 years ago. It characterizes Jack Masur's approach to life as I knew him:

"I shall pass through this world but once. If, therefore, there be any kindness I can show, or any good thing I can do, let me do it now; let me not defer it or neglect it, for I shall not pass this way again."

THAT LAST CIGARETTE

Mr. MOSS. Mr. President, an article entitled "That Last Cigarette: An Investment in Life," written by Donna Logan, a staff writer for the Denver Post, was recently published in that newspaper. The article was based upon an interview with Dr. Charles D. Demong, a noted Denver chest and heart surgeon. Dr. Demong lamented that one of the saddest aspects of lung cancer is that while in most cases this disease can be prevented, it is nonetheless on the rise.

Dr. Demong pointed out a most important fact:

The risk of lung cancer is materially reduced for smokers who give up the habit.

He pointed out that atypical cells in the lungs disappear shortly after a person quits smoking, owing to the elimination of the irritating elements of cigarette smoking.

Mr. President, the article reports that lung cancer this year will kill approximately 59,000 persons in this country. I ask unanimous consent to have the article printed in the RECORD, hoping that its message, like that of an increasing number of statements, will offer encouragement to smokers who are seeking to overcome this habit, and will help to reduce the temptation to our youth to take up smoking.

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

THAT LAST CIGARETTE: AN INVESTMENT IN LIFE

(By Donna Logan)

Snuffing out your last cigarette can add years to your life, says a noted Denver chest and heart surgeon, Dr. Charles D. Demong.

In a relatively short time after a person quits smoking, any atypical cells in the lung disappear because the irritating factors in cigarette smoke are removed, Demong said in an interview.

April is Cancer Crusade month, sponsored nationally by the American Cancer Society.

"The risk of lung cancer is materially reduced for smokers who give up the habit," says Demong, "yet the disease is getting to be common."

CLAIMS 160 LIVES A DAY

Lung cancer, in fact, claims more lives—160 a day—than any other form of cancer in the United States, and is the leading cause of cancer death among men, according to the American Cancer Society.

But women, too, are increasingly falling victim to the disease because more of them are smoking now.

"The sad thing," says the physician, "is that in most cases lung cancer is preventable."

Demong quit smoking cigarettes a year ago and turned to pipe smoking. More doctors, in fact, have given up the habit than any other segment of the population, he said.

"There's no doubt that there's a direct relationship between smoking and lung cancer, and coronary heart disease. So why smoke?" says Demong.

"There has to be a choice by people if they want to assume the additional risk of smoking cigarettes," Demong says.

Prevention and early detection are the most important aspects of the problem.

SOME ARE CURED

"Many who have it are cured, but frequently it (lung cancer) is advanced by the time we see it," he said.

What are the symptoms of lung cancer?

The most common symptom, says Dr. Demong, is a persistent cough.

"People who smoke, however, attribute their cough to smoking when, in fact, it may indicate lung cancer."

Other symptoms are blood in the sputum, "a common occurrence," he said, and a shadow on the lung shown by X-ray which doesn't respond to the usual treatment.

YEARLY CHECKUP

The diagnosis of lung cancer can be made through a regular chest X-ray examination which should be made "at least every year," Dr. Demong said; examination of sputum cells and a bronchoscopix examination.

Despite these tests, exploratory surgery often is necessary to establish a diagnosis of lung cancer, he said.

Squamous carcinoma—the most common type of lung cancer—"all is associated with smoking," he said, while adeno carcinoma can be found in persons who don't smoke.

"Quite a few can be cured by X-ray and surgery," the Denver surgeon said, "and chemicals are also used but there is nothing really effective about chemotherapy for lung cancer."

Lung cancer this year will kill approximately 59,000 persons in the United States—49,000 men and 10,000 women.

HUMAN RIGHTS AND PEACE

Mr. PROXMIRE. Mr. President, in these days of war and confusion, skirmishes and anxiety, we on this whirling globe are all reaching out for the brass—perhaps I should say golden—ring of peace and stability. We search for peace in the Middle East, in Nigeria and Biafra, in Vietnam, and closer to home, in the troubled cities of our land. Our quest ranges from devoted work in the interests of peace to the quiet praying for peace. Some make the achievement of peace their life's goal—others accept peace as a virtue unattainable.

And yet, if we were to look in our own backyard, we can find a road which can help lead to peace. A road to peace is one made up of the untrammeled human rights of mankind. These inalienable rights—those of life, liberty, equality before the law and in society, are secure when peace is assurred, and are trampled when the hope of peace is ground to dust.

These rights, translated into contemporary terms, form the basis of the Human Rights Conventions which are now before the Senate. The Human Rights Conventions, on Genocide, Forced Labor, and the Political Rights of Women, are attempts, as effective as man can make them, to secure rights which have been violated and to promote rights which have been forgotten. If we are to have peace in this world, we must secure the common rights of mankind. And if we are to secure those rights, we must ratify the Human Rights Conventions.

As we in this Chamber pursue our thoughts on peace, it would be well for us to remember the relationship of human rights to peace, forcefully stated by President Kennedy in 1963 when he said:

And is not peace, in the last analysis, basically a matter of human rights?

I hope we have the courage to take the first step to peace, the ratification of the Human Rights Conventions.

THE SUPERSONIC TRANSPORT

Mr. CANNON. Mr. President, this morning the Washington Post published an article entitled "Nixon To Omit New Funds for SST Prototype." The article stated that the budget presented to the Congress does not contain new funds for the transport prototype. The budget apparently will make available "left-over funds from previous years."

I think this is a serious error on the part of our Government at a time when we have problems with balance of payments—at a time when we are facing a tremendous growth in the air transport market.

The international SST era began in December 1968 with the first flight of the Russian TU–144. This was followed in March of 1969 by the flight of the French Concorde, and just in the last few days the British version of the Concorde also made its first flight.

Mr. President, here are three supersonic transports already in the air, and we have yet to begin construction of the U.S. version of the supersonic transport. It has been estimated that revenue passenger miles in the free world will increase at least sixfold between 1969 and 1990. It has been estimated that $125 billion worth of new commercial aircraft will be required to carry this traffic. Of this expanding traffic the SST market will total about $25 billion by 1990. The proposed American SST design can obtain at least $20 billion of this $25 billion market through the sale of at least 500 SST's, 270 of them to foreign airlines.

We should remember that the aerospace industry is the largest single production element in the total American economy. Of about 69 million workers in the United States some 1,400,000 work in the aerospace industry. As a comparison, the automobile industry employs something over 800,000; and the steel industry, over 500,000. The prospective direct employment for producing 500 SST's will involve approximately 50,000 additional people at peak production. There will be an additional 150,000 in industries connected with the production of the aircraft. The original investment $1.2 billion will be returned by the sale of the 300th aircraft and an additional $1.2 billion will be paid by the time we sell the 500th airplane.

Mr. President, if we do not proceed with the supersonic program, we will lose both new jobs and new tax revenues, and certainly our No. 1 position in the world's aircraft industry.

Mr. President, I ask unanimous consent to have printed in the RECORD the Washington Post article and an open letter to President Nixon from Wayne Parrish, the editor-in-chief and president of the American Aviation publication.

The open letter has in it 15 points telling why the United States should proceed with this aircraft. I think it is well worth reading.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 15, 1969]

NIXON TO OMIT NEW FUNDS FOR SST PROTOTYPE

(By Spencer Rich)

The budget being sent to Congress today by President Nixon does not contain new funds to start construction of the supersonic transport prototype, it was learned yesterday.

The Nixon budget does make available—as did President Johnson's proposals—leftover funds from previous years (recently estimated at $92.7 million) for continuation of research, development and related activities.

But Mr. Nixon is not now requesting any of the additional $212 million that officials of Boeing, the company that is working on

the aircraft, have said would be needed in Fiscal 1970 to begin construction of an operational prototype plane.

Officials said yesterday that Mr. Nixon's decision not to seek funds now for a prototype does not necessarily imply that the plane project is being killed.

Rather, they said, it indicates that Mr. Nixon has not yet made up his mind about whether, and at what pace, to go forward with the controversial project, which has been beset by public fears of sonic boom, by design revisions, and by the budgetary squeeze.

Officials said that if Mr. Nixon decides to begin moving to prototype construction, he could conceivably take some of the money from the President's contingency fund or ask Congress for a supplemental appropriation. Mr. Nixon still has some working time left, because the new funds need not be provided before the start of Fiscal 1970—2½ months from now.

Mr. Nixon's message to Congress yesterday outlining his new program made no mention of the SST.

In the related field of air traffic control and airport development, Mr. Nixon is revising President Johnson's package of proposed air user taxes. But his Administration reportedly has not yet made a decision on whether to set up a trust fund that would receive income from the user taxes and spend it solely on new air facilities and improvements.

The Nixon air user tax package would bring in more than $150 million a year in revenues, and would include the following taxes:

An increase in the ticket tax on domestic passenger service from the current 5 per cent level to 8 per cent. (Mr. Johnson's proposed increase was to 7 per cent.)

Imposition of a 5 per cent waybill tax on air cargo, carried mainly by the major airlines. (Mr. Johnson had asked 3 per cent.)

An increase in the gasoline tax for general aviation (private planes) to 7 cents a gallon instead of the current 2 cents for the 10 years starting in 1969. (The Johnson proposal raised the tax in steps to 10 cents by 1972.)

Imposition of a 7 cents a gallon tax on jet fuel used in general aviation for the 10 years starting in 1969. (The Johnson proposal reached 10 cents by 1972.)

As compared with the Johnson program, Mr. Nixon's air user taxes lean more heavily on the airlines and their passengers than on general aviation. The basic idea behind the user taxes and the related, undecided trust fund proposal is to help fund a vast expansion of the Nation's airports and air traffic control systems to meet future aviation needs and insure flight safety.

The SST, being built by Boeing with General Electric providing the engines, has already cost the Government nearly $500 million, and under current estimates the figure will exceed $1.2 billion by the time the plane has test-flown 100 hours.

Boeing officials said yesterday that they are now gunning to put the plane into the air on a commercial basis in 1978, but fear that any delay in building a prototype—they are actually talking of building two prototypes—would delay the plane sufficiently so that it will lose a large part of the overseas sales market to the British-French Concorde, a prototype of which flew for the first time earlier this year, or to the Russian TU–144.

"If we have to delay much beyond then, the Concorde may have reached a second-generation plane and we could be in trouble," one official said.

He estimated that if the Government were were to provide $110 million for a start on a prototype this year, his company could hold its scientific team together and not ultimately lose more than about 9 months in the 1978 target date.

[From American Aviation, Apr. 14, 1969]

AN OPEN LETTER TO PRESIDENT NIXON: SST—WHAT'S THE QUESTION?

(By Wayne W. Parrish)

You have facing you, Mr. President, a decision as to whether to proceed with America's supersonic transport project, to slow it down drastically, or even to scrap it.

In the largest sense, your review is of your own making, because Congress has backed the program consistently since its inception in 1961. So have Presidents Eisenhower, Kennedy and Johnson. The only extraordinary factor about an SST review at this time is that anyone should be questioning the project at all.

There has been considerable sniping at the American SST from a few editorial writers and from a small group in Congress, and from some of your own economist advisers. None of these critics can reasonably qualify as experts in either aeronautics or in world air transportation and its competitive impact in the global economy.

Before you yield to any of the fallacious arguments against the SST, we suggest you take a sharp look at the following hard facts:

(1) If the U.S. does not go ahead with an SST, our own U.S. airlines will have no choice but to buy supersonic transports abroad. It is impossible for an international American carrier to compete against supersonics without having some themselves. This is a major concern not only in the delicate matter of balance of payments, but in the area of national prestige and the maintenance of a strong U.S. aircraft manufacturing establishment.

(2) Supersonic transport is an inevitable, logical, natural progression of aeronautical development of the jet age. Passenger traffic on long-haul intercontinental routes will go by SSTs, regardless of who builds them. Speed is and has been for four decades the dominant factor in growth and preferences in world air transportation. To determine the impact of SST, it is only necessary to hark back to the initial subsonic jets of 10 years ago. Those airlines that held back on their orders and were late starters with jets saw their traffic crippled; some barely managed to remain in business. This is a simple fact of life. Passengers will choose speed over all other factors.

(3) One of the arguments being used against an American SST is that the military has no requirement for such an airplane. Without fear of contradiction, 100% of this argument stems from the position taken some years ago by then Secretary of Defense Robert McNamara. Without fear of contradiction, not a single responsible military man in or out of service would support that view. A dozen years ago the Pentagon took a similar official position against subsonic jet transports. Where would the military be today without its jet fleets? For that matter, where would the White House be without jet transportation? The military will require supersonic transports as sure as the sun will rise tomorrow; to be without them would be unthinkable. As has been proved over and over again, Mr. McNamara was not the greatest military/defense brain this country has ever had.

(4) We ask you, Mr. President, what would be the reaction around the United States about 1973 or 1974 when the first SST to land at John F. Kennedy Airport in New York would be a Soviet Tu–144 or the British/French Concorde—*and the U.S. would not be proceeding with its own SST?* Remember how we lagged in our space program until the Soviets jolted the world with Sputnik I? Remember how costly it was for the U.S. to push the panic button in a great rush to regain our lost prestige? The Soviets long ago determined their role in supersonic transport and have been working diligently toward this end ever since. The British and French have likewise been at work. Both of those SST prototypes have now flown, and both models should be operating commercially by 1973.

(5) A great deal of fuss has been made by critics about the sonic boom. Most of these critics have never heard one. Look at the facts. First of all, *no* SST will take off or land at supersonic speeds; it's impossible to do so in any case. There will be no really substantive noise or operating differential from present-day jets. Noise improvements are being made and will continue to be made.

Secondly, the American SST is designed to fly *economically* across the U.S. and other land areas at *subsonic* speeds. Supersonic speed is for long-haul, over-water routes, and if you will look at the globe you will see that the larger part of it is water and the major intercontinental air routes are over water. The sonic boom is *not* a problem. Any supersonic, airplane, military or commercial, *can* be a problem if one wants to create it. In realistic operating terms, the answer is no. And even the sonic boom itself will inevitably be controlled in time. In fact there is good reason to believe that high-level supersonic flights will be able to operate over land sometime down the road without public objection.

(6) The U.S. has maintained the number-one civil aviation position in the world for many decades. This position has made a very major contribution to our balance of payments. Are you, Mr. President, and are the SST critics, prepared to give up this number-one position? If we should scrap our SST (God forbid!) this would be the best news the French, British and Soviets would have in decades. It is a very great mistake to underestimate the Soviet Union's determined drive to sell their Tu–144 in the world market. Up to now, the airlines of the world have come to the U.S. to buy. But what if we have nothing to sell in the next round?

(7) There has been a great deal of loose talk about government subsidy for the SST. *This is not a subsidy project.* It is the financing of an investment. Under the very tight contract with The Boeing Co., the government will be repaid its investment 100%. The world market for SSTs is estimated at 500 by 1990. If we sell 300 SSTs, the American taxpayer gets his money back. If we sell more, the taxpayer bets back interest plus a share in the profits. What other government program calls for such repayment in dollars plus share of profits? And this does not take into account the contribution to the economy of having 50,000 workers employed in building the airplanes.

(8) Mr. President, please ponder this one: *If the SST project is scrapped, the U.S. would not have one single forward aeronautical program of any kind.* The thousands of talented engineers and scientists who have been involved in the supersonic art would vanish into other lines of work. These teams could never be pulled back again. What a travesty that would be for a nation that now is the number-one civil aviation power in the world!

(9) And here is a startling fact: *If the SST project is cancelled, no less than one-half billion dollars would go down the drain—gone and lost.* The critics seem to forget that SST has been under way for eight years with full backing of Congress and government.

(10) The cost of two prototype SSTs with 100 hours of test flying is estimated to be $1.3 billion, *with the manufacturers bearing a significant part.* Part of this cost has already been expended. (It is estimated that heroin addicts in the U.S. need to find, rob or steal $1.5 billion *per year* just for fixes, a total loss to the community. Isn't it time to put a sound investment in proper contrast with the costly, cancerous evils that pervade our country today?)

(11) At $40 million per airplane, 500 SSTs add up to a tangible market of $20 billion. Half of these sales would be to foreign airlines. Are you prepared to sign away this vast

market, not only losing dollar sales to this country but forcing American carriers to export their dollars for purchases of supersonic transports overseas?

(12) Are you aware, Mr. President, that airlines have deposited $59.5 million in down payments on American SST orders—without interest—and that some major foreign airlines have also put money into the U.S. as down payment even though they could not be required to do so?

(13) There has been a lot of irresponsible talk that the British/French Concorde (already in flight testing) will not be able to fly a full load of passengers between New York and London or Paris. This is nonsense. Pure misinformation. It is fully anticipated that nonstop, full-payload service with the Concorde will be inaugurated in 1973. Thus, the Concorde will have a five-to-seven-year jump on the American SST *if we proceed now*. Are you prepared to delay our entrance into the market even further?

(14) The British/French Concorde is a Stage I supersonic. So is the Tu-144. The U.S. made a decision some years ago not to compete with such a Stage I airplane, but to make an initial leap ahead to Stage II—a faster, larger and more flexible airplane that is as efficient subsonically as it is supersonically. The U.S. need not fear the Concorde *if* it is working on Stage II. In fact, the British/French project, as well as the Soviet Tu-144, is a welcome entrant into the supersonic era. American carriers have ordered and will fly the Concorde until the American Stage II SST is available. *If there is no American SST*, or if it is further delayed, this would indeed be an incredible posture for the U.S. and its air carriers.

