

## EXTENSIONS OF REMARKS

DEMOCRATIC POLICY COUNCIL'S  
HEARINGS ON NATIONAL PRI-  
ORITIES

## HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. ALBERT. Mr. Speaker, recently the Committee on National Priorities of the Democratic Policy Council conducted hearings on Capitol Hill to receive testimony from Members of the House of Representatives. In order that all Members may be aware of the suggestions made at that time I include, under the unanimous-consent request, statements made at the hearings on April 29 and 30, 1970.

The statements follow:

STATEMENT BY SPEAKER JOHN W. MCCORMACK  
BEFORE THE COMMITTEE ON NATIONAL PRI-  
ORITIES OF THE DEMOCRATIC POLICY COUNCIL  
ON APRIL 29, 1970

Mr. Chairman, thank you very much for the privilege of presenting a statement to this committee.

In an attempt to ascertain what should be our Nation's and consequently, our party's priorities for the 1970's, one must refer, out of necessity, to the problems of the preceding decade.

In the 1960's, while the quality of our Nation's education deteriorated, our crime rate soared. While our cities were decaying, pollution was fast inundating our rivers, streams, and air. And, in 1969, we witnessed a depression in our housing industry, rampant rise in the cost of living and excessive interest rates. It is in these areas where our Nation is in serious trouble, and we must start now to make the necessary repairs.

We have seen the Republican administration attempt to make a partisan issue out of the rise in crime. But the facts speak differently.

While the nationwide crime rate increased by 11% in 1969, President Nixon has sought only \$1.3 billion for his anticrime program for fiscal year 1971. This is a mere 0.6% of the proposed budget for 1971.

To combat the administration's rhetoric and inaction, we must establish as one of our primary goals, the strengthening and expanding of effective anti-crime legislation which is already on the books. All will concede that the best vehicle for Federal assistance to State and local law enforcement agencies is the Omnibus Crime Control and Safe Streets Act of 1968, a proposal initiated by a Democratic Congress.

Judiciary Chairman Celler has pledged to strengthen this legislation and has introduced a bill to amend the act to increase authorized appropriations next year to \$750 million, although the administration has asked for only \$480 million. We should wholeheartedly support Chairman Celler's request, in the face of Republican indifference, in order to guarantee to every citizen the right to be free from fear and intimidation, a right to which the administration seems insensitive.

Education is another area grossly underfunded and thus, deserving of our utmost concern. We cannot afford to use our youth, America's greatest asset, as pawns in the fight against inflation. While the administration is asking for \$10.6 billion for education expenditures for 1971, nevertheless, this amounts to only 5% of next year's budget.

Education must never be starved of funds or sacrificed for less essential needs. It must receive our continuous support.

Once again, there are Democratic programs on the books, such as the landmark Elementary and Secondary Act of 1965 and the very successful Higher Education Act, which should be fully implemented.

It is incumbent on the Democratic Party to fully fund and expand these acts in order to guarantee to every American child, the opportunity to achieve what is now an essential ingredient of our society—an adequate education.

It is also very apparent that urban life in America is decaying. Housing in our cities is substandard and scarce, automobiles choke our highways, and pollute our air, and the quality of life steadily deteriorates.

We must act in the 1970's, to reconstruct and revitalize urban life. As I have reiterated before, it is incumbent upon us to reverse the depression in the housing industry. Last year, due to the Republican administration's economic policies, housing starts dropped by 40%. We must fully utilize the weapons available—the Housing Act of 1949 and the 1968 Housing and Urban Development Act—to insure a decent home and suitable living environment for every American family.

Furthermore, a comprehensive urban mass transportation system, encompassing present modes of transportation, as well as research into the future of urban transportation, must be adopted if we are to save our cities from congested roads and massive air pollution.

The Democratic Party must also take the lead in improving the quality of life for all Americans—whether they be urban or city dwellers. While the President's budget calls for \$8 billion for anti-pollution measures, this is still not sufficient.

We must make a firm commitment to clear our air and water of deadly pollutants and remove the solid wastes which have scarred our cities and countryside for all too long.

We must adopt a program of greatly increased Federal outlays for research and development in all aspects of environmental control, while enlisting the aid of State and local governments, as well as private industry, to combat this pervasive problem.

Grants to the States and local governments and financial incentives, such as tax credits and subsidies to private industry, must be approved.

And industry-wide regulations should be imposed by Congress if we are to effectively do the job. Until this commitment of Federal resources, State and local cooperation and incentives for the private sector is fully implemented, we will not begin to solve this grave problem.

The test is not whether we are moving in some areas to reorder priorities but whether we are moving quickly and decisively enough in attacking the pressing problems of the 1970's.

The Democratic party, as the party of the people, must take the initiative to insure that we do move "quickly and decisively" in this regard.

STATEMENT OF REPRESENTATIVE CARL ALBERT,  
MAJORITY LEADER, U.S. HOUSE OF REPRESENTATIVES, BEFORE THE COMMITTEE ON NATIONAL PRIORITIES OF THE DEMOCRATIC POLICY COUNCIL, WASHINGTON, D.C.

Mr. Chairman, it is my intention this morning to direct my remarks exclusively to the one subject which I regard as being of paramount importance and overriding national concern. This is the economic sickness which now afflicts this nation. I do so, not because of any lack of concern on my

part over such vital and pressing problems as the extreme poverty which is the lot of millions of our fellow citizens, the acute and lethal environmental conditions calling for immediate and drastic action, or the multitudinous problems of housing, transportation and central city decay which are rapidly making life near intolerable in our great urban centers or the declining incomes of our rural citizens. Witnesses who follow me, I feel certain, will set forth for the Committee the alarming situation with which we are faced in these and many other vital domestic areas. I assure the Committee that I share the grave concern with which these ladies and gentlemen will view these problems and fully agree that the formulation of imaginative and dynamic solutions for them must be accorded the highest priority.

Nevertheless, I feel compelled to devote my testimony to our present unhappy and unsatisfactory economic performance. I do this, Mr. Chairman, because of a firm conviction that the titanic efforts which this nation will be called upon to make in order successfully to resolve our many problems can only prevail in the presence of a healthy expanding economy. Ours is far from being such today. The economic policies pursued by the Republican Administration during the past year have achieved the unenviable paradox of full blown inflation coupled with a deepening economic recession.

The cost of living (Consumer Price Index) increased by more than 7.6 points under the first year of Republican rule, the biggest annual rise since 1951. The President has sought to blame the results of his own party's inept policies on the previous Administration. The truth of the matter however is that inflation has greatly increased under the Republicans.

The worst inflationary rate under Democratic Administration was 4.7 percent, in 1968, and the average for the eight years was just over two percent. Under the first year of Republican rule, the inflationary rate has spurted upward sharply, averaging over six percent for the first Republican year. Instead of slowing inflation as Republicans so confidently promised early in 1969, under Republican policies the rate was actually accelerated in the final quarter of 1969—a six percent rate in November, a 7.2 percent rate in December—and one of the biggest leaps ever seen in any index came in January when wholesale prices rose at an annual rate of 8.4 percent. This greatest acceleration came a full year after Republicans assumed responsibility. Eggs, fruit and vegetables, meat, poultry and fish—the "market basket" foods that make up the meals of Americans—averaged a 4.8 percent increase in 1969, and rose even faster in the first two months of 1970. Medical care was 7 percent higher and insurance and financial (credit) cost rose 11.5 percent. This all means that the wage earner, the retired person, the widow, the housewife—the millions who spent the bulk of their income on life's necessities—bear the highest costs.

This has occurred in large part because Mr. Nixon removed restraints on price increases by big industry only seven days after assuming office, publicly announcing that the Federal Government would not intervene in pricing and wage determination. This gave concentrated industries the green light from the White House to get all the traffic would bear in price increases. The result: prices of many basic industry products rose an average of four times as fast in Mr. Nixon's first year as in the previous eight Democratic years, and two to three times as rapidly in 1969 as in 1968. For example, steel mill products, used in thousands of items bought by U.S. consumers, increased in price 6.7 percent

in the first year of Republican administration. This is almost as much as the 7.1 percent increase in the previous eight years combined, and three times as fast as the 2.2 percent increase in the last Democratic year. And in addition to the whopping 1969 increase, rolled steel prices were hiked an additional 3 percent in January 1970. The basic raw materials prices jumped 11 percent in 1969, compared to a little over two percent in 1968, according to the *New York Times*. All of these whopping increases boost profits for the large corporations at the expense of the consumer—the little man who has to pay the higher prices.

Mr. Chairman, the inflation of the past year has been joined in tandem with a rapidly deteriorating economy. I therefore have become increasingly pessimistic of late that this nation is being subjected to a repetition of the economic history of the 1950's. You will recall that during the eight years of the Eisenhower Administration, we experienced three recessions. When President Eisenhower took office in 1953, unemployment stood at 3 percent. During the first Republican recession year, 1954, unemployment rose to 5.5 percent. During the second Republican recession in 1958 unemployment reached 7.6 percent in August of that year. A third Republican recession commencing in 1960 resulted in unemployment reaching 6.7 percent in January 1961.

The ill-advised medicine prescribed for the inflation of that period, a choking monetary policy, producing high interest rates and tight money, together with a bookkeeper's balanced budget at all costs, produced acute economic stagnation. These cramped short-sighted economic policies resulted in a growth rate for the American economy which was exceedingly disappointing, dropping behind its potential by billions and billions of dollars. Its performance was inferior to that of many of the nations of Western Europe. Our growth rate during the closing years of the 1950's compared unfavorably with even that of the Soviet Union.

John F. Kennedy's call during the 1960 Presidential campaign to get the nation moving came as a welcome breath of fresh air into the dark and cobwebbed mausoleum to which eight years of Republican economics had consigned the American economy.

President Kennedy was fully cognizant, as was his successor Lyndon B. Johnson, that this nation could not raise its standards of education, raise its standards of health, raise its standards of housing, eliminate poverty, for that matter, accomplish any of the things which I believe all men of good will desire so as to produce a better life for our fellow men and for posterity, unless our national economic machine were free to operate at full throttle and with full efficiency at all times.

Ours is a private enterprise economy. Under our system, if we are not to starve and begrudge the public sector of the economy, it is necessary that the private sector of the economy operate so as to produce the growth and resulting tax revenues required to support the public sector. Government economic policy, whether it be fiscal or monetary, must have as its objective a rapidly expanding national growth. This cannot be done when we have untutilized resources. The most tragic, of course, of untutilized resources is manpower—namely, unemployment. The Committee is, I am sure, aware that unemployment now stands at 1 million higher than it did when President Nixon took office in January 1969.

Economic policies pursued under Presidents Kennedy and Johnson did get the country moving again.

The Kennedy-Johnson era was a period of record-breaking economic prosperity which is impressive by almost any measure. The sluggish growth, and thrice-repeated recessions, of the period from 1953 through 1960, gave way to uninterrupted expansion in national output and income.

Gross National Product—the value of our total output of goods and services grew by 50 percent, more than double the percentage advance of the preceding eight years.

This 50 percent expansion of our real output reflected increased real purchases by consumers, by business and by government, which raised Americans' living standards, with real personal consumption expanding by 45 percent, increased and modernized the productive capacity of American industry, with real business fixed investment increasing by 75 percent; met the public needs of our citizens with real purchases of State and local governments growing by 55 percent; strengthened our defense and the development of our nation through the expansion of real Federal Government purchases by 50 percent.

This added production provided growing incomes for all groups of Americans. Total wages and salaries grew by 85 percent.

The amount by which every man, woman and child benefited from this income can be seen by the growth in disposable income per person. Real per capita disposable income rose by almost 35 percent from 1961 to 1969.

The expanding incomes of these eight years were enjoyed by all sectors of the economy. Corporate profits after taxes doubled during this period, a 100 percent increase as contrasted with a 30 percent increase in the eight years preceding 1961. The farm sector, meanwhile, experienced a 29 percent growth in proprietors' incomes, as contrasted with a 20 percent drop in these incomes between 1953 and 1960.

The prosperous economy which yielded such substantial increase in income for our economy also provided employment for more than 11 million additional civilian workers between 1961 and 1968. Unemployment was cut in half. Twelve million Americans were lifted above the poverty level.

Standing in stark contrast to the solid record of economic achievement attained under President Kennedy and Johnson is the dismal performance of the nation's economy since President Nixon assumed office. A million more American workers are out of jobs since the Republican Administration took office. Unemployment has jumped from 3.3 percent to 4.4 percent since Mr. Nixon became President, reaching 3.8 million unemployed. And millions more have had paychecks reduced by loss of overtime and shorter work weeks.