(15) There has been some sniping that the SST would be "only for the few." Presumably this talk is based on an assumption that SST will require a premium fare. The same was said about subsonic jets a dozen years ago. There is nothing to indicate that an SST will require a higher fare, unless the initial operators of the Concorde place a premium on introductory services in light of the expected heavy demand. For the few? The jet has expanded world air travel immensely. Last year the airlines of the world carried 236-million passengers. The bulk of this travel was in jets. The same progression will come to the SST on long-haul routes. Air transportation is not for the few, it is for everyone, because there's hardly any other way to go.

Air transportation is the lifeline of the U.S. and the world. Scrapping the American SST will not hold back world air travel, it would merely take the leadership out of our hands.

THE LEAGUE OF WOMEN VOTERS' 50TH ANNIVERSARY YEAR

Mr. TYDINGS. Mr. President, when the 19th amendment to the Constitution was ratified 50 years ago, the National Woman Suffrage Association held a victory convention in Chicago from which evolved the League of Women Voters. Of the several groups that had worked for the enfranchisement of women, the league is now, by virtue of its subsequent growth and effectiveness, the most widely recognized.

League members throughout the country meet in small groups and large to discuss community and national issues and devise ways of affecting public policy. It is a determinedly political, but nonpartisan, organization. I think all of us here are aware of constructive efforts mounted by the league within our States and at the national level. There may be no organization doing a more effective job of educating the public on major issues. Because league members are generally knowledgeable about the issues at hand and about the political process, their opinions command the attention of their fellow citizens as well as their representatives in the Government.

To cite just one example from my own experience with the league, I will recall the decisive role it played during the national debate on the reapportionment of State legislatures. After extensive study, the members of the league elected to support the one-man, one-vote principle, and to oppose the proposed constitutional amendment that would have allowed one house of a State legislature to be apportioned according to matters other than population. The announcement of the league's position had a decisive effect on the outcome of that debate in the U.S. Senate.

In recognition of the league's 50th anniversary year, the Washington Post recently published an article written by Julius Duscha in its Potomac magazine describing the present organization of the league and a little of its history. I commend Mr. Duscha's article to Senators and 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:

THE LEAGUE OF WOMEN VOTERS: THEY'VE COME A LONG, LONG WAY

(By Julius Duscha)

On a gray winter morning 15 women gathered in the comfortable family room of the Herman P. McNatt residence at 14620 Melinda Lane in Rockville to have coffee, exchange neighborhood gossip and talk about poverty in Montgomery County. Three of the women were knitting and another was turning worn-out collars on some shirts as Mrs. George McRory led a discussion, complete with hand-drawn charts, on the county's poverty problems and the inadequate community efforts to help its 1600 poor families.

A male reporter felt like an interloper as he sat in the back of the room listening to Peg McRory, who is a great-great granddaughter of Julia Ward Howe, author of the "Battle Hymn of the Republic." When you are the only man in a family roomful of women it is of course impossible to be inconspicuous. I was there because I had been told I could never understand the League until I had seen one of its unit meetings.

I became interested in the League of Women Voters when I learned earlier in the winter that the ladies were beginning a year-long celebration to mark the 50th anniversary of their organization and of the ratification of the constitutional amendment which gave women the right to vote. "Yes, we're celebrating for a whole year," Mrs. A. P. Guyol, national public relations director for the League, said rather defensively, "but the Girl Scouts spent three years celebrating their 50th anniversary."

For 50 years now women like those who gathered in Mrs. McNatt's family room out in Rockville the other day have been meeting in small groups and earnestly discussing such problems as poverty. Not only are League members earnest; they are purposeful, tenacious and often frighteningly well-informed. And they can be effective. No less a political realist than Sargent Shriver wrote the national president of the League last spring when he was still directing the war on poverty to praise the League for its support of the antipoverty program and to say that the organization "surely helped to make the difference between passage and outright rejection or dismantling of a highly controversial and effective poverty program."

Men of course are always tempted to kid women's organizations. There is the clubwoman image of the Helen Hokinson cartoons in the *New Yorker* which showed the befuddled lady chairmen entangled in Roberts' Rules of Order. And there is the further feeling among men that despite women's demands for equality the ladies are always prepared to fall back on appeals to motherhood or on their own feminine winks and wiles even to get poverty legislation through a stubborn Congress where the pervading atmosphere all too often is still that of a man's smoker.

But what about the League of Women Voters at the decidedly matronly if not grandmotherly age of 50? To find out I went not only to a League unit meeting to sample its participatory democracy; I also spent some time at its national headquarters on the fifth floor of the American Psychological Association Building up on 17th st. and Rhode Island ave. nw. as well as on Capitol Hill. There, among other things, I found the remnants of the rival Woman's Party and its proud leader Alice Paul, who organized the woman's suffrage march down Pennsylvania Avenue 56 years ago—broken up by the police on the eve of Woodrow Wilson's first Inaugural on March 4, 1913.

The League of Women Voters is the daughter of the National American Woman Suffrage Association which along with the Woman's Party and some other organizations carried on for more than 60 years their fight for women's suffrage. The battle ended in 1920 when the 19th amendment to the U.S. Constitution was ratified. The amendment was adopted by the Senate and the House just 50 years ago, in 1919. Early in 1920, before the suffrage amendment had been ratified by the necessary three-fourths of the states but when it was already obvious that the amendment would become part of the Constitution, the National American Suffrage Association held its victory convention in Chicago. It was followed by the first national Congress of the League of Women Voters.

Carrie Chapman Catt, last president of the National American Suffrage Association and first president of the League of Women Voters, explained the League's purpose to the founding congress in these words: "We are going to be a semipolitical organization. We want to do political things. We want legislation. We are going to educate for citizenship . . . Be a partisan, but be an honest and independent one. Important and compelling as is the power of the party, the power of principle is even greater. Those who have struggled in a 60 years old battle for political freedom should not voluntarily surrender to political slavery—and one kind of partisanship is little more than that. It is possible, even though unusual, to be a partisan and an independent.

"To sail between the Scylla of narrow-minded partisanship on the left and the Charybdis of ultra-conservatism on the right," declared Mrs. Catt in her peroration, "is the appointed task of the League of Women Voters; through that narrow and uncomfortable passage it must sail to wreck upon the rocks or to glorious victory."

In the nearly half a century since Mrs. Catt spread out her vision of the League of Women Voters, the organization has been on some shoals and has had some glorious victories. The tiny, gray-haired and persevering Miss Paul still directs the Woman's Party from the early 19th century Alva Belmont House at 144 Constitution ave. ne. across from the U.S. Supreme Court building, continuing its 46-year-old campaign for an amendment to the Constitution guaranteeing women equal rights in all matters of law. But the League of Women Voters, now

under the direction of the fortyish, stylish Mrs. Bruce B. Benson of Amherst, Mass., is involved in all matter of issues ranging from foreign trade to the poverty program. The League now takes a neutral stand on the equal rights amendment, which it opposed for 30 years on the ground that it would take away from women protective labor regulations and other laws designed to help them.

"I'm not a feminist really," said Mrs. Benson, a blonde, attractive woman of 41 who favors gold jewelry, as we talked about the League in her modest, vaguely academic and New England office on 17th Street.

"A feminist," she continued, "is really someone who thinks women are better than men. I find myself very irritated with people who treat me as a woman rather than as an individual. If that young thing wants to be a jockey, let her be a jockey, not because she's a woman but if she's able to do it." (Mrs. Benson was referring to Diane Crump, the 20-year-old woman who has had such a difficult time trying to establish herself as a jockey in the face of opposition from male jockeys and from the men who control horse racing.)

Lucy Benson is fairly typical of the 150,000 members of the League of Women Voters. She is the wife of a physics professor at Amherst College. She joined the League in 1950 when the wife of the chairman of her husband's department asked her to. That's the kind of an invitation you don't turn down. But however reluctant Mrs. Benson may have been in the beginning she soon became a highly interested member. Like most other League members, Mrs. Benson is middle-middle to upper-middle class, well-educated (bachelor's and master's degrees in political science from Smith College and a master's thesis on the decline of the British Liberal party) and intensely concerned about the world around her.

Before becoming national president of the League last year, Mrs. Benson was head of the Massachusetts League. She led such a successful drive to end the excessive powers held by the Governor's Council that an infuriated legislator once referred to her group as the "League of Women Vultures." Commenting on Mrs. Benson's work as president of the Massachusetts League, a Boston newspaper noted: "She has dared to lead the League's 12,375 members far deeper into the thicket of politics than ever before. Today, as a result, the League of Women Voters of Massachusetts is unquestionably the most powerful political action group in the state."

In recalling her experiences in Massachusetts politics, Mrs. Benson said as she sat in her Washington office smoking a cigarette and occasionally sipping coffee from a paper cup: "Probably, most politicians do not attack the League because they are afraid it will boomerang on them as an attack on motherhood. Politicians have very mixed feelings about the League. Many wish the amount of energy we put into the League could be channeled into the political parties. Others want us to be barefoot, pregnant and in the kitchen."

Over the years the League has generally been allied with liberal causes. In the 1920's Mrs. Catt, an internationalist, got the League to sponsor a conference on ways to keep the peace and prevent war. The League has long advocated the removal of most restrictions on world trade. Domestically, the League in recent years has supported civil rights legislation and electoral college reform as well as the antipoverty program. But the League's program, which is supposed to percolate up from hundreds and even thousands of unit meetings to its biennial conventions (and does for the most part), has some curious blank spots. It has never taken a stand on the war in Vietnam and it has not become involved in the current surge of concern over consumer problems, an area that would seem to be made to order for a liberal-minded women's organization.

One reason the League often does not quickly become involved in controversial issues is its tradition of study, study and more study. Its units, for example, are supposed to have been talking about Communist China for four years now. Open housing has been on the agenda while Federal legislation has been passed and gone into effect. Another problem which confronts the League is the feeling among some of its leaders and a lot of its members that they only influence themselves.

"Are we just talking to ourselves?" Mrs. Benson asked in the course of our conversation. "Sometimes I think this is true, but it is not because League members want to talk just to themselves. It's because we lack financial resources to get our information out."

Throughout the country last year, the League spent almost $2.7 million, but only $447,000 of that made up the budget of the national office in Washington. As part of its 50th anniversary the League is seeking to raise its national budget by one-third. Funds for its national office come about equally from members' dues, which are around $10 a year and which are divided among local, state and national offices, and from contributions which members seek annually from businessmen. The League doesn't even pay all of Mrs. Benson's expenses as president. She spent three days a week in Washington and travels a great deal. "We have been and still are extremely poor," Mrs. Benson said, "and that's the honest-to-God truth. We still depend on voluntary contributions and that old sort of Lady Bountiful business."

Mrs. Benson and other League leaders think that the organization is probably more effective on the local and state levels than in national affairs. Local Leagues like to submit questions on key issues to candidates for public office, and these questionnaires often succeed in getting would-be fence-sitters to take positions on issues. Leagues have also helped to organize many successful campaigns for amendments to state constitutions and for reform of city charters.

But when it comes to influencing Congress or the executive departments in Washington, the League's role is much harder to assay. On a major issue before Congress there are so many pressures on both sides that it is difficult to know who is genuinely persuasive.

"Knowledge and tenacity are what we have," said Dorothy Sortor, a wide-eyed, attractive brunette who is congressional secretary—or chief lobbyist—for the League, when I asked her about the League's clout on Capitol Hill.

"League girls," Miss Sortor added, "like to read and they like to write. They know what's happening in the community, and congressmen are responsive to that. Members of Congress appreciate the quality of the letters that come in from the girls."

Senators and Representatives also appreciate the quality of the husbands of League members. Miss Sortor acknowledged that League members whose husbands are important men in a community are not above reminding Members of Congress of such not incidental facts. Sometimes the Senators and Representatives need no reminding because they quickly recognize the name of the League member who may be the wife of the president of the biggest bank back home.

As Miss Sortor makes the rounds of congressional offices she says that she still finds "a lot of men in government with a 19th century mentality."

"They say to you," Miss Sortor continued, "Oh, isn't it nice that you're interested in government?"

"Women," Miss Sortor added, "are still at a disadvantage intellectually, and the League is a place where a woman can shine on her own merits. There are no strictly 'woman' issues left anymore. But the League is a place for women who are committed, who have tenacity and who have ability and the time to stick with something. You can't be involved in the world and then just go home to raise babies."

The League also has served as a training ground for women who enter public life. Esther Peterson, a former Assistant Secretary of Labor, got her start by going to League unit meetings for coffee, gossip and serious discussions of issues, as did Mary Keyserling, who until recently was director of the Women's Bureau in the Labor Department. Other League members who made good in public life in the Washington area include Joy Simonson, chairman of the District of Columbia's Alcoholic Beverage Control Board; Kathryn Stone, a former member of the Virginia House of Delegates, and Margaret Schweinhaut, a Maryland State Senator.

Being serious-minded, the members of the League not only are always examining the world about them but are also always looking inward, too. Among other things, this means (in these days when it sometimes is easy to mistake a man for a woman on the street) that the League members are reexamining the need for a woman's organization a half century after women won the vote.

"The question is," League President Lucy Benson said as we talked about the League's future, "whether a women's organization *per se* continues to have any validity. Or is it anachronistic? There have been suggestions that we change our name simply to the League of Voters. Even bastions of female education like Vassar are going co-educational. There is all this student activism and interest in public affairs. Maybe we should make it possible for all young people and not just young women to get involved in the democratic process through an organization like the League."

Maybe. But it is hard to visualize men in a Rockville family room with clipboards at the ready, earnestly discussing poverty, seriously trying to understand its causes and laboriously trying to think, as one woman put it that morning in the McNatt home, "about what really we should be focussing on."

There is something about the slow, educational process of the League of Women Voters that seems to be peculiarly suited to the legendary patience of woman. Besides, man still needs a conscience, and in matters political the League of Women Voters is often as good a conscience today as the suffrage movement was 50 years ago.

FOOD ASSISTANCE PROGRAMS IN VIRGINIA

Mr. SPONG. Mr. President, last Saturday I released a preliminary report on a tour of Virginia to view existing food assistance programs and to determine the extent of hunger and malnutrition which may exist in the State. The report covers the approach and the findings of the first 4 days of the tour.

I have announced my intention to visit additional areas, mainly urban ones, during the Memorial Day recess, and I intend to do so. Much legislation designed to rectify omissions and flaws in current programs is, however, being written at this time; as a result, I may not be able to reserve all comment on the existing programs until the completion of my tour, as I had hoped and as I had indicated in my report.

Nevertheless, the report does reflect findings which I believe will be of interest to a number of Senators. Therefore,

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:

INTERIM REPORT ON FOOD PROBLEMS IN VIRGINIA

During the past week I visited Virginia localities to view existing food assistance programs and to determine the extent of hunger and malnutrition which may exist in the state. I visited in the Valley of Virginia, in the Southwest, in Northern Virginia and the South Central area—in one predominately white area, one predominately Negro area, and two mixed areas. I have been in twenty low-income homes, talked to nearly a hundred participants in various food programs and reviewed available aid with more than twenty-five officials. I saw in operation the food stamp program, commodity distribution centers, school lunch programs, Head Start operations, the VPI expanded nutrition program and Community Action Programs. I used the Easter Congressional Recess and plan to use the Memorial Day Recess for visits in order to avoid missing Senate sessions and possible votes.

My staff has visited with additional families and discussed relevant matters with public officials and interested private citizens. On the tour, I was accompanied by medical doctors and reporters who had access to the same information I had.

We found no cases of starvation.

We did find a number of persons living in desperate circumstances, many of them on welfare or pensions, who say they are, at times during the month, without food. We found many of these persons to be extremely dependent on food stamps or the commodity distribution program—the two principal Federal food assistance programs—and wondered how these people managed before the programs were instituted in their area.

We found anemia—especially in preschool children. While an average suburban community will have an anemia rate of about 14 percent in preschool children—due to a failure to eat properly, rather than a lack of access to a balanced diet—a Northern Virginia Head Start Program in an urban area discovered that 30 to 35 percent of its three-to-five year-olds suffered from anemia; a clinic in Appalachia learned 63 percent of its preschool patients were anemic; and a center serving central Virginia had a 55 to 60 percent anemia-rate for its preschool youngsters.

We found malnutrition in the rather subtle forms of iron deficiency and protein deficiency. There are children in Virginia who are sluggish, tired and apathetic as a result of iron deficiency. There are Virginia youngsters who do not grow well, who do not perform well physically and who may not perform well mentally as a result of protein deficiency.

I saw conditions I did not know existed. I saw youngsters in conditions which would fill middle- and upper-income parents with anguish and sadness. I saw mothers, with few assets, who were trying. But I also saw children whose physical and mental development has been and is being hampered by inadequate diet. And, I knew, that unless steps are taken, the odds are against these children ever sharing fully in the life of this nation, or contributing fully to their own upkeep or the development of their community.

When I decided to undertake this study, I knew that it would not be a popular thing to do. No Virginia representative could be unaware of the general antipathy throughout the state with regard to welfare and poverty problems. Virginia, with a tradition of economy, has often resisted federal expenditures for programs such as those I reviewed. Also, just as an individual dislikes having his faults widely known, a locality objects to having any less favorable aspects publicized. Finally, there is, in many cases, the belief that hunger and malnutrition are racial problems, and this belief is often reinforced by the activities of black militants and white extremists, which make objectivity difficult. It was clear to me in my travels that the problem of food deficiency plagues both white and black Virginians.

Despite the opposition to such a tour, the fact remains that federal food programs operate in Virginia; there have been many complaints about them; and I felt a duty to determine first-hand the situation within the state, both in regard to the programs and to the extent of hunger and malnutrition.

Throughout the visits, I had a dual purpose—to educate myself and to educate the public. The best means of doing the latter seemed to be through the news media. Throughout my travels the press was with me; reporters were permitted to question, at all times, the accompanying doctors. I believe the information we developed justified the presence of the media. And I believe the validity of our findings could be open to question had we not allowed the press to accompany us.

Except for the doctors who were present, I asked no one to accompany us. At the same time, no one was turned away. No questions were asked of any individual, and no press coverage was permitted without first obtaining the permission of the person involved.

I am profoundly disturbed by the situations we found and by the consequences some of these situations can produce. A wide range of programs operate in the state, reaching numerous persons. Virginians can be proud of these. But there are citizens in the state with inadequate diets, and there are undernourished children in the developmental stage when their physical and mental capacities are being determined. We cannot, ostrich-like, bury our heads in the sand and hope that these problems will go away—hope that somehow these children will reach their full physical and mental capacities.

There is seldom a mother who does not want her child to have the necessary items to insure a healthy life. There should not be a citizen of this nation willing to see a child restricted either physically or mentally because of diet. If we do not provide for the proper growth and development of our children, we do not provide for our own future. We must take the required action—whether it be in education for the proper utilization of available foods or in the provision of needed food and food supplements.

Although I have visited only selected areas, I am convinced that the conditions I witnessed exist, in varying degrees, in all localities—generally off the main roads and out of sight of the traveller. I intend to pursue my study further—mainly in the urban areas—over the Memorial Day Recess. We should reserve comment on the operation of the programs until after the study is completed.

In the meantime, I urge additional Virginia localities to participate in the food programs; that constructive discussion take place at the local, state and federal levels with regard to meeting the problems which have been identified; and that current information and theories on the consequences of inadequate diet be refined by detailed, scientific surveys and studies.

INADEQUATE MEDICAL CARE CANNOT BE TOLERATED

Mr. BAYH. Mr. President, 4 weeks ago, I wrote to General Heaton concerning Army negligence in the medical treatment of Sgt. David Morgan, Sp5c. William Beach, and Pvt. Louis Harris. On April 4, I received an interim report from the Acting Surgeon General, Maj. Gen. Glenn J. Collins stating the Army was reviewing the three cases.

In the letter I received and in the attitude observed by some members of the press who talked with the Surgeon General's office, the Army appeared to take a rather routine approach to the problem. They seemed to regard the three cases as isolated incidents.

The time has come for the Army and the Congress to take note that these three cases are not isolated. Since I made them public, 15 new cases involving Indiana boys have been brought to my attention. In addition, information has been forwarded to our office from throughout the United States. Two men men have died from meningitis at Fort Dix, N.J., and in both incidents the families have held inadequate Army medical attention accountable. There have been 21 meningitis cases and two deaths from meningitis at Fort Ord. The recent Presidio trials have pointed out inadequate medical facilities found in Army stockades.

I realize that the Surgeon General has a very demanding and difficult job in providing adequate medical attention for so many men in the Armed Forces. And I realize sometimes men are guilty of goldbricking, of feigning illness in the service. But there is no excuse for the treatment of an increased number of very real cases, in what amounts to a rather cavalier attitude. There is no room for such an attitude and there is no room for negligence in medical treatment for too often a mistake can be fatal.

From my observation the medical problems seem to fall into two general classifications: First, negligence in actual medical diagnosis and care; and second, careless assignment of medically handicapped men to areas which are too demanding of their physical conditions.

I am asking the Surgeon General to review the entire medical structure that allows such cases to exist. I want him to find out where the fault lies, whether it is inadequate facilities, lack of funding, a shortage of personnel or whatever it is so we can get it corrected.

It is our very excellent medical system which is responsible for the outstanding medical aid being given in the combat zone in Vietnam. Never before in a war have men received such good medical attention and received it so promptly. Many lives have been saved, are being saved by professional, medical attention in Vietnam. The doctors, nurses, technicians have been doing outstanding work.

But American military men should receive the best possible care wherever they are. The area where the attitude which borders on negligence appears is here at home in the United States and in other noncombat areas. That is why I am asking the Army, now, to take immediate measures to find out what has been causing this epidemic in medical negligence.

The Army should first be given a chance to review its medical facilities and to correct the existing problems. Members of Congress are sympathetic to the large and demanding job the Army faces in providing medical care to our servicemen. We want to help the Army give the best possible service. But if the Army

does not respond promptly, action should be taken by the Congress.

I ask unanimous consent that a list of cases be printed in the RECORD.

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

CASES

1. Edgemont, Pa.: A young man with a cyst on his left leg who was placed on limited duty, yet recently received orders to report to Korea as an Infantryman. The cyst was found during basic training at Ft. Campbell. Since that time, he has been at Ft. Sam Houston, Ft. Leonardwood, and Edgemont. The Army keeps postponing surgery.

2. Hoosier reservist: A civilian doctor determined this man to be a diabetic in October. He reported this to his unit and was told to get proper documentation and submit it to Ft. Benning. This was done, but he received orders for active duty at Ft. Leonardwood as of April 21, 1969. The Army never responded to this diabetic case. It took a call from this office to get the man discharged.

3. Ft. Meade: A serviceman who had received shrapnel wounds in the head while in Vietnam. Walter Reed was to keep him under observation to see if the shrapnel remaining in his head moved toward his brain, but he has not been x-rayed since December. Presently, he is having great difficulty with his eyes, but there is no eye doctor at Ft. Meade where he is stationed. His duty is working around tanks where the vibrations are very great.

4. Ft. Gordon: While riding a motorcycle at Ft. Gordon, this serviceman was hit by a car and had his leg broken. His leg was set at the base hospital, but he, himself had to point out that it was crooked and had been incorrectly set. It was rebroken and reset. Complications ensued and osteomyelitis has set in. His parents visited him at Ft. Gordon Hospital and observed what they termed unsanitary conditions. The following is a direct quote from the letter which brought this case to our attention: "There were 30 boys in the ward, all with open sores of some kind, and the nurses and doctors went from one patient to another changing dressings, never washing their hands, dipping them in antiseptic solution, or wearing rubber gloves. We even observed in one instance, a sterile bandage dropped on the floor, picked up with their hands, and placed on an open wound."

5. Ft. Lewis: A young man due to report for shipment to Vietnam on April 24, 1969. He has arthritis in his right elbow so bad that his permanent Army records show this and state that he is not allowed to even carry a weapon.

6. Ft. Bragg: A serviceman who has received orders for Vietnam who has to wear a back brace and is supposed to be on limited duty.

7. Ft. Knox: This case is related about a serviceman's 15-month-old son who became quite ill and was taken to the base doctor. The doctor said he has only a sore throat and gave the child aspirins and cough syrup. The following day the child had a high temperature and again a base doctor in the pediatric clinic was called and the parents were told to give the child a cold bath to bring his temperature down. Finally the parents took their child to a civilian doctor who diagnosed it as a severe case of tonsillitis.

8. Ft. Gordon: This young man suffered a fractured leg in high school and steel plates and pins were required to repair it. At the time of induction, he presented letters stating this condition, but was drafted. He collapsed from the pain in this leg in February 1969 and was then assigned to limited duties. He was given orders to report to MP School which is very hard and strenuous. Although he has complained to his officers at Ft. Gordon and reported to the dispensary, he has been told that the pain he was having was "the kind he could live with." He was sent back to duty and was told he was just "trying to get out of the Army."

9. Ft. Holabird: He had polio as a child which left one leg shorter than the other and has experienced continued pain with it. The army has told him his condition was from *quadricips* weakness. Another time he was called a phoney and a liar for his complaints. He has been given a couple of weeks of therapy, which had no results, and pain pills.

10. Ft. Knox: He received head injuries which affected his eyes while serving in Germany. Civilian doctors say he is going blind. Army doctors claim there is nothing the matter with his eyes. At this time he is training for Vietnam.

11. Ft. Knox: Involved in a firing range accident, he has suffered a complete loss of hearing in one ear. Currently in Vietnam doing administrative work, he is still doing guard duty despite a permanent profile because of his hearing.

12. Ft. Sill: His assignments are said to be only for limited duty, but this is not the case. He has been told that he has had hepatitis and even counseled at Ft. Belvoir about having checkups regularly, but nothing appears on his medical records to this effect.

13. On duty in Vietnam: Long having suffered severe problems with his feet, and civilian doctors having advised his draft board of this problem, he was drafted anyway. Since he had such problems, he was given a permanent profile which stated he should be on his feet only short periods of time, but is now spending a great deal of his time on his feet as a cook in Vietnam.

14. Ft. Belvoir: He injured his hand on February 14, 1969, but it appeared at the time that no bones were broken. He returned to duty and reinjured his hand. Given 15 days leave with hopes that the hand would benefit from this rest, he returned to Belvoir after the 15 days and has been in the hospital since. He receives therapy twice a week, but the hand is not responding to treatment.

15. Ft. Leonard Wood: He was drafted after being withdrawn from school on doctor's orders for thyroid deficiency. He had a very bad skin rash as a reaction to medicine that he was given, also a rare lump in his neck and a fissure that needs surgery. A date had been set for this surgery when he was drafted. All of this was ignored at the time of his being drafted. It has taken letters from my office to have this young man discharged. I have not been given the word officially that he is being discharged, but I have received a letter from the young man to this effect.

THE TAXPAYERS REVOLT—AND THEY SHOULD

Mr. TYDINGS. Mr. President, I recently appeared before the quarterly meeting of United Democrats of Anne Arundel County to present my views on one of the most pressing issues facing Congress—tax reform.

I ask unanimous consent that the text of my statement be printed in the RECORD.

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

As the opinion polls revealed during the past election, the political concern foremost in the minds of the voters was neither Vietnam nor race relations—the issues that were supposed to dominate the election. It was taxes that vexed the voters most.

The increasing use of the phrase "taxpayer revolt" is no exaggeration. From my conversations with constituents across Maryland and from the mail I receive, it is clear that the taxpayers of this State are fighting mad over the swollen size of their tax bills and the glaring inequities in our Federal tax structure.

And well they should be. Last year a 10 percent surtax was imposed to combat inflation. At the same time, an estimated $50 billion a year in potential tax revenue that could be used to combat price rises is slipping through the loopholes in our jerry-built Federal tax system into the pockets of a privileged few.

State and local sales and property taxes continue their astronomical climb to pay for needed Government services. At the same time billions that could be used to finance these services are syphoned off for the private profit of the special interests.

The middle income taxpayers on whom the tax burden falls most heavily and most unfairly struggle to make ends meet in this period of rapid inflation. At the same time we are told that 155 Americans filed returns in 1967 on incomes of more than $200,000 a piece and paid *not one penny* in Federal taxes. 21 members of this group earned in excess of $1 million that year.

Is it any wonder that the average taxpayer is in a rebellious mood?

The Congress *must* enact far-reaching tax reform. We must do it this year. For the faith in our tax system as a fair way of raising the money needed to finance Government services is fading fast.

The list of loopholes that need to be closed is long. Let me simply point out some of the most blatant inequities.

First there is the oil depletion allowance. Adopted in 1902 to aid the then-struggling oil industry, it permits a person to freely pocket 27½ percent on his total take from oil or gas wells as a "depletion allowance" before even thinking about calculating his tax. In theory, it is supposed to operate like the deductions businessmen are permitted for the depreciation of their plant and equipment. Unlike deductions in other industries, however, the oil depletion allowance continues year after year as long as the well keeps producing. It does not stop when the cost of the well is recovered.

As a result of this loophole, the Treasury estimates the cost of the average oil well is recovered 19 times over. In 1966 the top 20 oil companies in the Nation showed a total profit of more than 4¾ billion. Yet they paid Federal income taxes at the rate of only 3½ percent; about the same rate a man and wife earning $3000 a year must pay.

With the oil industry booming today, the depletion allowance is nothing more than an enormous tax dodge which costs the American people $1.3 billion a year. But it is ferociously defended by a lavishly financed lobby with the help of a coterie of sympathetic Congressmen.

Another unconscionable loophole in the Internal Revenue Code is the provision that permits capital gains to go untaxed at death.

When shares of stock and other forms of property increase in value, the increase is subject to tax as a capital gain when the property is sold. However, if a man never sells his property and it passes to his heirs, neither he nor his heirs will ever have to pay income tax on the increase in value.

This loophole obviously favors the very rich who have large amounts of accumulated wealth to pass on their heirs. In addition, it costs the American people approximately $2.5 billion a year in potential tax revenues.

Under current tax law, the first $25,000 of a corporation's earnings are taxed at 22% while everything above that is taxed at 48%. To take advantage of this situation, busi-

nesses often break themselves up into a number of separate corporations, each earning $25,000 or less. In this way, they avoid paying the extra 26% tax entirely.

There is one case of one enterprise that divided itself into 764 separate corporations for a tax savings of nearly $5 million a year.

The cost of this multiple corporation dodge to us is approximately $200 million a year.

The list of loopholes runs on and on, including unlimited charitable deductions, different tax rates for gift and estate taxes, the use of hobby farms as a shelter for other income, and accelerated depreciation on speculative real estate.

Each loophole gives some special interest group unwarranted advantage over the average American taxpayer. Each one forces the rest of us to pay heavier taxes than we would with an equitable tax system.

Despite the outrageous nature of these loopholes and their obvious inequities, eliminating them will be a monumental task. Those who benefit from them are well-organized, well-financed, and determined to keep them on the books. The lobbyists for these special interests already are beginning to swarm over Capitol Hill.

However, the time has come to unite against those who would perpetuate the privileges of the few against the many. No democracy can long tolerate such blatant inequalities in its laws and retain the confidence of its citizens.

I, for one, intend to fight for real tax reform until it is won.

THE SOUTHERN NEVADA WATER PROJECT

Mr. CANNON. Mr. President, southern Nevada has become quite alarmed over the delay in the construction of the southern Nevada water project, designed to eventually provide much needed water to the southern Nevada area.

The administration last week canceled bidding invitations for almost $12 million worth of construction in anticipation of a budget squeeze. Meanwhile, the Colorado River Commission of Nevada had raised $10 million through a bond issue to construct a water treatment facility on Saddle Island. The operation and repayment is premised on the project being completed on schedule; and at an interest rate of $1,250 a day, the State stands to lose many thousands of dollars from inaction. In the meantime, southern Nevada water resources are depleting at a faster rate as hundreds of families a month relocate into the area. Las Vegas and Nevada water experts tell me the ground water basin is being depleted at an alarming rate.

This is a ridiculous way to run any Federal program. I call for an immediate reopening on the bidding, without the April 15 budget cut which will cause hundreds of thousands of Nevadans to face a serious water shortage.

I ask unanimous consent to have printed in the RECORD two letters, one from the Colorado River Commission of Nevada and one by the Las Vegas Chamber of Commerce, which describe the position in which southern Nevada is left due to this arbitrary move by the administration.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COLORADO RIVER COMMISSION OF NEVADA,
Las Vegas, Nev., April 9, 1969.

The PRESIDENT,
The White House,
Washington, D.C.

The Colorado River Commission of Nevada is very concerned over any possible delay in the construction of the Southern Nevada Water Project occasioned by your budget review of Federal programs. The water needs of the Las Vegas area, which includes Nellis Air Force Base, are too critical to allow for any delay whatsoever in the present construction schedules. The current water supplies for the Las Vegas area, being obtained from the underground basin by a vastly over-drafted condition, must be augmented to supply this rapidly growing area not later than early 1971, the presently scheduled delivery date of project water. The Colorado River Commission of Nevada is concurrently constructing a $10 million water treatment plant with funds obtained through a bond issue. The operation of this water plant and the repayment of these bonds is premised on the Southern Nevada River Project being completed as scheduled. Any delay will have serious financial implications on the State of Nevada. From the outset the Southern Nevada Water Project has been considered a partnership venture between the State of Nevada and the Federal Government. It was on this premise that these bonds were sold and upon which we entered into a contract with the United States for the water project in which we will repay the Federal Government all its costs with interest. We urge that you take appropriate action to prevent any delays in the construction of the Southern Nevada Water Project.

ROBERT B. GRIFFITH,
Chairman.

LAS VEGAS CHAMBER OF COMMERCE,
Las Vegas, Nev., April 10, 1969.

Hon. HOWARD W. CANNON,
U.S. Senate,
Washington, D.C.

DEAR HOWARD: As you know from history, the Greater Las Vegas Chamber of Commerce headed an aggressive and successful effort to initiate the Southern Nevada Water Project through necessary legislation in the Nevada State Legislature.

Our Chamber has supported your equally determined campaign in guiding this all important water legislation through Congress and, in obtaining for the Southern Nevada Water Project bill, the signature of President Lyndon B. Johnson. We know the many hours of work involved on your part to steer this legislation to reality.