The epidemic of unemployment has had a broad impact on all groups of American workers. It has had its cruelest effect on the disadvantaged and the unskilled who can least afford to lose their paychecks but it has also affected many skilled and senior factory workers who have had job security during the Kennedy and Johnson Administrations, and the very threat of a growing epidemic has destroyed consumer confidence. People who have not been laid off so far have nonetheless curbed their purchases of needed goods in their anxiety that they may be the next to catch the disease. Even manpower training programs have lost their effectiveness as a result of the weakening job market. At a time when business firms are forced to lay off their senior workers, they cannot realistically be expected to train and make room for the hard-core unemployed. The very promising JOBS program launched under President Johnson has been thrown in to reverse.

The first quarter of 1970 saw the sharpest drop in the Gross National Product since the Eisenhower recession in 1960. This was the second consecutive quarterly decline in GNP and represents positive proof that we are now in a recession.

The Republican policies have caused the loss of over \$150 billion in the stock market in one year, losses equivalent to the total annual expenditures of the Federal Government, excepting trust funds. The small and modest investor, including many who depend

on such investments for retirement and/or hoped for improvement in living standards, have seen dreams destroyed by the Nixon market.

The same old outdated Republican economic policies, which brought a depression in the housing industry in 1957-58, are again demoralizing home builders. The Republican tight money policies have practically dried up the home mortgage market for the low- and middle-income home buyer. In the first Nixon year, home starts declined from 1.9 million annual rate to less than 1.2 million. The need is for millions of new homes, and Congress set a goal of 2.6 million housing starts annually. There is little hope of ever approximating the Nation's needs under the Nixon policy of super-tight money.

This then, Mr. Chairman, is the dismal record of economic performance which a mere fifteen months of Republican rule was bequeathed this nation, the worst inflation in two decades and the first recession since President Eisenhower left office.

"Why," I am sure the members of this Committee may ask, "is the Republican Party driven as if by an evil genie to pursue economic policies which have failed so miserably in the past?" Economically, these policies produced three recessions during the 1950's without successfully coping with inflation; once again, today, they are obviously incapable of dealing either with inflation or recession. The 1953-54 recession helped cost the Republican Party control of the Congress in 1954, the 1957-58 recession was a major factor in the political debacle the G.O.P. experienced in November 1958, and the 1960-61 recession may very well have been the decisive factor which tilted the close 1960 Presidential election in favor of John F. Kennedy. What then possesses our Republican friends to pursue policies which have been clearly proven to be an economic disaster for the nation, and a political liability for themselves. Mr. Chairman, I have become convinced that Republicans look at the economic facts of life through a prism which only permits them to view the American economy as conforming to what Adam Smith saw in 18th century England—many small producers competing in the marketplace for the favor of many buyers. In such a dreamlike world, if one restricts credit, the overutilization of limited resources is reduced and thus inflationary pressures lessened. In such a world it is neither necessary nor desirable for the government to intervene to protect the consumer against price increases. This is solely the function of the natural workings of the market.

This picture in the United States in 1970 is of course a myth for much of the American economy. Giant monopolies or semi-monopolies offer their goods to the American people at prices determined not by the law of supply and demand but by administrative fiat. These corporations have tremendous internal financial resources and enjoy private advantageous relationships with large lenders which make them totally immune from a restrictive monetary policy. Tight money however wrecks havoc in those areas of our economy still dependent on the classical capital market. Its victims are the farmer in need of financing for next year's crop, the small businessman needing credit from his local bank for inventory, the municipality or school board desirous of constructing some socially-needed public facility, or the home builder and home buyer. These are the people who are punished by tight money while the large corporations and the large financial institutions continue to prosper and reap unconscionable profits.

They are free to do so because President Nixon has disclaimed the role of the people's chief protector against administered price increases by the nation's monopolies. Presidents Kennedy and Johnson in contrast chose to employ, and with remarkable success, the great moral and symbolic power of



their office as a shield to protect the American public against the type of unconscionable price gouging which has been the order of the day for the past fifteen months.

Mr. Chairman, I believe it is imperative that the Democratic Party establish as one of this nation's foremost priorities the revitalization of the American economy. First, of course, and of no small importance, we should set forth for the American people the full record of this nation's recent economic history. It is of utmost importance that the electorate be made fully cognizant of the stellar economic performance we attained during the Kennedy and Johnson Administrations, in contrast to the series of economic disasters which were the nation's lot during the 1950's. The phenomenal record of economic growth which we enjoyed from 1961 to 1969, while it should by no means satisfy us as a goal for the coming decade, was a very model of perfection in comparison with our unfortunate experiences in this area since January 1969.

It is incumbent upon us however to do more than merely point with pride to past accomplishments or to decry Republican failures in the economic sphere. The Democratic Party must in no uncertain terms advocate those policies which will achieve continued full employment throughout the coming decade. This nation is faced with both a rapidly growing labor force and increased productivity of a magnitude unparalleled in the world's history. If our Party is to be identified in the minds of the voters with the future, we must advocate those policies necessary to get the economy moving once again. It is my view, and I urgently hope that this is shared by your Committee, that the President of the United States must once again assume the role of chief public defender on the part of the consumer against monopolistic price fixing. The Federal Government's tremendous leverage as the number one purchaser of goods and services must likewise be utilized in the fight against inflation. The powers of the Federal Trade Commission and the Justice Department against monopolies, which have been shown to be not only irresponsible economically, but an inefficient drag in many sectors of the economy, must be reactivated.

The Democratic Party must also call upon President Nixon to utilize the anti-inflation legislation for selective credit controls which the Congress authorized last year. If the President would but abandon his inexplicable and stubborn refusal to utilize this grant of authority, it would be possible to channel available credit into areas of high social priority such as housing and much needed community facilities. At the same time, the utilization of selective controls would make easier the abandonment of the present blunderbuss approach embodied in the current tight money policy.

If the President persists in his refusal to exercise this authority it becomes even more imperative, in order to combat the recession, that he use the great powers of his office to force a relaxation of current monetary policy. The American farmer, small businessman, home builder, as well as moderate- and low-income families, who must purchase the necessities of life on credit, can no longer in justice be asked to be shackled by tight money while large corporations are free to increase prices at will, and lenders enjoy all time high profits. The Democratic Party likewise, must support a fiscal policy which, while prudent and rejecting waste and inefficiency throughout the Federal establishment, insures the full employment we committed this nation to in the Employment Act of 1946.

We must support increased Government spending in the areas of health, education, and welfare, not only because expansion in these areas is vitally needed and long over-

due, but of equal importance, because public investment in these fields will help assure, as it did during the Kennedy-Johnson years, employment for all our citizens. Finally, Mr. Chairman, it is imperative that the Democratic Party continually strive for equity in our tax laws, and we aim at lightening the burden of the tax load carried by our low- and moderate-income citizens. The more progressive, the less regressive our tax system is, the more we afford a maximum degree of justice and tax fairness. But it is certainly true and of equal importance that a more progressive tax system should make a major contribution toward sustained national prosperity.

In conclusion, may I say this, Mr. Chairman, there has been considerable criticism of late about the quality of American economic development during the past decade. I share some of these views. We have polluted our streams. We have polluted our air. We have misused many of our God-given natural resources. And we must act to see that these matters do not continue. I reiterate, however, that unless the American economic machine, which already after a little over a year of Republican rule is giving clear evidence of rust and corrosion, is immediately redirected toward all out expansion and full employment, this country will in the 1970's possess neither the resources nor the will to attain that improvement in the quality of American life which we all so earnestly desire.

#### TESTIMONY OF HON. JOHN BRADENAS BEFORE THE NATIONAL PRIORITIES COMMITTEE OF THE DEMOCRATIC NATIONAL COMMITTEE

I welcome this opportunity to testify before the National Priorities Committee of the Democratic National Committee.

I wish to direct my remarks to one of the most critical areas in our national life—education.

Since coming to Congress in 1959, I have had the privilege of serving on that Committee of the House, Education and Labor, which has chief responsibility for writing education legislation. It has been a source of great satisfaction to me, as a member of this Committee, to have played a part in writing the extraordinary record of Federal education legislation compiled in the last decade by Democratic-controlled Congresses under two Democratic Presidents.

In particular today, I want to address myself to the attitude toward education of President Nixon and of his Administration.

For education—and the role of the Federal government in supporting it—has become a major battleground in the Nation's Capital, and the Administration of Richard Nixon has become enemy territory for all those who seek to raise the quality of American education and increase access to it.

Indeed, it is not too much to say with respect both to supporting funding of existing Federal education programs and to supporting new programs which would meet urgent needs in American education that the Nixon Administration has been following a policy of malign neglect.

Attorney General John Mitchell has urged the American people to judge the Administration by its actions, not its words. Applying this standard to the Nixon record on education can bring only one result—a failing grade.

In the 1968 Presidential campaign, candidate Nixon said in a telegram to the American Association of Universities on October 23: "When we talk about cutting the expense of government—either Federal, state or local—the one area we can't shortchange is education."

Yet when Congress last year, in an extraordinary bipartisan action, voted with majorities of both Democrats and Republicans in support, to add \$1 billion to President Nixon's proposed budget for education for

fiscal year 1970, the President vetoed the bill as "inflationary."

In his veto statement, the President failed to tell the American people that, in his first budget request for education, he had asked nearly half a billion dollars less than Congress had appropriated for the preceding fiscal year. Nor did he acknowledge that the additional funds voted by Congress for a wide variety of important education programs represented only about one-half of one percent of a total Federal budget of \$200 billion.

It should not be surprising that well over a year ago President-elect Nixon's Task Force on Education, a group of top education authorities headed by Alan Pifer, President of the Carnegie Corporation, named by the new President to counsel him on education policy for the income Administration, warned him in the most blunt terms:

"Speaking candidly, we do not believe that President-elect Nixon, with all of his varied and high qualifications for office, would at present by most Americans be considered to have the kind of special concern for education that the times require."

The Nixon Administration's record on education since that initial admonition on the part of his own counselors seems aimed at proving the validity of their apprehensions.

In addition to slashing the existing education budget and vetoing bipartisan efforts to assign education a higher priority on the nation's agenda, the Nixon Administration has, in the last year and a quarter, opposed nearly every initiative in Congress—even initiatives which enjoyed the support of both Democrats and Republicans—to shape sound and effective programs in response to some of the most urgent problems in American education today.

Congress, with Democrats leading in nearly every instance, has been creative and innovative in developing thoughtful approaches to meeting the pressing educational needs.

The Administration, on the other hand, has followed a policy of "no, no; not now; never; veto."

Here are some of the most obvious examples of Congressional initiatives and Administration obstructionism in the field of education.

#### HIGHER EDUCATION

During the past decade, the Federal government has assumed an increasingly larger burden of the cost of education in general and of higher education in particular. Federal investment in higher education has risen from a little over \$1.1 billion in fiscal year 1958 to about \$4.6 billion in fiscal year 1970.

The reasons for this growth in Federal expenditures for higher education are many, and I shall cite only some of the most important factors that have increased the financial needs of higher education.

Enrollment in post-secondary institutions has risen from two and one half million students immediately after World War II to between seven and eight million today. This increase reflects a rise in the college age population as well as in the percentage of students who graduate from high school and enter post-secondary institutions, now about 40 percent. Moreover, colleges and universities are a means of social mobility for low income students, who now are entering such institutions in much greater numbers.

To serve more students, institutions of higher education have had to expand their faculties and their facilities at the same time that salary increases, inflation, and other factors have diminished their ability to pay for such expanded services. The financial needs of higher education will, for similar reasons, grow rapidly in the 1970's, requiring increases in Federal support. The President-elect's own Education Task Force has docu-

mented the needs of higher education in the coming decade:

"Among the most serious problems facing education in the nation is that of the financing of higher education. Viewed as a problem extending over the next decade, it is a matter of more than doubling the resources available to colleges and universities from the present \$17.2 billion to approximately \$41 billion to provide places for an additional 3 million students, many of them from disadvantaged backgrounds, to start some 500 new institutions and to improve the quality of the entire enterprise."

In spite of this plea for urgent action, the President waited over a year even to send a message on higher education to Congress.

In the meantime, his proposed budget for fiscal year 1971 would kill or drastically reduce several programs vital to higher education in the United States, including: grants and loans for graduate and undergraduate academic facilities, aid to land grant colleges, grants for basic library resources, and grants for foreign language and area studies.

When finally last month the President did send his higher education message to Congress, he called for eliminating the present program of interest subsidies on bank loans to students, for cutting middle income students out of the National Defense Student Loan program, and for concentrating Federal assistance on students from families with very low incomes.