We are, therefore, greatly concerned with the recent news that bids for construction of this vital pipeline link have been cancelled, which will halt the construction schedule of the project. We urge that you exercise every means at your disposal to see to it that the construction bid cancellation by the Bureau of Reclamation is reversed in order that a continuity of this urgent project receives priority. Your continued initiative and leadership in behalf of the Southern Nevada Water Project is most appreciated by everyone in Southern Nevada who realize the necessity for obtaining this additional source of water. A copy of a telegram directed to President Nixon is enclosed.

Cordially,

KEN O'CONNELL,
Executive Vice President.

COPY OF TELEGRAM DIRECTED TO PRESIDENT NIXON

Greater Las Vegas Chamber of Commerce gravely concerned over possible slowdown of Southern Nevada Water Project. We strongly urge that no slowdown occur on the construction of this vital project. A serious water shortage will occur in this area if project not in operation early in 1971. Ground water basin is being depleted at alarming rate.

Colorado River Commission has under contract, construction of a $10 million water treatment plant as part of this vital project with completion time for delivery of water through Southern Nevada Water Project early in 1971. Las Vegas Valley Water District has completed over $15 million of facilities to receive project water and will have invested $5 million more in like facilities by end of 1970. This is a partnership project. Federal funds will be completely repaid with interest under existing water user contracts. Again, we strongly urge no cutback in funding for Federal part of Southern Nevada Water Project.

W. BRUCE BECKLEY,
President, Greater Las Vegas Chamber of Commerce.

UNDER SECRETARY TRAIN'S REMARKS ON THE NEED FOR A STRONG COAL MINE SAFETY LAW

Mr. JAVITS. Mr. President, several weeks ago I introduced S. 1300, a bill to improve the health and safety conditions of coal miners in the United States. Hearings are now being held on this and other proposed legislation to emphasize the pressing need for the rapid enactment of a law to protect the health and safety of the coal miners of America.

In remarks to the National Coal Policy Conference on March 11, 1969, Under Secretary of the Interior Russell E. Train stated that the time had come to substitute action for words in obtaining adequate safeguards for coal miners; he further emphasized that effective regulations for mine health and safety must be supplemented by increased research and development of solutions to the problems created by the advancing technology of coal mining. I have every reason to expect that the bill reported by the Committee on Labor and Public Welfare will serve this purpose.

I ask unanimous consent that Under Secretary Train's remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ADDRESS OF UNDER SECRETARY RUSSELL E. TRAIN, DEPARTMENT OF THE INTERIOR, AT THE NATIONAL COAL POLICY CONFERENCE, MARCH 11, 1969

Mr. Chairman, Mr. Moody, and members of the National Coal Policy Conference, it is a great pleasure to be here with you. Secretary Hickel has asked me to convey his greetings and to say how sorry he is that other commitments preclude his appearance today.

So, you will just have to settle for the Under Secretary. I am still getting acquainted with my duties, but I have learned a few things:

If an idea doesn't work, it was my idea.

If there is a tough and extremely unpopular decision to be made, I will be called front and center to announce it.

On the other hand, when the Department is doing something that will be applauded, the directors of the various bureaus are not going to bother me about that. I'm too busy, so they will announce it.

And, unlike Secretary Hickel, who has

shot to the top of the recognition polls, I do not expect to become a household word.

As the new Under Secretary of the Interior, I have joined a small, but distinguished group of predecessors—distinguished not because they are seldom remembered as having served as Under Secretaries—but because they often have gone on to loftier positions.

I am the 17th Under Secretary, as compared with Wally Hickel, who is the 38th Secretary. This is not because Under Secretaries have endured longer, but because the post of Under Secretary didn't come into being at Interior until the administration of Secretary Ickes.

Most of the Under Secretaries have been from the West. I do not fit the pattern there. I am a native of the District here. Most of the Under Secretaries have been trained in the legal profession. In this regard, I can qualify.

Justice Abe Fortas, the last of the five Under Secretaries during the Ickes administration, first brought to the Under Secretaryship an interest in the problems of the coal-mining industry. He served two years under Ickes as chief counsel for the Bituminous Coal Division.

I think that you have been aware of the great pressures in the Department of the Interior at the present time. We have already embarked on two major legislative programs:

First, water pollution legislation to prevent and to clean oil spills by tankers and offshore oil wells.

Secondly, legislation to improve the health and safety of our Nation's coal miners. I might have a few words to say about that later on.

We have also just completed a review of the Department's budget for fiscal 1970. Appropriation hearings have been going on in the House for some time and will probably start in the Senate before the end of this month.

While several nominations for Assistant Secretaries have been announced, no confirmation hearings have been held. One practical result of this is that I have now learned to sign my name with both hands.

It is hectic over there at Interior as we observe our 120th year this month, but probably not as much as back in 1850 when Secretary Thomas McKennan served under President Fillmore.

Secretary McKennan was in office for exactly 11 days. Then he resigned, because—and I quote from his letter of resignation—"Conditions in the Department are bad, for it has not been fully organized. . . . Such conditions put much of a strain on the nervous man . . ."

I want it to be known that Secretary Hickel and I are tougher and have lots of nerve.

When I was nominated Under Secretary, there was talk that, because of my reputation as "Mr. Conservation," I was selected to balance the appointment of Secretary Hickel, who was under fire by the Senate committee considering his confirmation.

As a matter of fact, what people didn't know—and perhaps still do not realize—is that he always has been more of a conservationist than some who wear the title.

No one saw fit to look up the record he wrote in his two years as the Governor of Alaska. No one seemed to care that he was chairman of the committee that wrote the natural resources portion of the Republican Party platform last summer.

During the Santa Barbara crisis, during the press of legislative matters, during the preparation of the legislation on coal mine health and safety, during these days of running a new Department, he has cared enough to take action to save the alligators in the Everglades from extinction, to stop the killing of the rare Musk oxen in his home State of Alaska.

He does not have to apologize to anyone for his conservation record.

The great resources this country has are divided into two parts—one, our natural resources, and the other—the most important—our *human* resources.

Congress is now considering legislation to improve both the health and safety of the coal miners of America. It is so vital that it was the subject of the *first special message* President Nixon sent to the Hill. In transmitting the legislation, the President said:

"The workers of the coal mining industry and their families have too long endured the constant threat and often sudden reality of disaster. . . . The acceptance of the possibility of death in the mines has become almost as much as part of the job as the tools and tunnels. The time has come to replace this fatalism with hope by substituting action for words."

The key to what President Nixon said is *"substituting action for words."*

We are going to work as hard, as long, as unstintingly as necessary to get this legislation passed because the Country and the President *want it.*

This Administration has inherited a lot of good *intentions* to help the miners. Now, there will be action. *We mean business.*

The bill introduced in the House and the Senate, and on which hearings already are being held, will do the following:

Apply to all underground and surface coal mines;

Require at least three times a year the inspection of every portion of every underground coal mine;

Extend the Secretary's authority over all types of accidents, not just the disaster type such as fire, explosions and floods;

Authorize the Secretary to propose mandatory health and safety standards for all coal mines;

Provide for review of the standards by an expanded Coal Mine Health and Safety Board;

Provide civil penalties for the violation of mandatory standards;

Require immediate evacuation of all persons in the case of an imminent danger;

Provide for the immediate withdrawal of persons, after notice, in cases of an unwarrantable failure to comply with mandatory health or safety standards;

Provide that all withdrawal orders remain in effect until modified or terminated by the inspector; and,

Expand our research activities and capabilities.

The need for this type of legislation is unmistakable. The present law is aimed exclusively at the type of accidents in which five or more persons might die as a result of fire, explosion, flood or other such major disaster. Statistics show that since this law was enacted, the fatality rate for major disasters has been cut by about 50 percent. However, the statistics indicate that there has been no change in the fatality or injury rates from the day-to-day type of accidents over the past 20 years.

There are major differences between the legislation recommended by President Nixon and that of the previous administration. It is a far stronger bill and it is more likely to get the job done.

Let's be clear what those differences are:

1. Inspection of every portion of every underground coal mine a minimum of three times a year, instead of only "frequently."

2. Establishment of a 4.5 dust standard, effective six months after enactment, rather than a 3.0 standard without any date when such a goal should be reached.

3. Any miner showing substantial evidence of the black lung disease must be assigned, at the miner's option, to an area of the mine having a 2.0 dust level, or he must continuously wear a respirator.

4. Framework is provided for the establishment of underground emergency shelters with adequate communication to the surface.

5. Adequate lighting underground is required.

6. Standards of electrical equipment are stricter.

7. Immediate withdrawal of persons, after notice and re-inspection, in cases of unwarrantable failure to comply with standards.

8. Research efforts will be expanded to improve the means and methods of communication from the surface to the underground portion of mines.

9. Grants to States are provided relative to improving workmen's compensation laws.

Any resource that supplies nearly one-fourth of our rapidly growing energy requirements and more than half our electric power needs is undeniably vital to industrial and economic progress. Any resource with the potential that coal has for augmenting our supplies of liquid and gaseous fuels and valuable chemicals must inevitably command the attention of a government that is dedicated to advancing the welfare of its people.

And a resource which, as an export commodity, ranks among the largest individual contributors to our balance of payments credits, is bound to become one of the first objects of study for any new Secretary of the Interior. Our responsibility to promote further expansion of our coal export markets naturally has taken a place high on our agenda of top-priority jobs.

One has only to read his daily newspaper, listen to the radio, or watch television to become quickly aware of the intense and widespread concern that exists at two of the interfaces between coal and the public.

One of these interfaces is in the coal mine, and the other is in the atmosphere surrounding our cities. In both, the character of the environment is at the core of the problem. It has become increasingly clear that the public will accept nothing less than a dramatic improvement in both environments . . . the coal mine and the atmosphere.

As the casual observer cannot avoid being impressed with the importance of coal to America's economy, so have I been impressed with the extent to which the coal industry's problems stem from a cause that is fairly common to our mineral and fuel industries.

We need coal mine health and safety laws mainly because the technology now in place does not protect the miners. In fact, it sometimes places them in even greater jeopardy.

Environmental pollution laws are likewise no more than attempts to compensate for technological failures. The sulfur and other noxious substances that foul our air, the oil and acid drainage that pollutes our waters, the subsidence and the spoil banks that mar the surface of our land . . . all of these are evidence of technology's inadequacies. I cannot avoid the conclusion that the ultimate answers to many of your industry's most pressing problems can be found in better technology.

Research and development on problems of mine health and safety and environmental pollution rank equally in our priorities with the development and enforcement of effective regulations.

The regulations might not have been needed had the necessary research already been performed, and I am convinced that effective research can ultimately make it possible for the industry to operate with substantially less legislation than it now requires. So, we must ask ourselves how much of a role the Department of the Interior should play with regard to research and development on mine health and safety, and pollution.

The answer to this question, I believe, is dictated by the nature of the problems themselves.

Our research will be aimed at technological problems that cross institutional lines, at problems which are beyond the capacity of single companies or industries, or problems

on which, for various reasons, government initiative is in the public interest.

Thus, an adequate research program must be founded on a perspective that embraces every aspect of coal, from mining to final use.

I feel that the Department is fully capable of designing an even broader systems research effort, to cope with all the problems that hinder full development and utilization of the Nation's vast coal resources. We have the resources of the Bureau of Mines, which is the Department's in-house coal research facility, the Office of Coal Research, our contracting arm, and other organizations, including the Federal Water Pollution Control Administration.

Interior agencies, according to their capabilities, already are investigating ways in which the potential of coal can be more fully realized. Research, as you know, is already under way or planned on such processes as gasification and liquification, methane drainage to facilitate mining, and also on more efficient processes for converting coal to electricity.

However, these efforts are pitifully small. They simply are not of a scale commensurate with the opportunities and the national interest. We in the Department will be pressing for a significant step-up in our efforts in this area.

Our review of the existing coal programs of the Department suggest that they have been put together on a piece-meal basis and with little effort to develop a comprehensive and systematic attack on the problem of fuel synthesis from coal.

We must begin afresh. We must now work in full consultation with both the producing and using industries and with our universities to develop the means whereby this greatest of all of our fuel resources can reach its true potential.

THE ABM SYSTEM

Mr. TYDINGS. Mr. President, yesterday, ROGERS MORTON, the new chairman of the Republican National Committee, warned against "Trying to twist this ABM into a political issue." I was most pleased to hear Representative MORTON say this.

The issues raised by the proposed deployment of an ABM system are too important and too vital to the Nation's future to be distorted by partisanship. We must make our decision as concerned citizens, not as Republicans or Democrats.

I am happy to say that a spirit of bipartisanship has characterized the Senate debate on the Safeguard proposal so far. It is my fervent hope that no Member of Congress or of the administration will destroy this spirit with calls to partisan solidarity or with the ascription of partisan motives to opponents.

GREAT PLAINS CONSERVATION PROGRAM IS VITAL

Mr. HRUSKA. Mr. President, yesterday it was my privilege to join with the Senator from North Dakota (Mr. YOUNG) and other Midwest Senators to cosponsor a bill, S. 1790, to extend the authority of the Great Plains conservation program for 10 years and to increase the amount of total authorized appropriations for the program from $150 to $300 million.

The Great Plains conservation program was authorized in 1956 by the 84th Congress after being proposed and actively supported by the Eisenhower administration. This program was a major step toward protecting and preserving the vast agricultural area of the Great Plains. It provided farmers and ranchers in the critically erodible areas with long-range cost-sharing and technical assistance, and contributed greatly to establishing well-planned conservation programs throughout this region. As of June 30, 1968, 31,122 cost-share contracts had been signed in the Great Plains area covering 56,601,700 acres, of which 18,732 contracts are still active on 37,449,169 acres.

Besides preserving the resources of this vital agricultural region, the Great Plains program has aided rural area development. According to the Department of Agriculture, the conservation treatments installed under cost-share contracts generally assure higher levels of income. A small improvement in available forage can mean the difference between profit and loss for some range units. Marginal farming systems can be changed to improved grasses.

Concentrated efforts are also being made under this program to help land owners and operators make needed land use changes. Much of the Great Plains area is suitable for production of cultivated crops when needed conservation measures are properly applied. There are other areas of the Great Plains, however, that are not suited for cropland. This program is helping participants convert these lands to permanent vegetative cover and to reseed denuded rangelands. It has helped the farmers and ranchers of Nebraska, and of the other nine States in the Great Plains, to reduce the hazardous conditions on their lands caused by drouth and soil blowing so common in the Great Plains.

The original act expires on December 31, 1971. Moreover, the appropriation limit provided in the original act, of $150 million, is being approached. It would be a disservice to the farmers and ranchers of the Great Plains to end this program before its objectives have been fully achieved, and before the critically erodible lands have been treated. The continuing need of this program is evidenced by the backlog of 5,000 unserviced applications as of the end of fiscal year 1968.

The bill which I joined in cosponsoring yesterday will extend the life of this vital program for a sufficient period of time to accomplish more adequately the conservation of our land resources in the Midwest. It is on this land that a substantial portion of our national grain and livestock production takes place.

The Great Plains conservation program is of substantial benefit to my home State of Nebraska. Sixty counties in Nebraska are presently designated to receive assistance; many of these counties were subject to serious drouth last year and will require extensive land treatment to prevent rapid erosion. As of January, 1969, about 4,429 individual contracts had been entered into in Nebraska for cost-share assistance since the beginning of the program. These contracts cover about 5.5 million acres of Nebraska grassland. The amount expended for cost-share by the Federal Government in Nebraska has been about $13.4 million since 1956.

In addition, there are now over 600 more applications pending from farmers and ranchers of Nebraska seeking assistance. Many thousands of acres were damaged last year in Nebraska, and other Midwest States, by wind erosion; crops or cover were destroyed by wind last year in this region on 351,280 acres where the land itself was not reported as being damaged; hundreds of thousands of acres being used for cropland at the time initial contracts were signed still need to be converted to permanent vegetative cover or to be reseeded.

For these reasons, I joined as a cosponsor of S. 1790, and I urge other Members of the Senate to give the bill their serious consideration.

NATIONAL COMMANDER'S AWARD OF AMERICAN LEGION TO EFREM ZIMBALIST, JR.

Mr. MURPHY. Mr. President, on March 14, Mr. Efrem Zimbalist, Jr., was given the National Commander's Award of the American Legion at a luncheon held in Washington, D.C.

Mr. Zimbalist's portrayal of Inspector Erskine has helped many Americans to become aware of the great job the Federal Bureau of Investigation does in protecting our security and tracking down the criminal element.

In accepting this award, Mr. Zimbalist's speech indicates that on or off the screen his words deserve the careful attention of all. Particularly significant, in these days of disturbances and disruptions, are his remarks that "too many Americans have developed a strange myopia—a form of defective vision which causes the rights and privileges that our country guaranteed its inhabitants to remain in sharp focus, while the duties and obligations of responsible citizenship are dangerously blurred."

I ask unanimous consent that the text of his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF EFREM ZIMBALIST, JR., IN ACCEPTING THE NATIONAL COMMANDER'S AWARD OF THE AMERICAN LEGION IN WASHINGTON, D.C., MARCH 14, 1969

This is truly an outstanding moment in my life. To receive this National Commander's Award is an honor which I shall cherish always. And to have received it on the eve of The American Legion's 50th Anniversary makes this plaque and this ceremony all the more meaningful to me.