The Nixon Administration's higher education proposal, by insisting that most students bear the major brunt of the cost of their higher education by assuming high interest market loans, could thus mean a tripling of the cost of college education for the students of middle income families.

Moreover, the Administration's requests for funds for low-income students are grossly inadequate. For example, institutional requests for the Educational Opportunity Grant program for fiscal year 1971 total about \$245 million while the Administration requested only \$185.6 million.

To cite other instances of the Administration's inadequate requests for student financial aid programs, the Administration budget for the National Defense Student Loan and College Work-Study Programs for fiscal years 1970 and 1971 represented a net decrease of \$34 million. This came at a time when colleges and universities were seeking almost double the amount the Administration recommended for these programs.

In contrast, over a year ago, Congressman Ogden Reid (R-NY) and I introduced the Higher Education Bill of Rights, which is aimed at implementing the major recommendations of the Carnegie Commission on Higher Education, headed by Clark Kerr. The Reid-Brademas bill, through substantial increases in student aid, would help significantly in making equal opportunity a reality in the United States.

It would provide not only additional funds for the existing student aid programs, but also would create several institutional aid programs for starting community colleges and research, and for the general support of institutions enrolling large numbers of low income students.

Almost every one of these proposals was among the recommendations of the President-elect's Task Force on Education. They reflect the assessment of need by leading spokesmen of the higher education community. The recommendations have all been ignored in the Administration's requests for higher education in 1970 and 1971 and in its proposals for 1972.

The colleges and universities of America—like the students who attend them—are facing serious financial trouble. As with student aid, so too with funds for construction of the classrooms, libraries, and laboratories needed for rapidly expanding enrollments, the policy of the Nixon Administration is to compel uni-

versity leaders to join the students at their friendly neighborhood banker to borrow the money they need at the present very high rates of interest.

In regard to facilities, the President-elect's Education Task Force urged the Administration to make a review early in 1969 of the serious shortage of Federal loan and grant funds for higher education facilities "with a view to seeking emergency supplementary funds under the FY 1969 budget."

The Administration not only failed to ask for additional "emergency" funds in 1969; it proposed for fiscal years 1970 and 1971 the total elimination of grants and direct loans for construction of academic facilities. The Nixon Administration would provide assistance to institutions for construction only through a subsidized loan program, which was passed in October 1968, but which is not yet operational. In the long run, this program would cost the American taxpayer substantially more than a grant program for construction. Moreover, there is serious question whether a subsidized loan program will make it possible for many institutions to undertake the needed construction. Charles L. Wheeler, Chairman of the Association of Executive Directors of Higher Education Facilities Commissions, estimates that 75 percent of private and many public institutions will be unable to obtain loans under the subsidy program.

The U.S. Office of Education estimates that enrollment in post-secondary educational institutions in the United States will increase by about a third between 1966 and 1971, and the need for facilities has grown correspondingly. The problem of presently inadequate facilities, especially in public institutions, will only be compounded by the Administration's proposals.

Another area in which Administration cutbacks seriously jeopardize our national educational resources is the Federal program of support for foreign language and area studies authorized by NDEA Title VI. This program was begun in 1958, when American education came under close scrutiny after the first successful Russian satellite. Since that time, the Federal government has spent about \$15 million annually on this effort.

The history of foreign studies is instructive. During World War II, the U.S. Government discovered an abysmal lack of programs for foreign language and area training. Crash programs were undertaken, beginning in almost all cases from scratch. After World War II and until the 1958 NDEA, support for language and area studies on university campuses came chiefly from foundations. By 1969 there were 400 language and area programs at our universities.

The Federal aid under Title VI to 109 of these centers has made possible programs covering many major languages and several important areas never before adequately covered.

For example, there has been dramatic improvement in Russian and East European studies and in East Asian studies, particularly Japanese and Chinese. The Middle East is fairly well served, particularly in Arabic studies.

However, programs for the study of other areas of the world are grossly under-represented in the present centers, particularly South Asia and Southeast Asia. Professor John K. Fairbank, the noted scholar of Asian Studies at Harvard, has called our lack of scholarly competence on Vietnam "scandalous."

It is unthinkable to discontinue Federal support to those centers which have developed capabilities in some areas and to fail to support language and area studies for areas largely ignored at present.

The Nixon Administration has argued that NDEA Title VI is "outmoded" and "unproductive." This conclusion is simply inaccurate. Indeed, as Professor Fairbank has

stated: "If the (Federal) money disappears, you'll have far fewer people to teach the next generation of students, and our study of the (East Asian) area will be badly hurt."

The Administration requested only \$6 million for NDEA Title VI in fiscal year 1971 as compared with \$15.3 million in 1970, and would phase it out entirely in fiscal year 1972. The amount requested for FY 1971 would cut off all funding to half the centers presently supported and would cut by more than half the funds available to the remainder.

The Administration has proposed that NDEA Title VI, the International Education Act, and other programs be funded through a National Foundation of Education, for which it has requested \$200 million in 1972. But the foreign language and area studies centers are, of course, not assured of funding under the proposed Foundation. To leave such vital programs to an uncertain fate in the Administration's proposal for 1972 is a poor solution, and the Administration offers only greatly reduced support for the centers in FY 1971.

Government cutbacks for foreign area studies come at the same time as foundations are withdrawing their support for area studies, which are more costly for a university to finance than the more traditional disciplines. To curtail rather than expand the Title VI program would thus cripple international studies presently being conducted in the United States.

In summary, across the entire spectrum of higher education programs, the proposals of the Nixon Administration represent a major shift in public policy and a dramatic retreat from an essential national responsibility—helping produce the educated men and women who are the most valuable natural resource of any society.

#### PRESCHOOL-CHILD DEVELOPMENT LEGISLATION

President Nixon's Education Task Force said over a year ago:

"We believe that nothing happening in American education today can be regarded as more important than early childhood programs, and we regard as tragic the non-availability of these programs to some two-thirds of our children."

On February 19, 1969, President Nixon said: "So crucial is the matter of early growth that we must make a national commitment to providing all American children an opportunity for beautiful and stimulating development during the first five years of life."

On April 19, 1969, just a year ago, HEW Secretary Robert Finch, in announcing the delegation of Head Start to the Office of Child Development, said, "Our purpose now is to strengthen and improve Head Start..."

These statements naturally gave rise to expectations that child development had been adopted as a major concern of the Administration.

But this has not been the case.

Now, a year later, the Administration has announced not an increase but a cutback in funds for fiscal year 1971 from fiscal year 1970 for the Head Start program.

Still more to the point, perhaps, Administration officials have testified in opposition to the Comprehensive Preschool Education and Child Day Care Act which I introduced in August 1969, together with Representatives Patsy Mink, Democrat of Hawaii and Ogden Reid, Republican of New York.

Essentially, our bill opens up child development programs to all children, not just to the disadvantaged, although the proposal requires that they be given priority. The distinguished child development authority, Dr. Uri Bronfenbrenner of Cornell University, described the Brademas-Mink-Reid bill as the "most scientifically sound, properly comprehensive, and socially urgent yet proposed in this area."



In the bill we have sought to eliminate the old divisions that have existed among so-called "day care programs," "preschool education programs," and "child health programs." Instead, we have concentrated on comprehensive programs of child development. In brief, all qualifying early childhood programs must contain comprehensive physical and mental health services, food and nutritional services, specialized social services to involve parents in the child's development, and a substantial educational component. The bill will allow broad sponsorship of early childhood programs by industry, community action agencies, local educational agencies, and public and private nonprofit agencies.

Several statistics highlight the need for Congressional action in the early childhood field. There are over 5 million preschool children in the United States whose mothers must work, yet day care is now available for less than 15 percent of them.

Three million mothers are rearing their children in fatherless homes; nearly two million of these mothers are the sole providers for their children. About 32 million women are working, and many of them are supporting themselves, or together with their husbands, are supporting their families. Yet, only 2 percent of these women make use of group day care facilities.

The Administration nonetheless has confined its support for early childhood programs to the day care component of the Family Assistance Act passed this month by the House. While this is certainly a step forward, the day care program in the welfare reform bill excludes literally millions of children of preschool age.

House hearings have recently been completed on the Brademas-Mink-Reid bill, and I am hopeful that Congressional initiatives here—so clear and urgent is the need for action in the early childhood field—will overcome the opposition of the Nixon Administration.

#### ENVIRONMENTAL EDUCATION

Democrats in Congress, Senators Jackson, Muskie, and Nelson, and Congressmen Dingell, Farstein, and Reuss, have led the fight for measures to combat pollution and protect the environment. Yet I venture to say—and I do not think any champions of clean air, land and water would disagree—that if we are to be able to make substantial advance in meeting the ecological crisis, we are going to need a citizenry informed and educated about the whole spectrum of issues that are called environmental. We are going to need as well changes in basic attitudes toward the environment and man's place in it.

In an effort to stimulate education about the environment, I have introduced in Congress the Environmental Quality Education Act—a bill that would authorize Federal funds to support elementary and secondary courses in environmental studies, adult education and community services on ecology, as well as curriculum development and teacher training in environmental studies.

Every witness—except one—during our current hearings on this proposal has strongly endorsed it, as have environmental experts and ecologists across the country.

There was some reason to think, particularly in light of the enormous rise in awareness of the environmental crisis at the present time, that the Nixon Administration would give strong support to the Environmental Quality Education bill, a proposal which enjoys bipartisan support in the House of Representatives. Its co-sponsors are Congressmen Brademas (D-Ind.), Scheuer (D-N.Y.), Reid (R-N.Y.), and Hansen (R-Idaho).

In recent speeches, President Nixon has said it is "now or never" on measures to protect the environment; Secretary of Health, Education, and Welfare Robert A. Finch has warned, "we mean business" on environmental education; and James E. Allen, As-

sistant Secretary of HEW and U.S. Commissioner of Education, previously has called for "legislation for Federal initiatives in environmental education."

Yet on April 21, on the eve of Earth Day, Mr. Allen testified, speaking for the Nixon Administration, against the environmental education bill. He opposed it as unnecessary.

Under questioning, the Commissioner admitted that the Task Force on Environment/Ecology in the U.S. Office of Education has a staff of only three, backed by some students two consultants, and no specific budget. Yet the Citizen's Advisory Committee on Environmental Quality, headed by Laurence S. Rockefeller, sharply criticized as inadequate the environmental programs of the Office of Education.

Once again, the Nixon Administration has not heeded the recommendations of its own advisors.

Once again, now in the field of environmental education, the Nixon Administration has gone on record in opposition to Congressional initiatives for educational resources which the nation sorely needs.

#### DRUG ABUSE EDUCATION

In early 1969, Congressman Lloyd Meeds (D-Wash.) introduced the Drug Abuse Education Act, aimed at helping to educate Americans, especially school children about the dangers of the abuse of drugs.

The Select Subcommittee on Education, which I chair, held extensive hearings on the Meeds bill, which has over 80 co-sponsors in the House, both Democrats and Republicans.

The witnesses were overwhelmingly in support of the bill—with one exception. The Nixon Administration testified, in spite of voluminous evidence to the contrary, that this measure to help teach young Americans about the dangers of drugs was unnecessary.

In October 1969 the House of Representatives passed the Drug Abuse Education bill on a unanimous roll call vote. The bill now awaits Senate action.

The Nixon Administration, with all its rhetoric about combating drug abuse, has not yet reversed its opposition to a soundly conceived effort to attack this grave problem through one essential instrument—education.

#### ELEMENTARY AND SECONDARY EDUCATION

In at least four major respects the Nixon Administration has made serious retrenchments in the critical field of elementary and secondary education:

1. By ignoring the recommendations of its own task forces and advisory commissions to provide more funds to the nation's schools;
2. By both sharp cutbacks in and elimination of Federal money for programs essential to hard-pressed schools;
3. By attempting to cloak its opposition to adequate financial support for schools by calling for research instead;
4. By moving from a policy of all deliberate speed to a policy of all deliberate slow-down in school desegregation.

Here are just a few examples of the ways in which the Nixon Administration has sounded a call for the Federal government to retreat from the historic beginnings represented by the Elementary and Secondary Education Act of 1965, which was made possible by the cooperation of a Democratic President and a Democratic Congress.

#### Urban education

President Nixon has ignored the findings of his own Task Force on Urban Education whose report the Nixon Administration has sought to suppress because it recommended assigning a high national priority to the needs of urban education.