I cannot help feeling that this is an Award to Inspector Erskine, the forthright and courageous law enforcement officer who epitomizes the "Fidelity, Bravery and Integrity" of the FBI. I have enjoyed tremendously my association with "The FBI" television series—and the opportunity it has given me to meet and develop friendship among the men and women of the FBI. They represent a caliber of dedicated public service which is as genuine as it is rare.

I welcome this occasion also because of the opportunity it gives me to express my pride in The American Legion—pride in the standards of patriotism, the love of country, the service to humanity, and the devotion to God which are this organization's basic fiber and source of strength.

Frankly, I wish that *all citizens* shared the honor and respect which Legionnaires have for Old Glory . . . the uniform of our Armed Forces . . . our country's solemn na-

tional holidays. I wish also that every citizen shared the Legion's dedication to the American ideal—the ideal of liberty and justice and opportunity *for all.*

I would like to dwell for a moment on that word "opportunity"—for contrary to the apparent belief of some elements in this country, it embodies a process of give, as well as take.

Too many Americans have developed a strange myopia—a form of defective vision which causes the rights and privileges that our country guarantees its inhabitants to remain in sharp focus, while the duties and obligations of responsible citizenship are dangerously blurred.

Who are these elements? *At best,* they are narrow and self-centered individuals who place personal pleasure and convenience above all other considerations—the shirkers of jury duty, the goldbricks on civic projects, and others who incessantly demand, "Let John do it. I don't want to get involved."

The torch of American freedom was not ignited nor could it long survive, at the hand of one-dimensional citizens such as these.

At the other extreme are noxious bands of defiant rabble-arrogant extremists militantly committed to causes and activities which challenge the fiber and the mettle of public and private institutions throughout the land.

I refer not merely to the communists, the Klansmen and others addicted to ideologies which are clearly alien to the United States—but I refer as well to those insolent "anti-patriots" who have deliberately embarked on a collision course with our time-honored precepts of reason, responsibility and respect.

In this category, I place the self-professed Mao-ists, Che-ists, and other lice-ridden demogogues of the New Left who have attacked law and authorty on the streets and campuses of America. In this category, I place also the grossly unstable bands of hatemongers whose manifestos and harangues are heavily garnished with four-letter words.

Frankly, I have tired—and I am certain that you have, too—of watching brash young exhibitionists trample our flag, burn their draft cards, and defame the United States. I have tired also of seeing the educational process disrupted, and hallowed halls of learning desecrated, by a comparative handful of warped radicals.

And I have passed the stomach-churning point with the threats and demands of those racist fanatics who would divide our country by color lines.

Defiance of law, rejection of values, contempt for authority—these are divisive forces which would undermine and destroy our national unity and strength. The American Legion has opposed all such forces throughout the past 50 years, and it must continue to oppose them with sound programs—selfless programs—designed to inspire patriotism, to promote understanding, and to *enhance* national unity and strength.

Fellow Legionnaires, I stand with great pride within your ranks. And I am truly grateful for the honor bestowed on me today.

APRIL 16 HEARING ON A NATIONAL POLICY FOR THE ENVIRONMENT

Mr. JACKSON. Mr. President, as previously announced, the Committee on Interior and Insular Affairs has scheduled a hearing for Wednesday, April 16, on proposed legislation to establish a national policy for the environment. Measures pending before the committee on this subject are S. 1075, S. 237, and S. 1752.

All of these measures constitute the response of members of the Senate Interior Committee to the growing list of environmental crises our country has experienced and to the rapid decay and decline in the quality of the human environment.

My bill, S. 1075, as well as the others, poses one of the most important issues faced by our Nation. That issue is: "How should the Federal Government be organized to deal with, to anticipate, and to avoid the adverse consequences of environmental problems."

As Senators are aware, this subject has been a matter of great concern to many Members of Congress. Last July, the Senate Committee on Interior and Insular Affairs joined with the House Committee on Science and Astronautics to convene a joint House-Senate colloquium to discuss the need for the content of a national policy for the environment. In addition, many Members of Congress have introduced legislative proposals related to a national policy for the environment.

Some time ago, I requested Prof. Lynton K. Caldwell, professor of government, Indiana University, to prepare a paper outlining some of the major alternatives for institutional reforms designed to improve the Federal Government's capacity to manage the environment. Professor Caldwell's paper provides an excellent summary of the alternatives and raises many of the fundamental questions which need to be considered in deciding what needs to be done in the way of restructuring the Federal Government. Mr. President, I ask unanimous consent that Professor Caldwell's paper be printed in the RECORD.

Witnesses scheduled to appear at tomorrow's hearing on a national policy for the environment are as follows:

MORNING

Dr. Lee A. DuBridge, President's science advisor.

Hon. Walter J. Hickel, Secretary of the Interior.

Mr. Ned Bayley, Director of Science and Education, Department of Agriculture.

Mr. James D. Braman, Assistant Secretary for Urban Systems and the Environment, Department of Transportation.

AFTERNOON

Dr. Lynton K. Caldwell, professor of government, University of Indiana.

Mr. Mike McCloskey, Sierra Club.

Hon. Stewart Udall, former Secretary of the Interior.

Mr. Louis S. Clapper, director of conservation, National Wildlife Federation.

Mrs. Donald E. Clausen, water resources chairwoman, National League of Women Voters.

Rev. John Corrado.

Tomorrow's hearing will provide the first opportunity for top officials of the Nixon administration who have responsibilities for the management of the environment to express their views and to outline their policies, programs, and priorities in this critical area of concern. The timing is especially significant in view of recent reports of pending action by President Nixon to establish an interagency environmental quality council composed of the Vice President, a number of Cabinet officers, and chaired by the President.

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

MAJOR ALTERNATIVES FOR INSTITUTIONAL REFORMS DESIGNED TO IMPROVE THE GOVERNMENT'S CAPACITY TO MANAGE THE ENVIRONMENT

(Statement by Lnyton K. Caldwell, professor of government, Indiana University, before the Senate Committee on Interior and Insular Affairs on S. 1075 and related measures, Apr. 16, 1969)

1. The question at issue is this: How should the federal government be restructured to deal more effectively with the growing stress upon our natural environment?

2. The term "environment" includes the life-support system of our nation and of all the earth—the system of interactions of people with the air, water, land, and living organisms that comprise the biosphere—the interactions of those elements in our world capable of sustaining life. And although our immediate concern is with environmental policy in America, that policy must permit our nation to play a constructive role in international efforts to safeguard the biosphere of the whole earth. For this sphere of life, as we have now perceived it from outer space, is on ecological unity. All men, together with other living things, depend upon its self-renewing capabilities for their continuing existence.

3. There is general agreement here and abroad that the issue of man's environmental relationships is growing in importance. But how important is it? (As important as military defense or foreign affairs?) What is its priority in relation to other needs of society? (To social welfare, civil rights, or economic growth?) What kind of problem does the environment present? (Scientific, technical, social, or a mixture of these and other elements?). Answers must be given to these questions before intelligent decisions can be made regarding institutional reforms. Differing proposals have been made for dealing with environmental policy at the national level. But in order to choose wisely among these alternatives, a judgment must be made regarding the purposes and priorities of government action.

4. Clarity of policy and action would be served if this judgment could be made explicit. No general statement of national responsibility for the protection of the environment has yet been adopted by the Congress. But on July 17 of 1968, the Senate Committee on Interior and Insular Affairs and the House of Representatives Committee on Science and Astronautics sponsored an informal joint colloquium on "A National Policy for the Environment." A special report on environmental policy was prepared for the Senate Interior Committee in connection with this conference and has been appended as Exhibit I to Senate Bill 1075. [Congressional Record, February 18, 1969 p. 3701.] In its preamble the Bill itself sets forth a policy to:

". . . prevent or effectively reduce any adverse effects on the quality of the environment in the management and development of the Nation's natural resources, to produce an understanding of the Nation's natural resources and the environmental forces affecting them and responsible for their development and future well being, and to create and maintain conditions under which man and nature can exist in productive harmony and fulfill the social, economic, and other requirements of present and future generations of Americans, through a comprehensive and continuing program of study, review, and research."

5. If the Congress were to adopt an explicit statement of policy, as it did in the Employment Act of 1946, choice among alternative proposals for environmental administration would be facilitated. An adequate statement of policy would provide criteria for determining what type of organization and procedure would be required to make the policy effective. Such a statement would, or should, provide a clearer indication than we now have of the importance attached by the Congress and the American people to environmental policy in relation to other issues. In the absence of a statement of policy on which majority agreement has been reached, we have no consensual basis to support a positive program of environmental administration. Meanwhile, we can only guess at the degree of priority attached to environmental policy by the sponsors of specific legislative or executive proposals.

6. Current proposals for institutional change can best be understood if grouped by the several categories into which they logically fall. These categories represent differing perceptions of the environmental issue, its importance and its relation to other issues. The categories are also, by implication, responses to the question: Is man's relationship to the environment *in itself* a major focus for policy or is it important primarily in relation to other issues? The greater number of proposals introduced into the 90th and 91st Congresses have assumed the protection of the environment to be a very major aspect of national policy, although obviously related to other policy areas as, for example, to agriculture, urban affairs, and recreation. Within this general category of environment as a distinct policy focus, there are three sub-categories of institutional reform which we will presently examine. But there are two other categorical approaches to the environmental issue in which it is included under other policy objectives.

7. The first of these includes the state of the environment under a continuing assessment of national social accounts. Within the social accounts category, environmental factors would be considered in relation to conditions of health, poverty, education, population dynamics, and human resource problems generally. There are important environmental aspects in all areas of social concern, and it would not be inappropriate to consider them under the social accounts category. Yet it may be argued that the primary focus of social accounts is upon man-to-man or group-to-group relationships, and that these constitute a large and complex field of concern quite apart from the equally large and complex field of man-environment relationships. Advocates of a separate organization for environmental policy argue that a national system of social accounts should not attempt to embrace environmental factors *per se*, but should deal with them only as inextricably related to human resource problems. The separate policy advocates fear that, in a merger of environmental and social concerns, the less understood, less generally apparent, environmental problems would be slighted in preference to the types of social issues and conflicts with which the public and its political representatives are historically more familiar. Moreover it is contended that the types of knowledge and judgment necessary for policy analysis and advice differ as between social and environmental concerns to an extent that separate organizations for each would better serve the public interest.

8. The second approach to the environment as an aspect of another area of policy is to bring it into the federal structure for science and technology. To some extent this has already been done. The Office of Science and Technology and the Federal Council for Science and Technology have studied environmental policy questions and the President's Science Advisory Committee has issued at least two major reports on environmental policy issues [the reports on *The Use of Pesticides*, 1963, and *Restoring the Quality of Our Environment*, 1965.] On the occasion of President Johnson's Message to Congress on Natural Beauty [February, 1965], he instructed the Directors of the Office of Science and Technology and the Bureau of the Budget to recommend how the federal government might best organize its efforts toward advancing scientific understanding of natural plant and animal communities and their interactions with man and his activities. On January 24, 1968, in a joint memorandum for the President, the Directors recommended that the Office of Science and Technology assume responsibility for maintaining an overview of this policy area and assure the necessary coordination among agencies with the scientific community. The recommendations comprising Part III of the memorandum deserve careful attention. They correspond generally to those incorporated in the Congressional proposals, presently to be discussed. No "independent" advisory committee was suggested in the memorandum, although a joint federal agency-academic planning group was recommended for guiding ecological research.

9. President Johnson does not appear to have acted on this recommendation during his remaining year in office. The substance of the report reappeared, however, in a new memorandum, presumably prepared by staff in the OST and BOB and submitted to President Nixon by his Science Adviser, Dr. Lee Alvin DuBridge, on February 24, 1969. On March 17 the *Washington Post* reported pp. 1, 3 that President Nixon was considering designating his Science Adviser as Executive Secretary for a cabinet-level inter-agency Environmental Quality Council, with the Office of Science and Technology providing staff support. Reaction to this proposal, outside the Executive establishment, has ranged from cautious to skeptical. Four serious questions have been raised regarding this proposition. *First*, is environmental policy, not broader than science and technology, involving questions of value—of economics, esthetics, and ethics for which scientists and engineers have no distinctive competence? *Second*, is the addition of environmental policy responsibility to the duties of officers and agencies primarily concerned with other issues adequate provision for the task? Or does it represent a convenient, non-committal disposition of a political issue that is perceived in the Executive Branch as troublesome, but of relatively low priority? *Third*, is there any real promise that a cabinet level council, chaired by the President or Vice President would ever function as proposed? To observers wise in the ways of bureaucratic behavior its interagency membership suggests a role of mutual adjustment and accommodation rather than an uncommitted review and assessment of alternative courses of action. *Fourth*, and last, would the Congress and the country have as much confidence in organizational arrangements tied closely to the politics and personality of the incumbent President as they would in an organization created by the Congress and staffed independently of any other agency affiliation?

10. Answers to these questions will differ among respondents. It is however a safe surmize that very few persons who have been deeply concerned and involved in environmental policy issues would consider this arrangement adequate to the task. It offers little that is not already available in the federal executive establishment. The President can convene his cabinet on issues of the environment or of any other area of policy. We have already noted that there is nothing new in the concern of the OST with technoscientific aspects of environmental policy. But to undertake coordination of the ecological aspects of environmental research and policy would either disproportionately weight its emphasis in this area to the possible detriment of other areas of science or, more probably, would result in insufficient attention to its ecological responsibilities.

11. This objection might in part be obviated if the OST were to become the nucleus of a greatly enlarged cabinet level Department of Science and Technology. The departmental proposition has been under informal discussion for a number of years. [E.g., Carl F. Stover, *The Government of Science*, 1962.] It was recently broached by retiring science adviser Donald F. Hornig in an address at the 1968 Annual Meeting of the American Association for the Advancement of Science. But the objection that environmental policy embraces more than science and technology would remain. Moreover the examiners of United States science policy for the Organization for Economic Cooperation and Development cited environmental policy as an area in which American science had *not* been notably successful. "There is little sign," wrote Examiner C. D. Waddington, Professor in Edinburgh's Institute of Animal Genetics, that U.S. scientists concerned with grand strategy have been thinking about . . . how we can ever develop a really scientific approach to creating an environment and social organization in which human living will be at the best level of physical well-being. . . ." Examiner Lefèvre, former Premier of Belgium, remarked that environmental problems are harder ". . . to tackle systematically, on the scale required, than to solve technical problems." In sum, the prospect of developing an adequate administration of environmental policy as an aspect of science and technology does not seem promising. [Cf., *Reviews of National Science Policy: United States, OECD*, 1968]

12. But to return to the Office of Science and Technology as presently situated, what of the contention that environmental policy is not likely to flourish unless administered close to the seat of power in the White House? To argue that the President, personally, will give more attention to an arrangement of his own creating than to one "wished upon him by the Congress" is to conjecture beyond available evidence. The unique powers of the President extend primarily to foreign and military affairs; on domestic issues he must, in greater measure, collaborate with the Congress. For nearly a generation, the President has been preoccupied with wars, hot and cold, and with America's international involvements. Environmental issues are preponderately domestic and few of them can be resolved without Congressional cooperation on matters in which the Congress has not customarily deferred to the White House, as it often has on matters affecting the command of the armed forces and the negotiation of international agreements. In short, it is more important that a Council on the Environment, as proposed in S. 1075 and several other bills now in committee, have a closer rapport with Congressional attitudes and responsibilities than is necessary, for example, in the case of the Presidents Science Advisory Committee or the National Security Council. Presidential leadership is in no way diminished by the Congressional proposals on the environment but, consistent with the theory of the Constitution, the President shares responsibility with the Congress on matters of civil and domestic policy. Therefore, with one exception, all other proposals for environmental policy implementation assume a base of governmental responsibility that is broader than the Presidency.

13. This exception is the reported, but unpublished, recommendations of President Nixon's task force on environmental policy headed by Russell E. Train, then President of the Conservation Foundation, now Undersecretary of the Interior. The account of the task force recommendation appeared in the

New York Times of January 12, 1969, and has been reprinted in the *Congressional Record* as Exhibit 3 of Senate Bill 1075 [February 18, p. 3712]. The task force was reported to have recommended a cabinet-level interagency Council on the Environment, (comparable to that reported to be under consideration by President Nixon in connection with the proposal to treat environmental policy primarily as an aspect of science and technology). But the task force recommendation differed in a very fundamental respect from the Office of Science and Technology proposals of 1968 and 1969. Urging that ". . . improved environmental management be made a principal objective of the new administration," it recommended that the President appoint a Special Assistant on Environmental Affairs, who would also be Executive Secretary to the Council on the Environment, and who would presumably give full time to this assignment. The President's Science Adviser was indicated as one of the officers with whom the new special assistant would closely work. The task force, therefore, appears to have perceived the environment as a focus for policy in its own right, rather than as a special aspect of science and technology.

14. The Nixon task force proposal falls into one of three categories into which may be grouped those alternatives for institutional reform which are premised on the environment as a major focus for public policy, unsubordinated to social accounting or technoscientific considerations. With an important reservation, the following three categories of proposals reflect an ascending sense of importance and urgency on the part of their sponsors. The reservation is the judgment of individuals as to what at any given time is politically feasible. In general, conservative and adaptive reforms are more feasible than novel or drastic measure. Surgery may be what the patient requires, but it is usually easier to persuade him to accept medicine. It would therefore be incorrect to conclude that the sponsors of more conservative proposals, such as the reported task force recommendations, would not favor stronger measures *if* they believed them to be obtainable.