The task force, headed by Dr. Wilson C. Riles, then Director of the Division of Compensatory Education for the California State Department of Education, documented the financial crisis in city schools and urged the

creation of a new urban education program to increase Federal aid to schools in cities of 100,000 or more population by \$5-\$7 billion annually.

The Administration has ignored this report of its own advisors and has asked for more research, as if research alone were a viable alternative to more funds and more effective programs to meet the crisis in urban education.

The President has established a Commission on School Finance "to help States and communities to analyze the fiscal plight of their public and nonpublic schools. We must make the nation aware of the dilemmas our schools face. . . ."

The Commission will reveal only what we already know, and what the President's Task Force on Urban Education has already carefully documented. The Commission is the Administration's substitute for acting on the recommendations of the Riles Task Force greatly to increase funds for elementary and secondary education, for teachers, counselors, equipment and curriculum planning.

Of course, more knowledge of what is effective in education is essential, but research is no substitute for adequate funding for education programs that are needed now. Moreover, as many educational authorities appearing before my subcommittee have made abundantly clear, intelligent evaluation of on-going programs constitutes an indispensable form of research, and we must do a far better job of research in education and of implementing the results of that research. Indeed, I have introduced legislation to implement the National Institute of Education.

The Administration has been using the watchword of research not so much because of its importance to improving the effectiveness of education but rather as a pretext for refusing to invest significant amounts of money in education programs.

#### School desegregation

The most accurate characterization of President Nixon's March 24, 1970, statement on school desegregation came from the U.S. Civil Rights Commission, a non-partisan group chaired by my own distinguished constituent, the Reverend Theodore M. Hesburgh, C.S.C., President of the University of Notre Dame.

The Civil Rights Commission declared that the President's message may signal "a major departure from the policy of moving toward integrated schools."

The studies of Dr. James Coleman of Johns Hopkins University, conducted for the U.S. Commission on Civil Rights, point out that integration of schools can have a decisive and positive effect on improving the quality of education for minority students.

Yet President Nixon has gravely abdicated leadership for achieving integrated schools.

In his school desegregation message of March 24, the President drew a sharp distinction between *de jure* and *de facto* segregation—a distinction which the U.S. Commission on Civil Rights has pointed out cannot, in many instances, be reconciled with the circumstances that give rise to segregated schools.

And this is a distinction which Dr. Coleman has said ignores, in every instance, the effects of segregation on children attending segregated schools. In his April 21, 1970, testimony before the Senate Select Committee on Equal Educational Opportunity, Dr. Coleman said, "There is no distinction between 'de jure' and 'de facto' segregation. . . . The effect of segregation on children is quite independent of its origin."

Furthermore, seizing on this distinction between *de jure* and *de facto* segregation, the President has indicated that he will spend \$1.5 billion over the next two years both to assist school systems under court orders to end *de jure* segregation, and to upgrade schools confronted with *de facto* segregation.

What the President has failed to indicate

publicly is whether he will assist the voluntary efforts of both Southern and Northern schools in reducing *de facto* segregation by voluntary busing, zoning, and redistricting.

The leadership of Presidents Eisenhower, Kennedy, and Johnson was based on a policy of "all deliberate speed" in school desegregation; the Supreme Court, in the recently decided case, *Alexander v. Holmes County Board of Education*, decreed that dual school systems must end "at once" rather than with "all deliberate speed"; yet President Nixon's policy now appears to be one of "all deliberate delay" and "minimum feasible integration."

Clearly President Nixon is determined to pursue his "Southern Strategy" at all costs—even at the cost of providing good education for all schoolchildren of our country.

#### REORDERING NATIONAL PRIORITIES—FUNDING FOR EDUCATION IN GENERAL

Funding for elementary and secondary programs is only one example of the larger picture.

In the last weeks of 1969, Congress took unprecedented action to shift our priorities to domestic needs. For the first time in many years, the House took the hatchet to military spending, cutting \$5.3 billion from the Administration's request of over \$75 billion, and Congress slashed foreign aid funds.

Congress also voted \$800 million in funds for FY 1970 for fighting water pollution—nearly four times the amount President Nixon requested.

In contrast, one of President Nixon's first acts was to reduce education funds to \$3.2 billion, \$450 million below the amount Congress appropriated for fiscal 1969 and \$368 million below the budget recommended by President Johnson. Moreover, Nixon's budget for education was less than 40% of the \$8.9 billion authorization level.

Much of the education community, expressing deep alarm at the President's actions, joined to form an emergency committee for the full funding of education programs. In support of this outcry from educators, Congress passed an amendment introduced in the House by Rep. Charles Joelson (D-N.J.), which would increase education funds by \$1.1 billion over the Nixon budget. The Administration vigorously opposed the Joelson amendment and threatened not to spend the money appropriated. Congress, unabashed by the President's threats, passed the amendment, which led to the President's vetoing the HEW appropriations bill. (Only a few weeks later, President Nixon was strangely silent when the House added to the military procurement authorization an unbudgeted \$1 billion for naval shipbuilding.)

#### SUPPRESSION OF ADMINISTRATION REPORTS ON EDUCATION

Not only has the Nixon Administration been unwilling to support either Democratic or bipartisan initiatives in Congress in the field of education, it has been unwilling to follow the advice of its own task forces and commissions.

The President's task forces on education have recommended both constructive new programs and more adequate funding for present programs, but the Administration has persistently suppressed or delayed the release of these reports.

The President-elect's Education Task Force Report was never released. On March 12, 1969, after the Report had been summarized in an issue of the *Chronicle of Higher Education*, I placed the full text of the Report in the Congressional Record.

The Report of the Administration's Education Task Force was bottled up in the Department of Health, Education, and Welfare, and it was made publicly available only when Congressman Cohelan of California placed it in the Congressional Record on January 19-20, 1970.

The Administration also blocked release of the report of a special committee in the Department of Health, Education, and Welfare, on Easing Tensions in Education, named by Commissioner Allen and headed by Dr. Gregory Anrig, who had been Director of the Division of Equal Education Opportunity in HEW.

In addition, the Administration held up for months a report prepared in 1969 by the Commission on Instructional Technology headed by former U.S. Commissioner of Education Sterling McMurrin.

It is not surprising that the Nixon Administration would be reluctant to release all these reports. Each called for Presidential leadership in education.

#### A WORD IN CONCLUSION

Democrats can justifiably be proud of the splendid record of achievement of Democratic-controlled Congresses in writing legislation to support American education—a record written during the Presidencies of John F. Kennedy and Lyndon B. Johnson, both Presidents genuinely dedicated to the support of education.

The Administration of President Nixon, on the other hand, is seeking to dismantle the structure of Federal support for education in the United States by:

1. Opposing adequate funding of education programs at every level;
2. Seeking to eliminate a number of essential existing programs;
3. Suppressing or ignoring the recommendations of its own advisory commissions for more adequate support of education;
4. Opposing initiatives in Congress, most of them led by Democrats, but some by both Democrats and Republicans, for creative ways of meeting urgent educational needs; and
5. Disguising its hostility to education behind the slogan of "we don't know enough about what works, so let's do nothing."

In short, it is a fair conclusion that no Administration has, on the record of actions, not words, proved so hostile to American education and to Federal support of education as has the Administration of Richard Nixon.

Congress—and Democrats in Congress particularly—will have to continue to provide vigorous leadership if education is to achieve the high place on the agenda of our national priorities that it deserves.

TESTIMONY OF CONGRESSMAN BROCK ADAMS, WASHINGTON STATE, SEVENTH DISTRICT, BEFORE COMMITTEE ON NATIONAL PRIORITIES, DEMOCRATIC POLICY COUNCIL, APRIL 29, 1970

#### THE FIGHT AGAINST CRIME

The size and intensity of crime in any society can always be directly related to the faults of that society. The kind and type of anti-social activity will vary according to the faults of a particular society. The degree of threat to the continuation of the civilization will depend upon the structure of society, the violence of those attacking it, and the response made by those interested in preserving the civilization.

Many members of the Democratic Party have been placed on the defensive in dealing with the problem of violent crime in our cities' streets because they have struggled many years to create a society with true social justice and from bitter experience, they know that brutal, unfair, enforcement of criminal law has been used as a method of maintaining an unjust status quo by preventing social change. Therefore, as violent home and street crime began to rise with the creation of the crowded, poor conditions in the core of our central cities their response was to either deny that the crime rate was really rising (arguing that it only meant more crimes were reported) or to

stress that the only need was for adequate social programs to correct the underlying social ills that were causing poverty and segregation in our cities.

Many of us point out that this approach only dealt with the structure of society as it causes crime. This did not deal with the violence that exists in the city (which cannot be corrected soon enough by social programs) and it also ignored giving enough help to those who are charged with the responsibility of responding to the violent acts—namely, those who work in the system of criminal justice.

The program which I propose today to the Committee is to deal with violent home and street crime by recognizing the violence which exists in our cities (which is already recognized by the American public) and to deal with this by pointing out what should be done with the criminal law system. The alternative to this type of program is to retreat into a dark era of repressive legislation enforced by dictatorial methods which may produce order for a short period of time but will eventually cause our nation to be divided in bitterness and to lose its dream which has given hope to the people of this nation and the world.

#### I. Where it all starts

For many, many years, the American public has relegated the criminal law system and the handling of society's failures to the dust bin of neglect. The Wickersham Report in 1931 pointed out that the American system of criminal justice was breaking down. The Presidential Crime Report of 1968 clearly indicates that things have continued to deteriorate since the earlier report. We do not need anymore studies on this matter. We need immediate action to strengthen the system we have and research to improve it.

In trying to determine where it all starts, we must first consider the young. Assault, rape, mugging, and other violent crimes are increasingly being committed by those thirteen to eighteen years of age and we know, too, that a great percentage of our violent offenders come from the ghetto. Until we can eliminate the brutalizing effects of the ghetto on the child, this will continue to be so, but we cannot simply infer from this that violent, juvenile crime is caused by poverty. This answer is as simple as it is untrue. We do not know the catalyst which causes crime. We do know, however, some things about how crime starts.

The youthful offender begins criminal activity for a number of reasons—most of which are caused by the crunch of a modern, urban society.

A set of hopes and expectations are spread before him at a very young age by television, radio and the mobility afforded by modern transportation.

He finds as he grows into adolescence that his ability to meet these expectations is severely limited by his family background, his inability to get a good education, and often, the color of his skin.

He becomes increasingly aware of the better lives his fellow citizens in the suburbs have. He is surrounded by wealth but does not share in it.

The deterrents to committing crime decrease as he realizes how little he has to lose if he is caught. He does not have a regular job, owns no home, has no stable family background, and probably will not be punished the first two or three times he is sent to juvenile court.

He has the eternal sense of rebellion of the young and new against the old and established without the traditional pressures of a stable middle-class society to inhibit him. Young men and women who grow up in the city with these problems also learn as they grow older about "selective law enforcement" or the "system" or the "sicks versus the



squares" or whatever else you want to call it. Many law-abiding citizens of the United States do not know what "selective law enforcement" means. They are unfamiliar with the accommodation which has grown up between police departments and illegal elements in the so-called "tough" sections of our cities. "Selective law enforcement" means that certain laws will be enforced in a different fashion from one area of the city to another.

Without going into detail, I would point out that in addition to the young, those involved in the organized crimes of drugs, prostitution, gambling, after-hours liquor and similar socially prohibited crimes encourage the creation of "selective law enforcement" neighborhoods and then feed on these neighborhoods which are then involved in a vicious cycle. Families living in these conditions are forced to exist in an entirely different culture than are more fortunate citizens. Children become brutalized by this environment. They turn to crime and a new cycle and a new generation begins, only each time, the cycle is widened and crime is deeper and more violent. As the poor population of the city is jammed more and more into crowded conditions and the total population increases, the problem accelerates. Where once only small areas in the central core of cities were involved, now the blight has begun to move rapidly throughout the entire central portions of our major cities.

To say that people in the affected areas do not support the police department in the same fashion as those citizens living in more affluent sections, is simply a truism which means nothing. It ignores, for example, the basic problem faced by the criminal law system with the police department in the forefront trying to change the pattern of years and enforce the law equally in all parts of the city. The old law enforcement standards do not change easily and neither do the attitudes in the community in which they exist. It is easy to blame central area citizens for their lack of enthusiasm. It is also easy to accuse the police of brutality. But neither approach faces the fundamental problems standing in the way of law enforcement patterns in those neighborhoods. Many more officers are needed and they must be carefully trained to understand the changes they will be required to bring about. In addition, we must examine our laws to determine whether the police should be required to enforce certain moral standards which have been written into law and which basically involve consensual crimes or whether another agency should deal with these crimes and leave the police free to deal with violent crime.

It is much easier to patrol a predominantly white, well-to-do suburb where the citizenry have a financial and personal stake in their area and are generally cooperative, than to patrol downtown, predominantly poor neighborhood, where many citizens have not been able to accumulate property, have intense family problems, do not relish their day to day existence and have suffered under discrimination for years. These citizens have been conditioned for many years to believe that they must live with varying types of criminal activity and that criminal justice really does not mean what it says.

## II. Stopping violent home and street crime

Stopping violent home and street crime does not involve a conflict with civil libertarians on most issues such as confessions, wiretapping, technical rulings on evidence. It also is not solved by the cheap solutions offered by the "law and order" advocates. The person who has committed a violent crime on the street or burglarized a house is not deterred by a wiretapping law, preventive detention or a "no knock" search warrant. The other repressive legislation so dramatically espoused by the "law and order" advocates involves cheap ineffective politics which

diverts the public from the real answers. A lawbreaker is deterred or caught and society is protected by making our present criminal law system work.

The American system of criminal justice has four major parts. First, a civilian-controlled police force, depending to a great extent for its effectiveness upon citizen cooperation. Second, a determination of fact as to guilt or innocence by a court system, by having the dispute as to this fact determined by an adversary proceeding before a judge with a portion of society (the jury) making the final determination of guilt or innocence. Third, a correctional process with a judge first making a determination as to the correction of the individual (the sentence) and thereafter either institutional care or probation. Fourth, a rehabilitation process to move the convicted individual back into society either by work within an institution, through a parole process, the use of a halfway house, case worker supervision, or some other form of readjustment to society.

This system may be compared to the four parts of an electric light system which runs from a socket in the wall, through a cord, up a lamp stand, and then to a light bulb. If any one part—the socket, cord, lamp stand or bulb—does not work, then the light does not go on. As one part of the system begins to burn out, the lamp flickers, giving a warning that something is wrong. This is what the crime statistics are doing today. During the process of burning out through an overload, it is the same as our judicial system being overburdened. There is a great deal of heat (speeches) and smoke (excuses) and very little light (justice). The light becomes dimmer and dimmer and finally goes out. This is what has happened in most of our central cities so far as our justice system is concerned. The key solution is that the whole system must work. You can change the light bulb if the socket is worn out, but if the cord is faulty or the stand is broken, the system fails.

One part after another of our criminal law system has broken down and each time we have patched one part so it works a little bit and then forgotten it. The result is that the system never becomes strong and soon breaks down again. At the present time, we are concentrating upon the most visible part of the system—the police department. The problem is that if we do not rehabilitate our courts as well as provide actual rehabilitative institutions which make transition back into the community a reality, crime will continue to increase as more young people move into it and past offenders rotate back into the system. We must improve the total judicial system by providing enough well-trained police and by making certain that process is available so that everyone obtains an immediate and fair trial with fair and even-handed determination of whether a man should be placed in prison to protect society or released because he can live in society. This also makes it essential that we have the institutions where men have a chance to be rehabilitated and have the social programs available to give these persons a chance to return to society. Without this, we cannot stop the rising crime rate. We will not protect our society. And we will not have justice.

This sounds so easy that many probably wonder why it doesn't simply happen. It doesn't happen because the American public thinks of the police department, the courts, and the institutions as people "over there" who are outside of society doing a nasty job but are expected to do it in the best possible fashion with the smallest amount of money. Those who live day to day in the system for having committed a crime against society, do not vote and their lobby ranks very low in terms of obtaining the funds necessary to give them a chance to return to society. Finally, there are always great numbers of political figures ready to

cry "law and order" and to offer cheap solutions for difficult problems, such as mete out mandatory sentences (even though there are no institutions to place the men in), make the courts operate more efficiently, (there is a great deal of merit to making the courts operate more efficiently but there has to be enough courts to match the intensity of change in the number of people and the quality of their life in American cities), or pass a massive anti-crime bill with many repressive features in it (the majority of which do not even touch violent crime but sound very good in isolated cases).

The solution to mounting violent crime must come from the Democratic Party which understands that people are not statistics and that money, manpower, and motivation stop crime rather than slogans, bumper strips, or simple-minded, repressive legislation. I have proposed that next year the Law Enforcement Assistance Administration of the Department of Justice which was created by the Safe Streets Act be funded to the amount of \$1 billion. I have further suggested that categories be established within this to be certain that at least a portion of the money is devoted to the court system and a substantial portion devoted to the correctional institutions as well as requiring that a portion of the money be used for police departments for payment of salaries, education of men, as well as for police hardware—such as tanks, tear gas, and new exotic types of equipment.

I am informed by the House Judiciary Committee members that the response of the Department of Justice has been that this amount of money could not be efficiently spent next year in the law enforcement and criminal justice part of our society. How foolish this is. In the City of New York alone, in the last election, all the major candidates agreed that a minimum of 3,000 new policemen were needed. To equip, supervise and pay a man to belong to the police department will cost New York approximately \$13,000. To put 3,000 additional men in New York City will cost \$39,000,000. Yet, the Nixon Administration request for total federal assistance to our criminal law system in FY 1971 is only \$480 million. Of this figure only \$30,496,000 would be allocated to the entire State of New York—\$8.5 million less than the cost of the additional police officers in a single city. Under my proposal for one billion dollars, the whole State of New York would receive approximately \$65 million, an amount that would not even meet the problems of juvenile crime, drug addiction and new officers for the City of New York. For the Attorney General to say that the Department of Justice could not spend more than \$480 million in FY 1971 is absurd.

I believe the Democratic Party should also serve notice on the Nixon Administration that we not only intend to ask for \$1 billion next year to be spent on the criminal law system, but also we are looking toward a goal of matching on a 50-50 basis the present expenditures on the criminal law system made by the local units of government in the United States. The best estimates we have are that \$5 billion a year is spent on the American criminal law system by all of the various governments involved at the local level. I would propose that within five years, escalating at a rate of \$1 billion per year, we plan by the year 1975 to spend \$5 billion a year to bring America's system of justice up to date and that we spend that sum of money for each year until our cities are safe enough that our programs of social welfare and assistance can work without the threat of fear and violence destroying them.

I am very tired of those who live in small towns or in safe suburbia constantly criticizing the violence of the major cities and yet taking money from the federal government for their programs and refusing to support

the cities in the programs which they need in order that they may survive. The system of criminal justice is part of these cities' needs. I say I am tired of this because over 70% of our people now live in central cities or in immediately surrounding suburbs which will soon be affected by the crime rate.

I believe that if we can establish an escalating program which started at less than \$1 billion and finally went over \$5 billion per year to make a voyage to the moon, we can, in our own society, spend the same amount of money to make a journey into an era of domestic peace.

REMARKS OF THE HONORABLE GEORGE P. MILLER, DEMOCRATIC NATIONAL COMMITTEE, APRIL 29, 1970

Mr. Chairman, I am happy to be here to express my views on our national priorities, especially with regard to the National Space Program as it is conducted by the National Aeronautics and Space Administration.

At the outset, let me emphasize that the solutions to the vast majority of our domestic and international problems are either based on, or rely heavily upon, our tremendous resources in science and technology. This fact cannot be viewed as a static reality or accepted as a complacent assumption. We must be acutely aware that today's problems must involve today's technologies. Further, Americans must echo that truism as far into the future as we can project.

It therefore becomes immediately apparent that the excellence to which our national objectives today and in the future are resolved is directly the product of the superior science and technology we are able to achieve.

In this regard, it is my firm conviction that the national space program has become one of the major contributors over a very wide range of scientific disciplines to the unprecedented degree of scientific and technological capabilities that now reside in the Government and in the private sector. If we couple the unique American forte of managing very large enterprises with those capabilities, it is hard indeed to conceive of any tangible realistic situation that could defy the application of those resources, if we as Americans have the will and determination to apply them. The space program epitomizes as an outstanding example the assertion of the national will.

We have reached a plateau in our program of space exploration. It is one upon which we are assembling the existing resources and the talents for man's next assault upon space operations, the space station and the space shuttle. It is also an emotional plateau for the American people as they view the program. The early flush of excitement and glamour—to a certain degree a comparatively superficial reaction—over the first successes of the astronauts has diminished. The tense and fear-filled days of Apollo 13 has no doubt re-elevated the mutual personal involvement in our manned space program. But that too will diminish.

But we know in Congress that the space program is founded upon a much more substantial and profound basis than the mere adventure of going into space, with men and spacecraft. Our purpose is based on the grim reality born of bitter, hard national experience that the United States cannot afford to be inferior or second best in any major field of science and technology, which the space program represents. We have achieved superiority. The record in every type of space operations proves that. It is also unquestionable that such superiority must remain dynamic, viable, and visible to the rest of the world. Hence, a prudent, well planned, evenly progressive program must be maintained and continued through Congressional support to be part of our national objectives and policy.

With regard to the manned space flight program, shortly after the stunning success

of Apollo 11 and Neil Armstrong's epic first step upon the moon, I made my position very clear. We heard talk of "on to Mars" and "let's duplicate the moon walk on Mars some time in the 1970's." These statements, some by the national leadership, I know stemmed from the great enthusiasm over the success of Apollo 11 and over the almost perfect precision of the crew that was quickly accepted as standard performance for the future. In my judgment, views of that nature were and are very imprudent and ill considered. Manned missions to Mars are many orders of magnitude more difficult to achieve than going to the moon. Long range extensions of existing technology must be evolved. Much more information and biological knowledge on the physical and psychological effects many astronauts will encounter during a year and a half stay in weightless space must be garnered. New developments in auxiliary power, systems and materials have to be achieved to an unprecedented degree of efficiency and reliability. The list could go on and on.

Let me hasten to say that I am entirely in favor of sending American astronauts to Mars—eventually. Eventually, I say, because we have much more to do in the field of manned space flight before we can be realistically confident of success.

With all due modesty, I think my view has more or less prevailed. The present program NASA has now before the Senate reveals in its funding that we are proceeding step by step toward the next objectives of manned space flight.

The first, of course, is the continuation of the Apollo program. In my view, the events of Apollo 13 should not and will not deter the Administration carrying out the planned flight schedule. The moon will continue to be explored well up into 1973 by flights spaced about six months apart. These flights will use the basic Apollo systems with greatly upgraded and expanded scientific payloads that are presently being developed. The Committee approved this year a substantial increase in funds over the Administration request for the Apollo program, \$145 million to be exact. The House approved \$130.5 million. This was intended for the upgrading of lunar payloads and for the improvement of the Saturn V rocket which has performed with 100 per cent success so far, an amazing record. The Committee's decision in this regard was in my opinion well justified because it recognized the need to fund very long lead time items necessary to make Apollo missions much more profitable and rewarding. Regardless of the upcoming decisions of the Independent Offices Appropriations Subcommittee, the need for relatively modest increased support for Apollo remains apparent. It should remain our national policy to carry out that program to its planned termination.

The Committee also recommended an increase of funds for Space Flight operations. This involves research and qualifications of subsystems for long range flight. Work such as included in the program would pertain first to the manned space station, and is related directly to my previous comments on adopting a measured pace in approaching long range flights such as to Mars. Here is where the experience and the expertise will be developed which will make possible a very wide range of manned missions involved with cislunar space as well as beyond.

Involved here also is the development of the space shuttle, a program that will expand astronaut capabilities and will reduce the cost per pound of payloads launched into earth orbit from \$1000 per pound down to \$100 per pound or lower. This will be accomplished by reusability. The space shuttle will be able not only to be launched into space but to return to land on air fields much in the manner of conventional aircraft. It will be capable of being refurbished many

times and can be used over and over. This is a very exciting prospect indeed and should be exploited to its fullest extent.

NASA's unmanned space flight program has provided the United States with truly practical applications of space technology that have direct and easily perceived benefits to our people, and to others across the globe.

We are all well aware of the weather satellites and the communications satellites that are presently operating in orbit with astonishing success. If you watched the Apollo 13 landing on television, you could not help being profoundly impressed by the fact that you watched the actual landing by means of a communication satellite hovering in synchronous orbit 23,300 miles over the Pacific. Few could fail to marvel at this achievement.

More exciting missions are close in the offing; Applications Technology Satellites already in space have demonstrated the tremendous prospect that lies ahead. These are the first devices that will eventually provide the beginning for climate control and knowledge of global weather dynamics. They can provide communications as well as earth surveillance. They will also assist in the development of Earth Resources Satellites which through special techniques distinguish between healthy and diseased crops, discover new and large water supplies in hitherto unsuspected areas; they will give us new knowledge and understanding of geology and geological forces. Programs such as these should be very strongly supported in the future for they have direct meaning and appreciation to millions of people who will be benefited.