15. The categorical alternatives to institutional reform for the environment as an independent focus of public policy are these:

a. Presidential Special Assistant plus cabinet level interagency council (reported to be the recommendations of the Nixon task force).

b. High-level council, independent of the executive departments but located administratively in the Executive Office of the President, plus a far-reaching program of environmental research and surveillance in the Department of the Interior, and requiring annually or biennially a report from the President to the Congress on the state of the environment. (Senate Bill 1075 and several similar proposals in the Senate and House of Representatives.)

c. Major departmental reorganization taking one of several forms:

(1) A moderate reorganization of the Department of the Interior as a Department of Natural Resources (e.g., transferring the Forest Service and the civil function of the Corps of Engineers into the reconstituted department).

(2) A new specialized technoscientific agency for environmental research and engineering development, such as that recently recommended by the National Commission on Marine Science, Engineering and Resources.

(3) A new super-department of the Environment and Natural Resources based roughly on the model of the Department of Defense, primarily for planning and coordinative purposes, and probably associated with a major restructuring of the entire Executive Branch.

The first of these alternatives has already been discussed; our attention will therefore be directed to the two remaining groups of categories.

16. The first of these categories calls for a high-level council on environmental policy to be situated in the Executive Office of the President. A near variant is Representative Emilio Q. Daddario's proposed Technology Assessment Board, but this would be an "independent" agency equally responsible to the Congress and the President, and would be concerned with technological impacts other than those on the environment. Senate Bill 1075 probably represents the proposal within this category of alternatives for which the widest consensus outside of the government presently exists. It overcomes objections to the subordination of environmental policy to a system of social accounts or to an exclusive emphasis on science and technology. And it avoids loss of identity for environmental policy, or prejudice to independence of viewpoint, that would probably attend the deliberations of an interagency council. Although it adds certain functions, chiefly those of surveillance, education, and research to the Department of Interior, it does not otherwise alter the structure of the federal government.

17. Some friendly critics of S. 1075 would like to see it reinforced by a more explicit statement of national policy and by such measures as might strengthen its leverage in relation to the other executive agencies. The experience of the National Resources Planning Board of the nineteen thirties is a warning of the vulnerability of a politically powerless agency in a policy area of conflicting interests and values. Environmental issues are avoided by some elective officials *because* of the risk that they entail. It is traditional political prudence to avoid being caught in the cross-fire of powerful, antagonistic interests. Compared to a Council on the Environment, the Council of Economic Advisers operates in a tower of ivory, behind a wall of statistical abstractions that few citizens profess to understand. The protection and improvement of the environment is unavoidably involved in controversy. Until the realities and limitations of Spaceship Earth are more widely understood and respected than they are today, the members of a Council on the Environment ought to be exceptionally free from political ambition. Effective service on such a Council would probably preclude subsequent election to public office.

18. A second concern regarding S. 1075 is with its designation of the Department of the Interior as a major agency "to conduct investigations, studies, surveys, research and analyses relating to ecological systems and environmental quality." The concern is not primarily that research is not a governmental function, but rather that the nature and scope of environmental and ecological research is no more uniquely appropriate to the Department of the Interior, as it is presently organized, than it is to the OST. Ecological and environmental concerns are the business not only of Interior, but also especially of the Public Health Service, Environmental Science Services Administration, and of at least six other federal agencies. There is little if any quarrel with the ecological survey and research objectives of S. 1075 or of a similar measure sponsored by Senator Gaylord Nelson. The question is whether the responsibility should be placed in any of the federal departments as presently constituted, unless buffered from political and bureaucratic importunities by a structure analogous to that provided for the National Institutes of Health.

19. There are a number of alternative arrangements for realizing the important objective of ecological and environmental research. Among them should be listed proposals for a quasi-autonomous National Institute of Ecology advocated by the Ecological Society of America; for a National Social Science Foundation, proposed by Senator Fred Harris; and a system of university related institutes of environmental studies, recommended by the Pollution Panel of the President's Science Advisory Committee and the Caldwell-Sargent proposal to the Public Health Service Symposium on Human Ecology, November, 1968. It seems probable that some combination of research agencies under the overall coordination of the high-level Council on the Environment would be the most practical answer to the need. The previously cited OST memorandum of 1968 proposed such a coordinative arrangement, but under its own supervision. Funds, in addition to those now appropriated for research activities in presently existing agencies, could be administered by a Council on the Environment. This might advantageously reinforce its political viability by developing a constituency of professional societies, universities and research institutes, associated with it through its administration of research grants and contracts.

20. The third category of proposals—for departmental reorganization—currently includes at least three alternatives. The proposal for a Department of Science and Technology has already been mentioned, but its mission would not primarily be environmental policy. The most frequently discussed alternative would reconstitute the Department of Interior as a Department of Natural Resources. This proposition has been criticized, however, as presenting a one-dimensional view of the environmental issue—the economic. "Natural resources" is a commonly used, unobjectionable economic concept, but it does not include, except by an act of extraordinary semantic creativity, the full range of needs for which man seeks fulfillment in the environment. There appears to be a growing tendency to consider the Department of the Interior as a Department of the Environment, particularly as its concern was broadened under the administration of Secretary Udall to include, in the words of President Johnson, "a new conservation—not just the classic conservation of protection and development, but a creative conservation of restoration and innovation. Its concern . . . not with nature alone, but with the total relation between man and the world around him." [Message to the Congress, February 8, 1965]. "The Secretary of the Interior," editorialized *Time Magazine* May 10, 1968, "really ought to be the Secretary of the Environment."

21. The major difficulty with the transformation of the Department of the Interior into a Department of the Environment develops out of the effect of this action on other government agencies. If natural resources were the organizing principle around which the Department were reconstituted, the combination of agencies to be included would differ from those logically related to an environmental focus. All major areas of public policy tend to interrelate in ways that are inconvenient to the makers of conventional organization charts. For example, how should the federal government organize to deal with energy? The nation has no coherent energy policy, but eventually it is likely that one will emerge. Should energy policy be considered an environmental matter, or is it primarily an economic or technoscientific issue? If environment becomes the major focus of a single department, would all agencies having to do with the environment come under its jurisdiction? It should be obvious that they would not. For example, foreign affairs, education, health, and justice are the primary concern of specific agencies, but the exclusive concern of none. It is, however, possible that much of the difficulty in conceptualizing a better organization for the Executive Branch lies in our unwillingness or inability to rethink the role and functions of the federal government in American society. One attempt to break out of conventional assumptions regarding departmental organization is

the idea of the super-department or ministry. But before examining this alternative, it is necessary to review briefly another alternative (although only a partial one) for departmental reorganization for environmental policy.

22. The National Oceanic and Atmospheric Agency, proposed by the National Commission on Marine Science (*Our Nation and the Sea*, January 11, 1969), is not directed so much toward ecology and the broad range man-environment relationships as it is toward physical science and engineering. It is considered here because of its obvious relationship to federal organization for environmental policy. But it would not answer the need for institutional reform that has induced the environmental quality legislation proposed in the Ninetieth and Ninety-First Congresses. The principal difficulty with the Marine Commission proposal is that it has not been made within a context of comprehensive reorganization within the Executive Branch. The continuing *ad hoc* creation of independent agencies is of dubious wisdom if responsible and coordinated public policy is desired. The establishment of a new Marine and Atmospheric Science Agency may be desirable, but such a decision cannot be responsibly undertaken unless it is an outcome of a careful examination of the full range of governmental responsibilities for the environment.

23. This same conditional proviso is equally applicable to establishment of a new super department for the environment and natural resources. Because discussion of the super-department has as yet been chiefly on an informal basis, official proposals for institutional reform cannot be cited. Nevertheless, there are certain considerations upon which most proponents of this type of agency seem agreed. They are, *first*, that reorganization for environmental policy can most effectively be undertaken as a part of a review of the total structure of the Executive Branch; *second*, that no agency, however comprehensive, can or probably should have exclusive jurisdiction over any aspect of public policy; and *third*, that the rationale for the super-department is to bring a greater degree of clarity, coordination, and responsibility to federal administration. The large scale of the super-department makes it easier to accommodate functions of environmental, natural resources, and energy policy under one coordinative structure.

24. The super-department is what in parliamentary government would be called a ministry. Its functions would be those of planning, review, coordination, and conflict resolution. It would not be an operative department in the traditional sense, and would relate to subordinate agencies somewhat in the manner that the Department of Defense relates to the Departments of the Army, the Navy, and the Air Force. An objective of the super-department would be to de-concentrate, to some extent, the power of decision now theoretically lodged in the person of the President, but in fact often exercised by lower echelon officials in the Bureau of the Budget and other Executive offices of whom the Congress or the electorate have no knowledge and no means of questioning or calling to account. The head of a super-department would have higher visibility than most cabinet officers have experienced since the early years of the Republic.

25. Professor Stephen K. Bailey in his essay in the 1968 Brookings Institution report entitled *Agenda for the Nation*, identifies four areas of prime concern for the nation as viewed from the Executive office. These he describes as national security, economic stability and growth, the integrity and viability of the physical environment, and the promotion of human welfare and of human resource development. These four areas could become the foci of new cabinet level super-departments as indeed the first of them—national security—already is. This form of administrative organization would not, however, obviate the need for separate advisor councils. Indeed, it would make their separate status more important as independent agencies for policy surveillance and review. Some students of public administration believe that there are advantages to responsive and responsible government in alternative sources for public decision or action on nearly all issues. They argue that a moderate degree of competition among agencies may actually increase the efficiency of government operations. It is therefore pertinent to this argument to point out that the super-department concept does not necessarily imply exclusiveness or monopoly in any sector of public policy, and is consistent with the idea of multiple avenues of recourse on any public policy issue.

SOME CONCLUDING OBSERVATIONS

26. At the outset of this statement, the point was made that a choice among alternative arrangements for environmental administration would logically depend upon an assessment of the importance of the issue and a judgment regarding its nature. The foregoing analysis of alternative proposals indicates that differing conclusions on these matters have been reached by differing groups and individuals. But the task of decision by the Congress and the President is not greatly assisted by a comparison of divergent views. Their need is for more basic criteria. The argument has been advanced that a national policy for the environment, adopted by the Congress as a statute or resolution, could provide this criteria. The absence of an adequate policy statement, accompanied by explicit provisions for its implementation, is the most serious omission from the current set of legislative proposals for institutional reform. Without such an operational charter, the political future of a high-level council on the environment, such as proposed by Senators Jackson, Nelson, and McGovern, among others, would be unduly handicapped. Its situation would be comparable to a Council of Economic Advisers *without* an Employment Act of 1946.

27. The scientific evidence of a mounting crisis of the environment is so pervasive and so thoroughly documented that rational disagreement can occur only with respect to the *degree* of its seriousness. But scientific truth does not automatically become political truth. Political disbelief cannot alter material reality; it cannot alter or amend scientific fact. But it can prevent government from coping effectively with reality. Dr. George H. Gallup, Jr., President of the American Institute of Public Opinion, believes that most Americans accept the proposition that there is indeed a real crisis of the environment and that government is not doing enough about it. In a recent survey [January, 1969] he found that younger adults in particular were concerned about environmental degradation. Analysis of the news media would tend to confirm Gallup's view. The country as a whole may be more ready for a vigorous attack upon environmental problems than are the rank and file of the Congress or the mission-bound Executive agencies. But if the recent multiplication of Congressional subcommittees with an explicit environmental concern written into their titles is more than an improbable coincidence, it is an indication that concern for the environment is being perceived in the Congress as good politics. But the scientific truth of an environmental crisis will not become a fully legitimized political truth until the Congress, or the people, by their votes make it so.

28. Mayor Carl Stokes of Cleveland recently expressed a feeling shared by millions of Americans everywhere when he compared the threat to American security posed by the pollution and decay of our urban environments to the military and ideological threat external to our boundaries. Mayor Stokes does not have to read the scientific journals to discover the nature of the threat to our environment. With millions of other Americans he daily experiences the threat, and finds it increasingly difficult to reconcile the enormous disproportion between the national commitment in money, men, and organization to defense against possible attack from overseas and the inadequate and defaulted commitments to defense against the forces of decay at home that could as surely destroy the national security. Four years ago in a prophetic essay, [Harpers Magazine, February, 1965], Peter Drucker predicted that quality of environment and of human relations would become the major political issues of the future. He foresaw success for political leadership that understood the coming change of values. But he also saw that the greater part of our political leaders of middle age were locked into the perceptions and values of the nineteen thirties and forties. When this perception gap is also a generation gap, and becomes also a political gap, the makings of political overturn are present. The Nixon administration and the 91st Congress may have the last opportunity for American political leadership to deal with the problems of the environment and of human relations by means of methods short of radical.

29. Any clear-minded elected official knows, and Lyndon B. Johnson perhaps knows better than any, that the public does not reward its political leaders for good intentions. If our estimate of the scientific and political significance of the environmental issue is correct, it is already long past time for a major reassessment of national priorities in relation to the environment. This reassessment is unquestionably a responsibility of the Congress. There has been articulate leadership on behalf of environmental policy in both Houses of the Congress. Few of the individuals or legislative proposals have been specifically identified in this report, which has been concerned with issues rather than with events. But it is now time for events—for adoption by the Congress of an explicit course of policy and action to bring the worsening environmental situation under control.

30. Let us begin the task where best we can. If the least promising of the organizational alternatives is the best that can be presently obtained, let us begin there as a temporary measure. But let us also persist in efforts to obtain the most effective organizational answer to the problems of environmental policy that experience and research can provide. Few of the alternatives now under consideration for implementing environmental policy are mutually incompatible. The effectiveness of measures taken will depend *first* upon an adequate, operational national policy and *second* upon an adequate definition of the place of environmental policy in the total structure of the Executive Branch. Beyond these considerations are problems of relating federal responsibilities to those of state and local government and to the non-governmental and international aspects of our society. On Sunday, March 30th, the *Chicago Tribune Magazine* printed Part I of a state-of-the-world report on the earth dweller's tendency to make his planet uninhabitable. "Is Man His Own Doomsday Machine?" asked the *Tribune*. The answer to that question may very well be given in the response of the elected representatives of the American people in Congress, who alone have the power to set the course of national policy and action for the protection and management of the environment.

RAIN AND FLOOD DAMAGE IN CALIFORNIA

Mr. MURPHY. Mr. President, on February 7, 1969, I introduced S. 993, to help

provide for the repair of damage from the recent rains and floods in California. While it was estimated that flood control projects and other preventative measures have saved more than $1.25 million worth of property from destruction, the damage to private and publicly owned facilities has been evaluated at $265 million.

S. 993, is designed to lend assistance in the permanent reconstruction of roads and highways not on the Federal system and in the restoration of timber roads. The loss suffered by individuals, however, has also been extensive. Homeowners have seen their life savings, in many instances, washed away by the floods. The livelihood of growers—their land—is under enough water so that it will be uncultivable for years in some cases.

Even under these circumstances, individuals have had great difficulty obtaining loans from both the Small Business Administration and the Farmers Home Administration. As of March 27, 1969, the SBA regional offices throughout the State of California had received 4,456 inquiries regarding home and business loans. Yet only 565 applications were accepted for processing, 217 applicants being declared eligible for loans totaling no more than $1,146,460. The SBA, however, has the money in its emergency revolving fund to lend, but, as of that date, only $17 million of the $50 million apportioned by the Bureau of the Budget had been loaned. The reason for this lack of asistance can be found in the SBA's regulations and guidelines. Regulations promulgated in March 1968, state, in part:

Personal and/or business assets must be used by the applicant to the greatest extent feasible to alleviate the injury incurred.

They further state:

Private credit to the extent obtainable on reasonable rates and terms must be used prior to obtaining disaster loan assistance from SBA.

Under the guidelines established for the implementation of these regulations, an applicant must exhaust all but $600 of his cash assets and marketable securities per family member toward rebuilding any destroyed property before a loan can be obtained. Furthermore, any applicant with an income of more than $10,000 per year plus $600 per dependent must seek financing through a private source.

S. 993, in the form in which it was referred to the Committee on Public Works, made provisions for loans whether or not obtainable through a private lending institution. It did not, however, direct itself toward the regulation requiring the utilization of private assets. Consequently, I am offering an amendment to S. 993 today to make loans more readily obtainable by all those suffering loss to their homes and businesses from the floods without first requiring the almost total exhaustion of private or business assets.

Presently, disaster loans are repayable at a 3-percent rate of interest; however, this provision was enacted in the 1930's when the cost of money to the Government was 1½ to 1¾ percent. Obviously these loans were not then providing "free money" to the recipients; however, the rate of interest has not been adjusted since. Therefore, the modification which I am offering today provides that disaster loans in California shall be made at the average annual interest rate on all interest-bearing obligations of the United States having maturities of 20 years or more. At the present time, this is 5½ to 5¾ percent—an amount substantially lower still than that at which funds could be obtained by individuals through private lending institutions or sources. The amendment, nevertheless, makes an exception for low-income persons so that day might still receive loans at the 3-percent rate of interest.

It also provides that a $2,500 "forgiveness" of loans or interest during a period not to exceed 3 years shall apply only to low-income persons. As originally drafted, S. 993, would have allowed this provision to apply to all recipients of loans.

Section 6 of this bill, as modified, will also provide "forgiveness" of a certain amount of the principal or interest to low-income persons who obtain loans under subtitle C of the Consolidated Farmers Home Administration Act of 1961, as amended. Furthermore, it would allow only those qualifying as low-income persons, under regulations established by the FHA, to pay the 3-percent interest rate on disaster loans, while all others pay the rate of interest at which the Government receives the money. It would permit persons to be eligible for loans at this rate, however, irrespective of whether assistance is available through private sources.

Mr. President, the extent of the disaster in California has made clear the need for Federal assistance. Yet, as I have said, homeowners, businesses, and farmers have found it extremely difficult to receive help due to stringent regulations governing the availability of loans and applying to the qualifications of applicants.

I am hopeful that these modifications will serve not only the people of California, but as a workable procedure which might be employed to assist those in the Midwest suffering similar personal tragedies at this time.

MOUNT RUSHMORE, A GREAT TRIBUTE TO THE GENIUS OF BORGLUM

Mr. MUNDT. Mr. President, Warren E. Morrell, chief editorial writer for the Herald-Examiner of Los Angeles, Calif., was recently elected to the board of trustees of the Mount Rushmore Society of the Black Hills of South Dakota. At one time, Mr. Morrell was editor of the Daily Rapid City Journal of Rapid Citv, S. Dak., and as a long-time resident and a native of South Dakota he has devoted a great deal of time and energy to the evolution and completion of the world-famous "Shrine of Democracy" carved in the imperishable granite of one of the tall mountains of South Dakota's Black Hills.

While Mount Rushmore is not by any means the tallest mountain in this great chain of majestic mountains which range from the northern boundary of our State to its southern borders, Mount Rushmore has become the most widely known and frequently visited by millions of tourists every year as a result of the genius of Gutzon Borglum, who designed and implemented this most famous piece of mountain sculpture in the entire world.

Returning to California after a recent visit to his native State to attend the annual meeting of the Mount Rushmore Society, Warren Morrell wrote a most interesting and informative article about the background and significance of Mount Rushmore

I ask unanimous consent that the report be printed in the RECORD.

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

[From the Los Angeles (Calif.) Herald-Examiner, Feb. 23, 1969]

RUSHMORE—OUTSTANDING TRIBUTE TO GENIUS OF BORGLUM

(By Warren E. Morrell)

It was September, the beginning of a new school year. The West Sovina English teacher would not ask her pupils, "What did you do this summer?"

But she had an indelible summer impression she wanted to share. So she asked, "How many of you have been to Mt. Rushmore?"

Surprisingly to her, several hands went up.

The teacher's eyes moistened as she relived one of her life's most stirring experiences. Her students shoved aside other thoughts from their minds as the teacher recalled her visit to the Shrine of Democracy where the gigantic likenesses of George Washington, Thomas Jefferson, Theodore Roosevelt and Abraham Lincoln are carved from solid granite on Mt. Rushmore in the Black Hills of South Dakota.

"I was over-awed," said the teacher. "I had seen pictures of Mt. Rushmore. I knew that the Presidents were scaled to men 465 feet tall. I had read that it was 60 feet from the top of Washington's head to his chin. But nothing I had read or pictures I had seen were comparable.

"As I was standing there, trying to absorb what my eyes were telling me, it started to rain—like one of our really hard California rains. A lady asked if I wouldn't like to come into a building. I moved backwards toward the shelter—my eyes still glued to those tremendous figures—while lightning exploded and thunder roared.

"In a few minutes, it was over. The sun shone and I went outdoors. Believe it or not, Washington was crying. And his nose was dripping! I couldn't stand to see Washington cry. So I cried—I just let go.

"A man near me, sensing my emotion, said, 'Lady, there isn't a Kleenex big enough to throw up there to help him.'

"That snapped me out of it," admitted the teacher, slowly removing a handkerchief from her purse and carefully pressing it to her eyes. Then she added, "I was even more impressed with Mt. Rushmore than I was with the Grand Canyon—maybe because Rushmore is man-made."

NOT UNIQUE EXPERIENCE

The teacher's experience is not unique. And she shouldn't have been surprised to see the number of raised hands. Californians rank fifth among the 1,500,000 yearly visitors to the Shrine of Democracy.

Seeing Mt. Rushmore gives most people a rebirth of Americanism. It pulls out latent patriotic feelings you either have forgotten or have tried to ignore. It makes tingles play hide and seek up and down your spine. Yet stirring patriotism somehow blends with soul-quieting reverence.

"Rushmore brings out the best in people," said Mrs. Carl Burgess, co-concessionnaire at the memorial, who has observed thousands of visitors over a period of nearly a score of

years. Park rangers support her statement this way: "Our records show there is less litter-bugging here than in any National Park."

Mt. Rushmore National Memorial is the world's largest sculpture. It is by comparison with the Great Sphinx of Egypt what a Great Dane is to a Chihuahua.

I've taken many visitors to Mt. Rushmore, enjoying their reactions and seeing the shrine anew through their emotions.

One visitor was Ranbir-Singh, editor of The Milap, New Delhi, India.

En route to the mountain, I tried to explain the magnitude of the carvings. He couldn't fathom my statistics. So I said, "Imagine George Washington's nose empty. Turn it upside down, fill it with water, and you'd have a swimming pool ample for six people."

"Oh, you bloody Americans!" he laughed. "You're impossible."

Half an hour later, beneath Freedom's Shrine, Ranbir had the expression of a devout worshiper communicating with his God. His silence accentuated the soft winds whispering through the pine trees. Finally he uttered some phrases in his native Urdu. Then he turned to me and said in English, "I have the sensation as if I were seeing the Taj Mahal for the first time."

MORE THAN BIGNESS

Gutzon Borglum, the sculptor who changed a majestic mountain into this American miracle, would judge anyone who compared Washington's nose to a swimming pool as crass, uncouth and perhaps some unprintables.

Borglum didn't want viewers to be solely impressed at the monument's hugeness.

In a way, his friend, famed architect Frank Lloyd Wright, substantiated Borglum.

"The noble countenances emerge from Rushmore as though the spirit of the mountain heard a human plan and itself became a human countenance," said Wright. "Here is a memorial which has real meaning. Certainly, it is colossal, and in that sense spectacular and heroic. But it is not 'just a damn big thing.' Borglum has given us a work which has the impelling power that characterizes all great art."

Borglum, a genius, not only excelled as a sculptor but also as a painter, writer, salesman, engineer, speaker and humanitarian. About bigness, he said:

"A monument's dimensions should be determined by the importance to civilization of the events commemorated. We are not here trying to carve an epic, portray a moonlight scene, or write a sonnet; neither are we dealing with mystery or tragedy, but rather the constructive and the dramatic moments or crises in our amazing history. We are coolheadedly, clear-mindedly setting down a few crucial epochal facts regarding the accomplishments of the Old World radicals who shook the shackles of oppression from their light feet and fled despotism to people a continent; who built an empire and rewrote the philosophy of freedom and compelled the world to accept its wiser, happier forms of government.

"We believe the dimensions of national heartbeats are greater than village impulses, greater than city demands, greater than state dreams or ambitions. Therefore, we believe a nation's memorial should, like Washington, Jefferson, Lincoln and Roosevelt, have a serenity, a nobility, a power that reflects the gods who inspired them and suggests the gods they have become."

METHOD OF CHOOSING

Why did he choose, in 1925, these four American leaders?

Borglum argued that Washington had contributed so much to independence, the Constitutional Convention, and the establishment of the government that he must be the leading and dominant figure. No one seriously disagreed. Jefferson represents our idealism, expansion, and love of liberty; Lincoln our altruism and sense of inseparable unity.

But why Teddy Roosevelt? Borglum's inclusion of the Rough Rider brought the greatest amount of national criticism and controversy. Many people at that time 44 years ago felt Theodore Roosevelt did not deserve permanent enshrinement because too little time had elapsed since his death to allow a mature judgment of his life based upon historical perspective. But the sculptor argued that he could "think of none more fitting." Roosevelt, he asserted, was "preeminently an all-American President" and reflected the "restless Anglo-Saxon spirit that made the ocean-to-ocean republic" inevitable.

Furthermore, Borglum had been a militant Bull Mooser and was devoted to Teddy Roosevelt's political ideals. Borglum was thinking more and more of a monument of "Empire Builders" or "Nation Builders." Through Roosevelt the United States had acquired the Panama Canal Zone, which ultimately provided a waterway connecting the two oceans washing American shores. In Borglum's eyes this achievement completed the national expansion of the United States.

I have my own idea of why Teddy Roosevelt was chosen. It is true that Borglum greatly admired the Rough Rider. But look at the picture of Borglum on this page—or any portrait of the sculptor. Put pince-nez glasses on Borglum and you have a striking resemblance to Roosevelt. So in addition to the Rough Rider, you also have Borglum up there. I don't fault him for this showing of what some might consider immodesty. I like to see Roosevelt and Borglum up there and realize I'm not seeing double.

Other Roosevelts figured prominently in Mt. Rushmore history. President Franklin D. Roosevelt dedicated the figure of Jefferson, Aug. 30, 1936. Roosevelt made an inspiring speech and after the ceremony, the President asked, "Where are you going to put Teddy?" The sculptor explained that the President's cousin would be between the head of Jefferson and that of Lincoln which was just taking form. "I have it all planned out in my studio," he said, as he invited FDR to see his models. "I will come back some day to look over this more fully," replied the President.

I'm sure FDR had a twinkle in his eye as he said that. He and Borglum knew and admired one another. As difficult as it was to carve the huge figures was the problem of getting the money to carry on the work during the depth of America's worst economic depression.

FLATTERED ROOSEVELT

When Borglum needed more money, as a last resort he would go to Washington, D.C., dine privately with FDR at the White House. During the luncheon, Borglum adroitly sketched FDR's countenance among the four other great faces. Borglum made no promises and Roosevelt did not comment on the sketches. But as the good guy saves the impoverished widow when her rent is due, funds came through from Washington to carry on the work.

The above has never been printed previously. It was told to me in confidence by an impeachable source who said I could reveal this sometime after his death. My informant and friend was nearly as responsible for Mt. Rushmore as was Borglum.

Many years later Hubert Humphrey, then U.S. Senator from Minnesota, worked valiantly for legislation to appropriate funds to add Franklin D. Roosevelt's likeness as the fifth face. It was a blow to him when geologists and engineers proved there was insufficient granite for a gigantic portrait of the World War II President.

Mrs. Eleanor Roosevelt, with logic, zeal and determination, plugged for Susan B. Anthony on Rushmore. When she discovered there was no room, she crusaded for a likeness of Miss Anthony to be carved on a nearby granite peak. Mrs. Roosevelt lost.

What was the engineering required in the project?

It astounded Ernie Pyle, the famous World War II correspondent, when he visited the monument in 1936. He was startled to see the large amount of machinery and equipment. His idea of mountaincarving had been that Borglum arose each morning, took his hammer and chisel, ascended the peak, and began to carve.

Here's how the late Mrs. Gutzon Borglum told it like it was:

"As each head was started its center was located, and at this center point on the top of the head a plate was located. This was graduated in degrees 0 to 360 degrees, and at its center a horizontal arm was located that traversed this horizontal arc. This arm was about 30 feet long, in effect a giant protractor laid on top of the head. The arm was graduated in feet and inches so that at any point we could drop a plumb bob from this arm, and by measuring the vertical distance on this plumb line determine exactly the amount of stone to be removed.

"After determining this master center point on the mountain, we set a smaller arc and arm on our model in the same relative position. With this small device we could make all our measurements on our model and then enlarge them 12 times and transfer them to the large measuring device on the mountain. Through this system every face had a measurement made every six inches both vertically and horizontally. These measurements were then painted on the stone and it was through this means that men totally unfamiliar with sculptural form were able to do this undertaking. In fact, all the men employed on the work were South Dakota men trained by the sculptor.

USED LEATHER SWINGS

"Pneumatic drills were used for drilling and the compressed air was provided by large compressors located on the ground . . . conveyed to the top of the mountain by a three-inch pipe.

"The men were let down over the face of the stone in leather swings similar to bo'n chairs used on ships. The men were lowered to their place of work by hand-operated winches, taking with them jackhammers or pneumatic tools and other necessary equipment. A call-boy with a microphone and loud speakers at each of the winches relayed the messages for raising or lowering the workmen to the winchmen.

"Steel used in the drilling was used over and over again, taken to the blacksmith shop on the ground via a cable car, heated, sharpened, re-heated and tempered and sent back to the mountain again. About 400 of these drills were dulled and re-sharpened each day."

People have made millions of dollars because of Rushmore memorial by accommodating visitors en route to and from the Shrine.

One of the earlier "prospectors" had a small telescope on lookout point on Iron Mountain several miles from Rushmore. The man rented the telescope to tourists who wanted to view the memorial from that distance.

Bob Dean, then owner of Radio Station KOTA, Rapid City, S.D., was driving Borglum to Mt. Rushmore and Borglum asked Dean to stop so he could talk to the "prospector".

"How's business?" Borglum inquired. "Good," the man said laconically. "What do the people say when they look at the mountain?" Borglum asked. The man looked at him quizzically. "You're Mr. Borglum, the sculptor, aren't you?" he asked, and when

Borglum nodded, he went on cautiously, "Well, some say one thing and some say another."

"Of course," Borglum agreed pleasantly. "But what do they say most often?"

"I guess I'd better not say any more," the man answered, and his lips closed in a firm thin line.

"You'd really do me a great favor if you'd tell me," Borglum assured him, but the man seemed suddenly unaware of Dean's and the sculptor's presence, and stood looking down the road hopefully for a car which might contain a customer.

CURIOSITY EXPLODES

"At this point Borglum's avid curiosity exploded." "Go ahead, man, damn it!"

The man looked up at Borglum with raised eyebrows. "You're sure you won't get mad?"

"No, no!" Borglum exclaimed. "I can take the worst you've got."

"Well," the man said hesitantly, "I guess since you've asked it as a favor, I owe it to you to tell you. If it wasn't for you I wouldn't be in business. Most folks want to know how much concrete it took."

Dean and the sculptor finally stopped laughing. Borglum asked, "and what do you tell them?"

"I tell them I don't rightly know," the man said earnestly. "How much did it take?"

It was 14 years from the time President Calvin Coolidge dedicated the memorial on Aug. 10, 1927 until Borglum's death in a Chicago hospital, March 6, 1941. At the time of the sculptor's death, only finishing the hands and hair of the four figures remained. Lincoln Borglum, the sculptor's pragmatic and talented son, who had been with his father from the beginning of the work, was commissioned to complete the details.

While the National Park Service says the Memorial is completed, it is far from the dreams Gutzon Borglum envisioned. There are 400,000 tons of rock beneath the faces which should be moved away. (It bothers fussy housekeepers.) The Hall of Records should be built. The history of the United States should be chiseled in letters large enough to be seen three miles away. This was part of Borglum's dream.

The supposition that Rushmore should remain as is—as an unfinished symphony to a great composer—has prevailed.

I feel this is not in the spirit of the nation or the sculptor. It should be completed, particularly because Lincoln Borglum is well qualified and willing to finish the titanic job his father started.

BORGLUM RETURNS—TO FOREST LAWN

Gutzon Borglum loved Los Angeles.

"You know I ran away from home when I was a boy, to come here—and I love everything about it, although I have been away many years," he told the Friday Morning Club at the Biltmore Hotel in 1926.

Later he said he wanted to spend his remaining years here.

Born in Idaho March 25, 1871, his full name was John Gutzon de la Mothe Borglum. His parents had come over from Denmark. His father, at first a woodcarver, became a physician and surgeon, also a breeder of horses.

Young Borglum was 17 when he persuaded his parents to move to Los Angeles so he could study art. They lived in a frame house on Temple Street. Later, after they moved to Omaha, he lived in a rooming house on Bunker Hill.

From here he studied art in San Francisco, then went to Paris. He began as both painter and sculptor and was accepted as both by the French salons. In England, critics and royalty heaped honors on him. After painting a series of murals for a big hotel at Leeds and another series for a concert hall in Manchester, he began to abandon the brushes for the chisel, and to turn out statuary in almost every field and almost every imaginable form.

From the first, his works won the highest honors. The Metropolitan Museum brought his "Mares of Diomedes" at once and the French Government promptly purchased a partial replica of it for the Luxembourg Gallery.

His Lincoln in the rotunda of the Capitol is considered among his great works.

Borglum never lived to fulfill his dream of spending his last days on earth in the City of the Angels. Next best, at his request, his body lies at rest at Forest Lawn, Glendale.

GRAZING FEES

Mr. MOSS. Mr. President, the first installment of a proposed increase in grazing fees to be levied upon users of public lands by the Bureau of Land Management and the U.S. Forest Service has now been in effect for about 3 months. It is too soon, of course, to assess the economic impact of this increase, but it is not too soon to assess its impact on the opinion of Utah's sheep and cattlemen, or on the opinion of the many small businessmen in the State who are dependent upon stockmen and their families for trade. They are all concerned and apprehensive, and they well might be.

Under the 10 year schedule announced by the Bureau of the Budget, stockmen using lands administered by the Bureau of Land Management are now paying 44 cents to graze one cow or five sheep for a month, and those using the lands managed by the Forest Service are being charged fees ranging from 31 cents to $1.25 per cow-month, or sheep grazing fees ranging from 6 cents to 25 cents monthly. The end objective of the 10-year period of adjustment is a grazing fee of $1.23 per cow-month, a figure which the agencies have determined is fair market value for range forage.