In this regard, I am disappointed that development of Applications Technology Satellites F and G had to be delayed, possibly by twelve months. The impact of delay on programs such as these is very difficult and often more expensive to overcome than original cost estimates. Such actions should be avoided whenever possible. However, there are priorities in the space program that must be considered, too. It comes down to the fact that, within the confines of budget restrictions, hard choices had to be made whether to maintain support of the manned space flight program at the expense of others. The delay was the result. Nevertheless, I am confident that the unmanned space flight program will begin achieving its great potential over the next three to four years, so long as the program continues to receive prudent support from the Congress and the Executive.

The national space program was created into a living, growing and vigorous entity by Democratic Administrations and Democratic Congresses. It was done with vision, foresight, and large commitments through faith in our national purposes that this country has had to be in the forefront of exploring space. Those decisions have paid off, at considerable investment, to a greater degree than we could ever envision back in 1958. The fact is that the Democratic party is completely identified with that success.

I cannot help sometimes being sadly amused at the cries of the critics that we are spending too much money on the space program, that we are throwing away money that should be used for this, that and the other. Each of these people seems to have his own favored program that he believes should be funded above and beyond every other. They often fail to recognize that the space program, with unprecedented advancements in technology, is and will provide much of the knowledge needed to solve their own problems. There are many I can cite. Air pollution, water pollution, presently unavailable sources of power, exploration of the oceans, to name only a few.

Their concern for expenditures for space exploration is greatly diminished in importance by very interesting comparisons. Did you know that the American people spend



four times the amount requested for this year's budget for alcohol and about two times that amount for tobacco. About the same amount is being spent this year for cosmetics. The program is actually only one and a half per cent of the national budget for fiscal year 1971. It is less than one half of one per cent of our gross national product. In the past ten years we have appropriated for space \$38.6 billion dollars. In the same period we have given away through foreign assistance about \$32 billion.

These comparisons are important, because they underscore the relatively reasonable costs that have been incurred in relation to enormous and even incalculable returns we are getting. One example comes immediately to mind. Hurricane Camille was first detected and tracked by weather satellites. Its fantastic power and direction were continuously monitored. On that information, Gulf Coast authorities evacuated 70,000 people to safety. It has been estimated that if Camille had struck the coast by surprise, 50,000 people would have lost their lives. How can anyone calculate the importance of the weather satellite information to those people? It is beyond conception.

The Party support of the space program over the years since its beginning in 1958 is a shining example of how farsighted decisions by men not deceived or misled by transient political and economic diversions have given our nation an indispensable resource. We cannot do otherwise in the future.

STATEMENT OF CONGRESSMAN BENJAMIN S. ROSENTHAL, OF NEW YORK, BEFORE THE NATIONAL PRIORITIES COMMITTEE OF THE DEMOCRATIC POLICY COUNCIL, APRIL 29, 1970

#### CONSUMERISM AND ITS PROBLEMS

The consumer is in serious need of help. The American free enterprise system, with its give and take in the marketplace, is basically healthy. But in the supermarket aisle, on the auto showroom floor, and across from the cash register everywhere, the consumer must face Madison Avenue, the whirling computer and the motivational research psychologist. He must face the giant corporate structure with its single-minded concern for profit and its capacity to spawn powerful lobbies in Washington and State capitols. The consumer must face not simply outright fraud and deception but sharp practices honed to incredible subtlety. Standing alone, the American consumer cannot deal with this power in the marketplace.

#### A question of justice

The result of this mismatch is that until quite recently, such major private-sector consumer injustices as hidden credit costs, unsafe automobiles and hazardous household products, unsanitary meats and poultry, dangerous or ineffective drugs, and deceptive packaging and labeling, received superficial attention.

Still to be dealt with conclusively in the years ahead are abuses in the insurance field, sharp practices in the automobile and TV repair industries, warranty problems, deceptive and non-informative advertising, home repair frauds, costly games of chance, trading stamps, and sweepstakes, household moving problems, inadequate and confusing food grades, discrimination against low-income consumers, and the consumer information gap.

What has government's response been to these problems? Briefly, the federal government has responded, in an uneven manner, to substantive consumer abuses by supporting legislation designed to eliminate the abuse. But, to the extent that the effectiveness of these laws depends upon vigorous enforcement by the responsible federal agencies and to the extent that the government is involved in thousands of decisions which vitally affect the consumer interest, con-

sumer protection at the federal level has been a failure.

At the state government level, some progress has been made but mostly in the form of increased authority to state Attorneys General to prosecute consumer frauds.

Local government, with isolated exceptions, has done little.

In Washington, we have recently witnessed another Administration's attempt to address itself to consumer problems. After a very uncertain start, the post of Presidential Advisor on Consumer Affairs was continued under a knowledgeable and earnest woman with some substantial experience as head of a state consumer protection office.

But the uncertainty surrounding the maintenance of this staff position and the manner in which it was filled were not good omens. Nor is it good government to have the vital task of consumer protection and representation, depend upon the whim or caprice of any President.

Consumer protection at the federal level must be institutionalized by statute in a permanent and independent consumer protection agency in the Executive Branch.

#### The European example

To those who see this as a radical proposal, I would like to point out that a number of Western European nations already have Cabinet-level Departments to represent and protect consumers. We are now far behind these countries. Not only in how our government represents the consumer interest, but in consumer product testing and the release of consumer information.

There are many who would have us believe that the spate of new consumer laws has elevated consumers to a dominant position in the marketplace; that the weight of governmental action has shifted from the producer side to the consumer side. Nothing could be further from the truth.

While our government is presently more aware of and even more responsive to consumer needs than in the past, producer groups still exercise a disproportionate influence over economic policy. This is true in the governmental body that makes the laws; it is true in the body that administers the laws.

In proposing the establishment of an independent Consumer Protection Agency, my thesis has been that to change policy, one must change organization. Roger Hillsman, in his book, "To Move a Nation", cites as an example of this principle the difficulties experienced by Theodore Roosevelt in trying to establish conservation of natural resources as national policy in place of the older "homesteading" policy.

Hillsman's description is highly relevant to consumer representation: "... The old organizational arrangements provided easy channels for lumbering and other exploitative interests to express their preferences and almost none for 'conservationist' interests to express theirs. There were almost no mechanisms for gathering the kind of information that would permit governmental decisions to conserve rather than exploit. The result was that President Roosevelt could not really change... policy... until he changed the organization dealing with the problem."

#### Deceptive laws

In my view, the consumer of the 1970's is in much the same position as the conservationist of 1900. The present organizational arrangements at the federal level—with Cabinet representation for business, industry and agriculture—provide easy channels for producer interests to express their preferences and almost none for consumer interests to express theirs. In a governmental system where decision making depends on effective advocacy of all points of view, such organizational discrimination is intolerable. The worth of any law is based, ultimately,

on its execution. The mere enactment of consumer laws, without effective consideration of how these laws are to be administered and by whom, is deceptive.

We have arrived at the point where the steadily increasing body of consumer laws to be administered by the federal government is now beyond the efficient reach of any haphazard combination of agency appendages. This was true of housing problems in 1965 when the Department of Housing and Urban Development was established; it was true of transportation problems in 1966 when the Department of Transportation was created; it is true today of consumer problems.

Fundamental economic problems face government today in the questions of how consumers really are represented in existing agencies, whether consumer activities in one agency bear any relation to those in another agency, whether there is adequate coordination and overview of consumer-related programs, and whether there should be more central control.

#### Fragmented consumer responsibility

At present, the American consumer's voice is faintly heard through some 33 federal departments and agencies carrying on approximately 260 consumer activities. Consider that—

Responsibility for enforcing the Truth-in-Lending Act is vested in nine separate agencies;

Administration of the Fair Packaging and Labeling Act is divided among three agencies—the Federal Trade Commission, the Food and Drug Administration, and the Department of Commerce;

No less than five federal agencies are responsible for consumer protection of the poor;

The Flammable Fabrics Act of 1967 is shared by the Department of Commerce, the FTC, and the FDA;

Responsibility for the wholesomeness of fish and fishery products falls both to the Food and Drug Administration and the Interior Department's Bureau of Commercial Fisheries;

Programs to control air and water pollution can be found in a half dozen agencies.

These laws, each with merit, have proliferated beyond the ability of our present governmental structure to handle them.

Despite the large number of federal agencies that purportedly represent the consumer, it is still a fact that:

There is no single federal agency to which consumers can direct complaints;

There is no single federal agency devoted to the pressing needs of the low-income consumer;

There is no single federal agency which gathers and disseminates to the public the considerable product and economic information that is available at the federal level;

There is no single federal agency which represents the consumer interest before federal courts, departments, and regulatory agencies;

There is no single federal agency which scrutinizes the nation's food marketing system from producer to consumer;

There is no single federal agency in which the consumer education function resides;

And certainly, there is no single federal agency which can boast that it has consistently anticipated consumer problems instead of reacting to them on a crisis basis.

What makes such a fragmented consumer protection apparatus deplorable, is that consumers are almost never represented at agency deliberations.

#### Judging the record

What is the consumer record of our federal government?

Are we satisfied with the performance of our regulatory agencies in advancing the consumer interest in America?

Has the Federal Trade Commission been a vigorous champion of the consumer cause?

Has the Interstate Commerce Commission effectively represented the consumers' interest in matters relating to household moving problems and railroad passenger service?

Has the Federal Communications Commission been an effective advocate for the public in policing the airwaves?

Has the Department of Commerce moved with dispatch in approving flammability standards for clothing or in administering its portion of the Fair Packaging Act?

Are we satisfied with the activities of the Interior Department and the FDA in protecting the consumer against unwholesome fish and fish products?

Has the Department of Agriculture strived to achieve the most effective and far-reaching consumer food grading program, as Congress directed it to do?

Do the efforts of the Department of Transportation's National Highway Safety Bureau in the field of autosafety match the grim reality of 52,000 deaths last year on our highways?

Is it in the long-range best interests of consumers that solutions to many of their most important problems are entrusted to temporary commission like the Food Market and Product Safety Commission, whose recommendations are largely ignored because of the absence of an institutional framework for continuing action?

Have the General Services Administration, the National Bureau of Standards and other federal product testing agencies, moved to maximize the benefits of their tests by releasing valuable product information to consumers?

Certainly, the report of the American Bar Association on the Federal Trade Commission and the reports of the Center for the Study of Responsive Law on the Interstate Commerce Commission and the Food and Drug Administration, suggest that the records of even the major consumer protection agencies of government are highly inadequate.

#### Who is represented?

Moreover, how can the consumer interest be protected in agencies having competing and diverse interests to protect?

Can the Consumer and Marketing Service of the Department of Agriculture faithfully represent, at the same time, the desire of consumers to get the most for their money and the desire of farmers to get the most for their product? Can the Department of Commerce successfully promulgate lumber standards or administer its part of the Fair Packaging and Labeling Act and yet serve the interests of its real constituency, the business community? Can the important consumer responsibilities relating to food and drug labeling required by the Food, Drug and Cosmetic Act receive adequate attention in a Department whose Secretary is also burdened by problems of education and welfare?

My own conclusion is that, without full, vigorous and coordinated enforcement, many consumer protection laws benefit only the printers and bookbinders of the United States Code. The Wholesome Meat Act was passed two years ago but we still have 60 persons infected with trichinosis in a small Missouri town. We still have confusing labels on supermarket shelves because the Fair Packaging and Labeling Act is inadequate and is not being properly enforced. And we still have dangerous fabrics sold to unsuspecting consumers, some of whom suffer needlessly from burns, because agreement cannot be reached on how the Flammable Fabrics Act should be enforced.

#### A new Federal consumer agency

What vital functions would such a new independent agency perform that are not

now exercised by the 33 departments and agencies bearing consumer protection responsibilities?

1. A central clearing house for consumer complaints would be established where now there is none.

2. A central repository for consumer information would organize, release, and in some cases disseminate on a regular basis useful performance data on products and services in non-technical language. Many agencies of government that now test consumer products refuse to release test results and other valuable consumer data. While many federal agencies readily make their test results and scientific studies available to private industry sources, the public which pays for those tests is denied access to their results. Moreover, the new agency itself would conduct research and testing on consumer products.

3. For the first time, the consumer's viewpoint would be vigorously represented before federal courts and regulatory agencies in matters of proceedings affecting substantially the interest of consumers.

4. Finally, economic studies would be conducted and the work of the Product Safety Commission continued.

Until such time as there is a statutorily created independent Consumer Protection Agency where inter-related functions will be performed under one roof, our consumer programs will continue to be mismanaged and will have failed to serve the purposes that Congress intended. It is our responsibility to the cause of efficient government and our special obligation to America's 200 million consumers, to provide the institutional mechanism which will assure equity and justice in the marketplace.

**THE ENVIRONMENT: THE IMPATIENT PRIORITY**  
(An address by Hon. JOHN A. BLATNIK, to the Democratic Policy Committee, Committee on National Priorities, April 29, 1970)

#### TOWARD A NEW CONSERVATISM

Earth Day is over. The buttons, the flyers, the mimeographed programs, are all a part of ancient history now. That is, they could be, if we let them stand only for a day, or a fleeting thought in the Nation's conscience.

The question still remains: What did Earth Day mean?

The President remained in his office the entire day, sending only the inadequate message through his oracle that he had already made his position clear, that the Nation must be aware of his stand on the environment since his policy speech in February.

Did Earth Day mean more, or less, without the participation of the President of the United States?

Members of Congress, citizens group leaders, teachers, made speeches on pollution across the country. The Nation could hardly disagree that pollution of all kinds is a grave threat to our way of life and that must be stopped. In view of the general agreement and of the outpouring of sentiment elicited by April 22nd, we might be tempted then to believe that we are over the hump, that with all this good will, with all these alarming statistics, we have done all that needs to be done to save the environment.

But I ask again, *What Did Earth Day Mean?*

I submit that it could mean that another day has gone the way of all days, like Mother's Day, or Groundhog Day. It is up to us now, to the Democratic Party, to give meaning to the idea. Today I want to offer a "New Conservatism of the Environment" as the program for the Democratic Party for the coming two years, and for the long term.

#### THE ISSUE

This Nation is strongly given to fads. We have seen a succession of issues in the past few months grip the public eye and create a

furor: the fight against hunger, the war in Viet Nam, civil rights. All of these issues are important, indeed urgent. Yet we have seen each supplanted in the public eye by its successor and in the way of things, we might expect pollution as a national issue to die, too.

But this is not the time to let pollution fade from the public consciousness. Other issues can be handled expeditiously with a good Administration and a unified Congress. But pollution cannot be handled by the Administration alone, nor by making laws alone, nor, in fact, by appropriating money alone. It takes public awareness and public commitment, as well. So, if we want our children to be able to live as well in this country as we have lived, if we want a decent life for all our people, and if we want to give our words of last week meaning, we cannot drop the subject now. We must go forward with it and make it a national issue for all time.

The issue, we have said is survival.

When will we begin to act as though we believe it?

If we really believe that the primary threat to our survival is here at home, we will cease spending billions destroying life in Viet Nam and building a life-destructive potential of planetary scope, we will bring those funds home to save life here.

We say that we are in danger of procreating ourselves to death and cry that we are drowning in the waste of a Nation geared to surfeit.

Yet how little action is forthcoming!

Now the President has submitted his plan for the environment. He has appeared to up the ante to \$1 billion a year. Still short \$250 million from the amount authorized in 1966 for Fiscal 1971, in fact, it is even smaller, because he does not offer outright grants, but a contract authority in the Secretary of the Interior, so that the major outlay could come years from now, and the cities will have to continue to struggle with financing waste treatment works on their own. In addition, he proposes to keep the appropriate level for water and sewer lines at \$150 million, approximately its past level. Yet, Congress last year authorized \$500 million for the same program in Fiscal 1970. Even as recently as last month, Congress had to put pressure on the Administration to release money appropriated for sewer tie-in lines in small villages.

The Administration bill also proposes to create an Environmental Financing Authority to assist communities in financing waste treatment facilities who could not otherwise secure financing at reasonable rates on the bond market. Again, this proposal raises more problems than it solves, not the least of which is that it may not do what it is intended to do. Those municipalities with bad credit ratings probably could not afford the interest rates, and those with good credit ratings could not expect help from the Financing Authority.

In short, the Republican bill is typical of Republican performance in the past—long on fine words, short of action, short on money.

#### THE PROGRAM

If we want our leadership to be effective, we cannot criticize without offering specific alternatives. The following suggestions are offered here as a modest contribution to stimulate thinking toward a Democratic program on water pollution control.

#### The appropriation

I propose first that we support a far more generous appropriation than that suggested by Mr. Nixon. The population has almost doubled in the last fifty years. Industry has grown by 820% in the same time. The Water Pollution Control Program began only fifteen years ago, and has lagged from the start in funding adequately for the needs of our exploding population and industrial develop-



went. A figure in the area of \$25 billion would be much more realistic in meeting the needs of the cities for waste treatment facilities during the next five years.

Further, in considering a supplementary contract authority reposed in the Secretary of the Interior, we should also consider a minimum federal participation on the sum contracted for, to assure that if the Federal Government participates in this way, it will be offering real, not token, assistance to the cities.

#### The allocation formula

Second, we must re-evaluate the allocation formula for waste treatment construction grants. We are aware of the problems states and municipalities have encountered under the present formula, and we will want to keep them in mind in working out a more equitable distribution of funds. Municipal governments have shouldered great debts in going forward on waste treatment. Under the Nixon reimbursable provision, I question whether their past performance will be rewarded justly. Here, too, we will have to keep past performance in mind, and offer equitable reimbursement and future support to those states and cities who have cooperated so well.

#### Enforcement

Third, we must consider proposals for streamlining enforcement procedures. If we can assure polluters that their activities will meet with swift, certain sanctions by state governments backed up by the Federal Government, I believe we will see more determined efforts on their part to control their activities.

#### Pollution basins

Fourth, the time has come to emphasize water pollution control and water uses in river basins—larger, more coordinated efforts than we have been promoting. We already have provisions under the Federal Water Pollution Control Act of 1961—we must now work out programs which will culminate in a network of river basins and large, economical waste treatment plants across the country.

#### User charges

Fifth, we should consider a system of "user charges" or a pollution "tax" to cover the costs of disposing a product or a container, once it is used. It has been suggested that if these monetary charges are applied uniformly, and exemptions offered for products which do not pollute, we will see a swift response from industry anxious to preserve its markets. Since presently the costs of pollution must be borne by the taxpayer, it could be argued that a user charge built into the cost of the product will not greatly add to the overall cost of being a consumer.

#### Research

Sixth, we must apply the formidable technological know-how of the United States to developing recycling systems for all waste. We must encourage research by private industry and the Federal Government to develop non-polluting containers, nontoxic pesticides, re-usable products. By every means available to the Congress, we must encourage conservation of those resources left to us.

#### Standards

Seventh, we must encourage the states to adopt pollution standards which will not degrade the water of downstream users. And we must encourage the Interior Department to insist upon such standards. Understandably, standards in different areas of the country will vary with the different uses of water, but the surest way of achieving compliance is to keep standards uniform wherever possible. This will also limit the problem of industries leaving one state where standards are stringent to relocate in another state which may be more lax. There is no economy, no advantage in the long run to any state to entice industry with poor water and air

quality standards. Water, air, natural beauty and resources are priceless. We must lead all the states to see that simple fact of life.

#### Population growth

Eighth. We must give deep, creative thought to a policy of population planning and dispersal. Predictions indicate that by the year 2000, the population of this country will be over 300 million and that almost 90% of the population will live on less than 10% of the land. We have time now to establish a program of dispersal to attract people and industry to the smaller towns, and we must begin to consider methods for controlling the population growth and for feeding, housing, and education of the millions to come. This is one of the purposes of the bill to establish a Commission on Population and the American Future which I sponsored and which was recently signed into law. But the Democratic Party, as the leaders of a new conservatism of the environment must present a unified integrated, imaginative program to meet the challenge of the population explosion, we can hope to succeed only if we plan now.

#### LEADING THE NATION TO A NEW CONSERVATISM

For the long term, government has no choice but to guide the Nation to a new era. We will have to divest ourselves of the slash-and-burn psychology which even today tells us we can always move on to another field, continent or planet; and the growth fetishism which preaches that more and more material goods bring greater and greater happiness.

This will require great changes, and will take at least a generation to accomplish. We cannot impose immediate shocks on the system, but I think it can be done and that we can begin now.

Our economy is badly balanced between goods and service. We are inundated with surplus products, which sophisticated advertising campaigns feed to the debt-ridden middle classes as well as to the wealthy, while our poor and elderly die of starvation and neglect. The rewards of our society flow into business and industry, while little status or financial reward accrue to the servers of mankind.

Government can ease the transition of the labor force, now, by upgrading the status—and the pay—of teachers, para-medics, social workers, and institutionalizing many of the services now provided by volunteer organizations. Vastly increased training and incentives, we can lure people away from the already over-crowded production lines.

I believe we are already on our way to this goal. Surveys indicate that a larger percentage of our young people than ever before now plan to enter service rather than business careers. Our young doctors are opening clinics in poor areas, and our young lawyers are entering the field of poverty law in increasing numbers.

Government can encourage these trends with more money for educational and social programs.

It is likely that the price of goods, once they include the cost of pollution, will limit consumption to necessities, and impose considerable hardship on many people. All of us may have to learn to live and love a much simpler life.

We can also lead a nation-wide education program, changing national attitudes from exploitative to preservative; by massive educational programs on the scope and urgency we put into science after the Soviets launched their first Sputnik.

Here too, we have made a start. It was the schools and young people who planned Earth Day and gave it its response. Some schools have gone further and added environmental education programs to their curriculum.

Congress can help with financial aid to schools, colleges and advanced academic research.

Preservation of the environment is technologically possible. We can measure what we put into our air and water, analyze it, define it, take it out, and use it again.

But is it politically possible?

The cost and sacrifice as well as greater government regulation will fall increasingly on the citizen, whose tolerance for such measures has yet to be fully tested.

The one-man-one-car privilege cannot continue; but will the public vote the necessary bonds for mass transportation on a scale contemplated only by our most far-sighted planners? Will people be willing to swelter without air conditioning? But what vengeance will they wreak on the public official who permits higher utility rates to pay for pollution abatement? Which plants will be closed down because it is economically unfeasible to equip them with anti-pollution devices? And who will lose his job; what areas will lose the base of their economy? Do we subsidize older plants at taxpayers' expense? Do we impose user or effluent charges, which will inevitably be passed on to the consumer?

How much sacrifice will the people make?

I submit that the people will understand, and will make the sacrifices, if they are given strong leadership, sound programs, and proven accomplishments.

Twice in this century, with the New Deal and the New Frontier, the Democratic Party was able to respond to the Nation's distress. We found new answers; we offered a new vision, embodied the Nation's aspirations, and the people followed us.

Now, we must again provide this same unity and leadership to achieve national progress against this newest challenge: The restoration of our environment and its preservation for generations to come.

#### NEED FOR NATIONAL URBAN GROWTH POLICY AND NEW COMMUNITIES PROGRAM

(By Hon. THOMAS LUDLOW ASHLEY, before the Committee on National Priorities, Democratic Policy Committee, April 30, 1970)

There can be no higher national priority than improvement in the quality of our living environment. We have had a half century of rapid urbanization in the United States during which the Federal Government has taken a "watch-topsy-grow" attitude. The time has come to start shaping events in our urban society rather than have events shape us. Demands for a decent living environment can only be satisfied if we have a national policy to use all our resources for rational urban development—both physical and socio-economic.

There are a multitude of Federal programs and policies, such as the Federal interstate highway program, which shape our urban destiny and yet they are carried on in a mindless fashion with little or no consideration of how they will affect or destroy any rational urban objectives.

Extensive hearings by the Subcommittee on Urban Growth have carefully charted population growth which indicates an increase in population of 100 million during the next 30 years. These additional people must be housed and the quality of housing of many of our existing people must be improved. Continued reliance on urban sprawl is only going to aggravate the abrasive quality of urban life.

As a result of these hearings, far reaching legislation has been introduced to shape urban growth in a rational fashion. Joining me in sponsoring this legislation have been many of the most prominent Democratic leaders in the House of Representatives: The Honorable Hale Boggs, Whip of the House; the Honorable Dan Rostenkowski, Chairman of the Democratic Caucus; the Honorable Wright Patman, Chairman of the House Banking and Currency Committee; the Honorable William Barrett, Chairman of the Housing Subcommittee; and many of the

Democratic members of the House Banking and Currency Committee.

Similar legislation was introduced in the Senate by the Honorable John Sparkman, Chairman of the Senate Banking and Currency Committee and the Honorable Edmund Muskie.