An increase of this magnitude, even though spread over 10 years, is bound to have an adverse economic effect. I told Secretary of the Interior Udall at the time the increases were proposed, that their impact upon the livestock industry in Utah and the Intermountain region would be "catastrophic." I urged both the Secretary of the Interior and the Secretary of Agriculture to withhold the proposed increases until further studies of the matter could be completed.

Mr. President, numerous analyses have suggested that these increases will seriously cut back the annual income of many Utah ranchers. A study completed by Utah State University showed that the increases projected would cost Utah ranchers about $835,000 per year in income.

This statistic gains in significance when it is considered alongside measurements of the prosperity of typical Utah ranches. As I told Secretary Udall:

> Even with the present grazing fee schedule in operation, cattle ranchers realized only 2.0 percent and sheep ranchers only 2.6 percent average return on their investment a year ago. Over half obtained between 1.0 and 3.0 percent rate in return. About one-fourth of the ranchers received less than 1.0 percent or a negative return, and only one-fifth received a 4.0 percent return.

One fundamental issue in the grazing fee controversy involves the cost of the grazing fee permit—particularly, whether that expense should be considered as a part of the cost of the rancher's operation in the computation of grazing fees. My view of this matter has been that while livestock operators should pay a fair and reasonable fee for grazing rights, it is unfair to them for grazing fees to be based upon a procedure which fails to include one of their principal cost factors.

The Taylor Grazing Act, the fundamental law governing grazing on the public lands, precludes inclusion of the cost of the grazing permit in the fixing of the fees. It is generally agreed that the inclusion of the permit in the computation of the fees would result in the recognition of a proprietary interest for the rancher in the public lands, something which the Taylor Act expressly prohibits.

Mr. President, I have urged many times that these increases not be put into effect until the report of the Public Land Law Review Commission is received next year. I have joined in proposed legislation with the Senator from Wyoming (Mr. MCGEE) which would amend the Taylor Act to provide that the acquisition cost of a grazing right could be considered in the determination of grazing fees as a cost of operating on the public lands. No legal, proprietary rights would be conveyed by such a provision; it would result only in a more realistic basis for the computation of user fees.

As a member of the Committee on Interior and Insular Affairs, I participated in hearings on the grazing fee increases which the Subcommittee on Public Lands held in Washington on February 27 and 28 of this year. These hearings revealed the enormous opposition which exists among livestock operators over the implementation of these rate increases.

I wish to make it clear that I have no quarrel with the fair market value concept in fixing grazing fees. I do not think that the livestock operators oppose that concept, either. What I do ask is that every effort be made to see to it that a basis for computing further increases reflects the major cost factors for these ranchers who use the public domain. Furthermore, I intend to press the agencies to see to it that they conduct a continuing review of the question of grazing fees, in order that the public interest is genuinely served in this matter. This review should include consideration of the information presented at the subcommittee hearings, as well as the Public Land Law Review Commission report when it becomes available. I have received assurances from the agencies that such a continuing study will be made.

DISRUPTIONS ON COLLEGE CAMPUSES

Mr. MURPHY. Mr. President, rightly, our citizens are concerned with the riots and disruptions that have taken place on college campuses throughout the country.

Recently, I had the pleasure of meeting Mr. Harold E. Green, director of community relations at Fresno State College. Writing last fall in "Techniques," a publication of the American College Public Relations Association, Professor Green discusses an approach

taken by Fresno State to help neutralize militant activists.

Because of the interest in this subject, Mr. President, I ask unanimous consent that the article, entitled "Academic Freedom—Campus Seminars Help Neutralize Militant Activists," be printed in the RECORD.

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

ACADEMIC FREEDOM—CAMPUS SEMINARS HELP NEUTRALIZE MILITANT ACTIVISTS

(By Harold E. Green, director of community relations Fresno State College)

The turmoil on college and university campuses today is forcing educators and non-educators alike to evaluate the current status of academic freedom and academic responsibility.

It appears that many attempts are being made to subvert the standards of freedom and ethical conduct developed so carefully over the years by the American Association of University Professors. Various organized groups—national and international—are seeking to force certain kinds of revolutionary change to obtain power by controlling higher education. Often these groups try to capture racial and ethnic organizations validly seeking educational, social and economic equality. The impact of all this on the public has been considerable. For example, at Fresno State we maintain a modest, selective newspaper and magazine clipping service as part of our monitoring operations. Its purpose is to keep us alerted daily about events and attitudes affecting higher education—and our college in particular.

Compared to the 1966–67 academic year, the volume of these news clippings has increased more than 150 percent. Almost all of the increased subject matter is concerned with student and faculty unrest, demonstrations and violence—in our state and elsewhere. Fortunately, at Fresno State we have been able to forestall violence thus far.

Obviously, these clippings are just one phase of the intelligence which we gather at Fresno State about the current problems of higher education. But they are dramatic evidence of the revolutionary atmosphere in which all of us function daily.

We have but to read the press to verify the strategy behind the organized attempts to force changes of an extreme nature. (I would like to emphasize that I am not talking about ethnic and racial groups seeking equality and cooperation in attaining their aspirations. At Fresno State we have significant, well-established, many-faceted programs on behalf of these groups, I am talking about organized militants seeking power.)

KEY MOVES

There appear to be four major power drives to change higher education and the social and economic structure of our country. These are:

First, the drive to eliminate administrative authority. From what I have observed, the techniques being used to accomplish this goal seem to follow established revolutionary patterns. An example is the use of delaying parliamentary techniques to subvert democratic action in administrator-faculty and administrator-student activities.

Second, the drive to establish student power on a national basis. We have but to read accounts about demonstrations and violence to identify certain groups and individuals. We have but to read "Towards Student Syndicalism" to learn of the goals of the Students for a Democratic Society. I refer you to the September 9, 1966 issue of New Left Notes. And look what has happened since then!

Third, the drive to replace the AAUP position on academic freedom and academic responsibility with a civil rights position. Without commenting on the merits of this effort to replace professionalism with unionism, I do wish to point out that this drive is gaining momentum.

Fourth, the drive to establish the principle of absolute freedom and absolute sanctuary. This viewpoint is being advanced by various controversial educators who hold extreme views on society and education. In one way or another, most of us today are contending with these power drives which seek to alter higher education substantially.

In California we have been experiencing strong public, legislative and gubernatorial reaction to such organized efforts. More than 200 bills affecting higher education were introduced in this year's session of the state legislature. Many were punitive, some exceedingly dangerous to the future of higher education. The aims include controlling campus disorders, art exhibits, campus theatre productions, faculty hiring, classroom teaching and disciplinary action.

As you might expect, we have been rather busy meeting these challenges—in addition to contending with extremists and activists.

FRESNO APPROACH

One strategy we have used at Fresno State is to involve all elements on our campus—faculty, staff and students—in an examination of academic freedom and academic responsibility. In other words, we are meeting the challenges head on!

After extensive student-faculty-administration consultation, we decided to sponsor this spring an all-college series of four seminars on academic freedom and academic responsibility. (Please keep in mind that we have had our share of demonstrations and organized dissent.) Despite the complications encountered in presenting such a series, we were certain that many useful purposes could be served by such an effort. From a public relations standpoint alone there were six basic values involved.

1. We could expose our own college community (faculty, students and staff) to current concepts and opinions on academic freedom and academic responsibility.

2. We would be able to evaluate more effectively the objectiveness and influence of certain militant groups and individuals.

3. We could expose the general public (and possibly legislators, and state government) to a variety of views on academic freedom and academic responsibility. This would be done through media and attendance at the seminars.

4. We could bring into better public perspective the highly controversial views of one of our young faculty members, a poet.

5. We could present an adequately balanced exposition on academic freedom and academic responsibility without taking too conservative a stand.

6. We could assume a leadership posture by demonstrating publicly, on campus and in our constituency, our concern about academic freedom and academic responsibility.

A five-man committee was appointed to organize the seminars—four members of the faculty and the student body president. Ground rules were established. We worked with the overall recognized faculty and student leadership.

Each of the seminars would have an outside main speaker and three panelists. Each would present varying points of view. Following each seminar a question-and-answer period would be held. Leaders or supporters of the organized militants were represented.

The first three outside speakers were well-known Californians, all basically liberal in their viewpoints. One was an expert on due process. One was a leading civil rights attorney. Another was a noted artist and author. The fourth outside speaker, in the wind-up position, was a nationally known educator and leader, the president of the Association of American Colleges.

The structure of the seminars permitted a head-on examination of the many issues concerning academic freedom and academic responsibility today. The topics were:

Academic Due Process (faculty protection)

The Academy and the First Amendment (civil rights)

The Artist, The Academy, and Society (free expression)

Free Inquiry in a Free Society (the right to explore)

TIMING PLANNED

The time set for the seminars was at an hour which would permit attendance by most interested faculty, student and staff members of the college community. The public was invited. Press coverage was welcomed. The time scheduled for the seminars was from 4 p.m. to 5:30 p.m.

From a media standpoint, this time was an ideal for us. We could obtain extensive visual-audio coverage first, followed the next day by detailed newspaper coverage.

Television. We have three network TV affiliates in Fresno. All have color. The day of each seminar we could set up airport interviews at noontime, insuring six o'clock news coverage at noontime, insuring six o'clock coverage of the principal speaker. This could be followed at 11 o'clock at night with news of what happened at the seminar.

Radio. We could depend on specialized coverage as well as news coverage. An example was a 90-minute question-and-answer appearance by a member of our faculty who was also president of the California Conference of AAUP. This was a listener participation show on the leading radio station of Fresno. The usual time for this show is about 40 minutes. Listener response was so great that the time was extended to 90 minutes.

Newspaper. The leading newspaper in the San Joaquin Valley has always given us extensive coverage on many events. The seminar series not only produced considerable news coverage but also extensive letters-to-the-editor and editorial treatment.

Attendance at the seminars was satisfactory. Significantly, there were no disruptions.

As background for this particular comment, I might add that we have used a low-key but firm approach in dealing with demonstrations, sit-ins and sleep-ins.

First, we attempt to maintain informal but firm dialog.

Second, after a reasonable amount of discussion, we state the rules of the game and outline what we intend to do.

Third, we state clearly the consequences of breaking campus regulations and state laws.

Fourth, we state when we will begin enforcement action and demonstrate that we mean business . . . but quietly.

We have had three significant confrontations thus far. We have not had to use force. However, we are not making any predictions about the future.

Concerning our four seminars, we have been pleased thus far with the results obtained. We attained our six public relations objectives to an adequate degree. We have had responsible and objective coverage by the press. The public is solidly behind the administration of the college. The organized militants, for the most part, have been temporarily neutralized. Two of our constituent state legislators, one a Democrat and the other a Republican, have been helpful at Sacramento.

As a follow-through we are printing and distributing the seminar proceedings in an easy-to-read form. Also, we are arranging for a nationally recognized authority on academic freedom and academic responsibility to provide us with an objective critique of the seminars. We believe the proceedings will provide us with a strategic tool which can be used in many ways.

THE ROLE OF DEFENSE IN AMERICAN LIFE

Mr. MATHIAS. Mr. President, the current debate over the deployment of antiballistic-missile systems, while critically important in itself, is also one facet of a much larger question: the role of military defense in American life. As the world situation has changed and the problems confronting us at home have grown more urgent and critical, it has become clear that our overall priorities for governmental spending and emphasis must be rearranged.

In a perceptive and challenging column published in the Washington Post of Sunday, April 13, Joseph Kraft discussed this problem and the import of the ABM debates on these larger questions. Mr. Kraft's observations and his recommendations for an overall review of the role of defense deserve wide attention. I ask unanimous consent that his column be printed in the RECORD.

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

GOOD GUYS GOING WRONG—BEYOND THE MISSILE DEBATE LOOMS ISSUE OF DEFENSE IN U.S. LIFE

(By Joseph Kraft)

The opponents of the antiballistic missile are good guys with a good cause. But as the fight moves toward a showdown with the return of Congress from the Easter recess, it is more and more apparent that they are in danger of getting hooked on an indiscriminate, symbolic issue.

If the anti-ABM groups are to avoid ignominious defeat, or meaningless victory, they need a general political strategy. Such a strategy needs to move beyond ABM to grapple with the more important elements of the central issue at stake.

The central issue is the role of military defense in American life. Without being very precise, it seems broadly evident that the money being spent on defense purposes and the influence accorded the military, are out of whack with both the decreasing tension abroad and the increasing difficulties at home. The problem is to channel resources away from external defense and toward the more pressing problems here at home.

Superficially, to be sure, all-out opposition to the ABM looks like a good approach to that problem. The Safeguard system, which the Administration backs, will cost an estimated $7 billion.

It is not clearly necessary, and not sure to pan out technically. It has long been opposed by a highly organized and articulate group of scientists. It has begun to draw the fire of the same coalition of popular forces that turned the popular tide against Vietnam.

But closer scrutiny shows that the case against the ABM has several drawbacks. First, there is the matter of provoking the Soviet Union into countermeasures that would set off the deadly spiral of a new arms race.

There are weapons whose development would do just that—in particular, the MIRV (multiple independently targeted re-entry vehicle) program for putting several warheads in a single missile.

The ABM, however, is not a serious danger in this respect. The Russians don't really care whether this country builds, or doesn't build, an ABM. They have indicated they will agree to arms limitation talks either way.

The major monetary savings, moreover, can be made outside the field of strategic weapons. The most promising targets, in fact, are such matters as the billions spent for antisubmarine warfare, for fighting a naval war in the Pacific, or for sophisticated fighter planes.

Finally, there is the matter of what would happen to the President in an ABM showdown. In a knock-down, drag-out fight, Mr. Nixon might become the prisoner of the military and their allies in the Congress for some time to come. But on the major issues of the defense budget, it is always much easier to work with, rather than against, the President.

In these circumstances, it makes sense to look beyond the ABM larger concerns. A one-shot defeat of an ABM appropriations bill, even if it were possible, would be small beer. Far better would be a compromise, giving the President his ABM appropriation, but on the proviso that there be, say, no further development of the MIRV program and only very limited expenditure for ABM pending negotiations with the Soviet Union.

At that stage, there would be a chance to direct public concern away from the trees, not to say twigs, and toward the forests—away from particular weapons systems and toward long-term budgetary and strategic choices. Just how to make this transition requires far more thought than seems yet to have been given to the problem.

But several possibilities come to mind. For one thing, the Congress needs to reshape itself to meet the issue. A special joint committee, with no legislative functions, might well be established to do nothing but scrutinize the role of defense in the budget. This committee should examine very carefully the annual statement of position by the Secretary of Defense. For purposes of comparison, it might demand that a matching statement be put forward by the Secretary of State.

A national commission on the defense budget—grouping not only foreign policy experts but also men committed to solving internal problems—also makes sense. So does the financing of independent academic groups to study the defense budget and possible areas of change.

In this way the anti-ABM effort could begin to move away from a partisan and highly symbolic issue. It could begin to move toward the true goal. That is the development of a process whereby resources can be shifted in a safe and discriminating way from military defense to the more pressing problems that assert themselves at home.

ESTABLISHMENT OF A NEW ENGLAND REGIONAL DRUG ABUSE TREATMENT CENTER AND PILOT RESEARCH CENTER

Mr. BROOKE. Mr. President, I ask unanimous consent to have printed in the RECORD resolutions memorializing Congress to establish a New England Regional Drug Abuse Treatment Center and Pilot Research Center at the Essex County, Mass., Hospital.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE GENERAL COURT OF THE COMMONWEALTH OF MASSACHUSETTS

Resolution memorializing the Congress of the United States to establish a New England Regional Drug Abuse Treatment Center and Pilot Research Center at the Essex County Hospital

Whereas, A serious drug abuse problem has been recognized to exist in the New England area in general and the greater Boston area in particular by the Federal Bureau of Drug Abuse Control; and

Whereas, State facilities and programs are known to be inadequate and are unable to render proper care and treatment of narcotic addicts in this area; and

Whereas, The Essex County Hospital in the town of Middleton, Masschusetts has been idle for six years and could be utilized in establishing a modern regional drug abuse treatment center and pilot research center; therefore be it

Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to authorize the establishment of a New England Regional Drug Abuse Treatment Center and Pilot Research Center at the Essex County Hospital in the town of Middleton, Massachusetts; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officers of each branch of he Congress and to the members thereof from the Commonwealth.

House of Representatives, adopted, March 19, 1969.

WALLACE C. MILLS,
Clerk.

Senate, adopted in concurrence, March 24, 1969.

NORMAN L. PIDGEON,
Clerk.

Attest:

JOHN F. X. DAVOREN,
Secretary of the Commonwealth.

Mr. KENNEDY. 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. KENNEDY. 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 FRIDAY, APRIL 18, 1969

Mr. KENNEDY. Mr. President, in accordance with the previous order, I move that the Senate adjourn until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 4 o'clock and 50 minutes p.m.) the Senate adjourned until Friday, April 18, 1969, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 15, 1969:

NORTH ATLANTIC TREATY ORGANIZATION

Robert Ellsworth, of Kansas, to be the U.S. permanent representative on the Council of the North Atlantic Treaty Organization, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

DIPLOMATIC AND FOREIGN SERVICE

Philip K. Crowe, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

COMMISSION ON AGING

John B. Martin, Jr., of Michigan, to be Commissioner on Aging.