This bill creates a three-member Council on Urban Growth in the Executive Office of the President. With the Secretary of Housing and Urban Development as member ex officio, this group would be responsible for formulating national policies to guide States, counties, metropolitan areas, and cities and towns toward rational growth and development.

The bill provides assistance, both technical and financial, for a comprehensive approach to urban overgrowth. It contains major provisions for the development of new communities, inner city areas and plans for State and regional growth and stabilization.

The bill substantially expands HUD's title IV new community program which only guarantees obligations sold by developers to finance land development. Under the new legislation, public bodies would be eligible for grants for feasibility studies and planning for new community development. Any eligible developer, private or public, could receive loans for the costs of land acquisition and the construction of public facilities and commercial and industrial centers. The loans have the advantage of substantial delay before repayment is due to begin.

The legislation creates a Community Development Corporation to run this new community development program. The Corporation would have a five-member Board of Directors, one of whom is a member of the Executive Council. The Corporation's responsibilities include providing grant and loan assistance and assuming title IV guaranteeing power from the Secretary of Housing and Urban Development, planning community growth and development programs, carrying out large-scale new community demonstration projects on federally owned land and land acquisition. All these powers and duties would be vested in the Corporation's Board.

The provisions for inner-city development are aimed at acquiring currently occupied land for rebuilding for residential use to help solve the housing shortage in our cities. The legislation amends title I of the Housing Act of 1949. It differs from conventional urban renewal in that the land does not have to be blighted to qualify it for use under this title. Instead, local public agencies would be given assistance for rebuilding projects on land currently occupied by functionally obsolete or uneconomic uses, endangered by natural hazards or inadequately developed. Infrequently used rail yards, air rights over streets, flood lands and other unused or underused land could be acquired for the development of residential housing and public facilities.

The bill also provides States and regional bodies with grants to assist in financing population growth and urban development programs and technical assistance in land-use planning and development. Grants under the bill's fourth title may also be used to purchase open or predominantly open land surrounding urban areas for purposes of new community development, recreation, or generally to conserve and protect the environment.

#### THE PRIORITY OF HEALTH

(Statement by U.S. Representative PETER KYROS, Maine, before the Democratic Policy Council, Committee on National Priorities, April 29, 1970)

Mr. Chairman and other distinguished members of the panel. There exists perhaps an inherent inequity as I appear before you, as a reasonably healthy individual, to submit testimony regarding the problems of the disabled, those who are acutely or chronically

ill, those who are mentally ill, and those who have succumbed to illness. There are many articulate spokesmen in our society on questions of poverty, youth, pollution, business, and labor. The sick, however, are usually a very silent minority. It falls to me, therefore, as a member of the Public Health and Welfare Subcommittee of the Interstate and Foreign Commerce Committee in the House of Representatives, to state the case for the priority of health in our Nation, and I appreciate this opportunity to appear before you.

I doubt there is any person among us who has not suffered a severe illness or accident, or stood by in anguish while a family member, a close friend, or a relative has suffered. We have felt, at such times, that health is our greatest priority, in terms of individual values. If one is seriously ill or injured, there is little else that matters.

No matter how great our national or individual commitment to proper health of our population, complete freedom from illness or injury will remain as elusive as the Fountain of Youth. What we can do, however, is reduce the incidence of accidents and illnesses in our Nation. What we must do is recognize that "the best of modern medical care should be made available to every American." This recommendation is quoted directly from the 1968 Platform of our Party.

This does not mean that all of our other domestic and social goals should be abandoned in the quest for fully adequate health care for our citizens. There is a direct relationship between problems of poverty, problems of the environment, and problems of health. What I do want to stress, however, is that for the millions and millions of Americans who seek better jobs, better housing, better transportation, better education, and a cleaner environment, these goals will have little meaning unless they are accompanied by satisfactory health.

There is no question but that our Nation has in the past been concerned with health. Diseases such as rickets, scurvy, whooping cough, diphtheria, tetanus and poliomyelitis have been virtually eliminated in this country, with only 48 cases of polio reported in 1968, for instance. Measles and rubella are also scheduled for elimination.

An American born in the year 1900 could expect an average life span of 49 years. A person born in this country today will realize an average life span of slightly over 60 years.

In 1940, our infant mortality rate was 140 per 1000 births. Today this mortality rate is 22 deaths per 1000 births.

These are very real accomplishments. Today, however, we must be concerned with what needs to be done, rather than what has been done in the past.

The decrease in our infant mortality rate has leveled off. In 1968, 15 other nations had lower infant mortality rates than did the United States. Compared with these other nations, there is a notably high level of seriously underweight babies born in this country, as result of premature birth and other less discernible factors. This has suggested to many that the medical care afforded to prospective mothers in this country is inadequate. Given the higher rate of poverty among non-white families in the United States, it is significant that the infant mortality rate among non-whites is three times that of whites, with a maternal mortality rate four times greater. Worse, this maternal mortality rate gap is increasing.

The upwards curve in the average life span of Americans has similarly come to a plateau, increasing only slightly since the widespread introduction of antibiotics in the early 1950's. Heart disease and cancer, the leading causes of death, have been joined by chronic respiratory disease, which is increasing at an alarming rate. Deaths from emphysema alone have doubled in the past decade.

Setting aside the grim statistics of death,

it is all too obvious that living Americans do not enjoy satisfactory health. More than half of us suffer from at least one chronic medical condition, of varying degrees of severity. 22 million American citizens are limited in their physical activity, with heart disease, arthritis, and rheumatism the leading causes of these limitations. Even among our children, between 20 and 40 percent suffer from such chronic health problems as impaired vision, speech impediment, poor hearing, mental retardation and emotional disturbance. The National Institute of Mental Health estimates that one and a half million children in the United States require psychiatric attention.

It is also all too obvious what a demand these health shortcomings among our citizens place upon our medical professions and facilities. About 800 million visits to doctors are made each year in this country, and three out of every four citizens see a doctor at least once in the year. About one American in ten enters a hospital during a given year. The ratio of physicians to other citizens in our country has remained fairly constant during the past 20 years—about one doctor for each 650 Americans, but the demands placed upon physicians are increasing at a time when fewer physicians are providing care to patients. The American Medical Association states that we actually now have only about one practicing doctor for every 1100 citizens. We should also note that only 2 per cent of our current medical school graduates are entering general practice, a situation which Senator Yarborough, Congressman Fred Rooney, many other Representatives and I are trying to correct by means of legislation introduced in this Congress.

We are going to have to be more specific about priorities within the field of health, and I think that this means greater attention to the need for greater health manpower, and better distribution of this manpower.

While applauding the expansion of health services available to the elderly and the poor as result of Medicare and Medicaid programs, we must recognize the strain which these programs have placed upon our medical facilities. We can talk about inadequacies in the Medicaid program—and I would point out that only 2½ million children of the 20 million children from needy families are able at present to receive medical care under Medicaid and we can state that the time is coming for a national health insurance program.

What I want to stress as strongly as possible today is that we have got to begin now to expand the medical personnel resources needed for these programs, or they will be woefully inadequate.

The United States Public Health Service states that 3.4 million persons are employed in the health professions in this country. This figure represents about 4 per cent of the total labor force and 16 per cent of the professional and technical labor force. Unfortunately this is not enough.

We have over 300,000 physicians in the United States, and more than twice that many registered nurses. We have more than a million additional practical nurses and additional health personnel, not counting our 250,000 dentists and 125,000 pharmacists. These totals might appear large, but they are insufficient.

One problem is the distribution of medical personnel. The ratio of physicians to patients which I have cited is only an average ratio, which is of little help to the residents of rural areas and central cities, where there is often only one physician for every 3,000 persons.

Even if it were possible to obtain better distribution of physicians, the aggregate shortage would remain.

Perhaps the most telling evidence of this shortage is the fact that one-half of the residencies in our nation's hospitals are now



filled by foreign-born doctors. Our medical schools currently graduate about 9000 future physicians each year, but we import an equal number of doctors from abroad. Approximately 72,000 foreign physicians have come to work in this country since 1962. Many of them are from those very nations which we are trying to assist or have been assisting in meeting the demands of their own populations, such as the Philippines and South Korea.

We are talking today about the priorities of our own country. But if one of these priorities is the quest for a safer, healthier, community of nations, as I believe it should be, then it is hypocritical to deprive the developing nations of so many thousands of their best physicians.

The Congress has recognized the need for the development of additional medical manpower in the United States. In passing the Health Manpower Act of 1968, we acknowledged the demand for 52,000 additional doctors and 141,000 additional nurses and allied health personnel.

The authorizations provided by this Act have, unfortunately, not been taken seriously by the Administration.

For fiscal 1971, for instance, the Health Manpower Act authorizes federal expenditure of \$57 million in loans to medical students, nurses, and others training in the health professions. The Administration's pending budget request appropriates little more than a third that amount, or \$21.6 million.

The budgetary support which the Administration is willing to provide towards the construction of medical school facilities is only about one half the amount which the Congress believes should be spent—\$118 million compared to an authorization of \$225 million. Only \$8 million out of an authorization of \$35 million is provided for construction of nursing school facilities. The Congress also authorized \$41 million to be spent in fiscal 1971 for the construction of medical libraries and health research facilities; the Administration proposes to spend exactly nothing for these programs.

It is certainly true that construction grants are the most likely items for reduction during times of inflation and budgetary stringency. This is only effective as a short-run policy, however. There is now a backlog of about \$400 million of approved funds for medical facilities construction. The need for this construction exists, as evidenced by approval of the funds. The actual obligations have not been made, however.

Moreover, it is not just student loans and construction funds which are being cut. The budget funds most important to the very survival of many medical schools have been cut by almost one-half, in comparing the fiscal 1971 Congressional authorizations to the Administration's budget request. Grants to improve the quality of medical and health schools have been authorized at \$168 million; only \$113.6 million is provided in the budget for this purpose. \$40 million in such funds were authorized for nursing schools; only \$11 million are requested in the Administration budget.

Of the 103 medical schools in our nation, at least 12 are presently approaching bankruptcy, many of them spending endowment funds to pay day-to-day expenses.

If we are going to have the doctors we need, we must have higher appropriations to assist our medical schools.

If we are going to live up to our pledge of having adequate medical care as a right, rather than a privilege of our citizens, we must stop shortchanging our nation in the development of adequate health manpower.

We should be doing other things as well. We should be expanding our Regional Medical Program, and assisting our hospitals in their renovation and new equipment needs. We should be finding ways of controlling the rising costs of medical care, which continue

to increase at a more rapid rate than almost any other family budget item. We should be doing a better job of coordinating the development of medical facilities, in order to avoid needless duplication. We should be discussing means of bringing medical insurance programs, which benefit 92 per cent of the families with incomes of over \$10,000 but less than half of those who earn the least, within the reach of all. We must expand our research in dealing with those diseases which can be controlled.

Most of these goals, however, are of little importance unless we reach what I believe must be our first priority within the field of health: adequate numbers of doctors, nurses, dentists, medical technicians and medical aides.

It is difficult for me to state the priority of health when compared to our other national needs. The relationship between poverty, an unhealthy environment, and poor health indicates that our investments in health will bring the greatest returns when accompanied by vigorous action in such areas as job training, improved education, urban renovation, and pollution abatement.

When one considers our basic rights of life, liberty and the pursuit of happiness, however, it would seem to me that proper health care is a prerequisite in the realization of our national destiny.

#### HOUSING AND URBAN PROBLEMS: THE INNER CITY

(Statement of Hon. WILLIAM S. MOORHEAD, of Pennsylvania, before the Democratic Committee on National Priorities, April 29, 1970)

Any consideration of national priorities must begin with one all important subject: economics and, the various breakdown of economics, of the national budget, including revenue and its allocation, have to be weighted on the basis of what needs must be met. The urgent need is to find the money needed to cure our urban ills.

In discussing priorities, the first conclusion that must be reached is that any new sums available for urban programs will depend on cuts in the defense budget. The defense budget, despite its Congressional paring of last year, still accounted for nearly one half of the entire Administrative budget, which excludes trust funds.

For fiscal year 1971 only 40% of the budget is controllable. Over 80% of the controllables are in Defense. It becomes obvious that if resources are to be freed for programs with high priorities, they have to come out of controllables.

There are other areas which deserve closer appraisal also, such as the highway program, farm supports, the space program, various subsidized special interest programs, but the part of the budget that most urgently calls for close scrutiny is the Defense budget.

As we talk here this afternoon, the military procurement authorization bill is being debated on the Floor of the House, requesting \$20.24 billion. I have prepared a substitute bill to the Committee bill which amount to a 5% line-by-line efficiency cut. It should be more. This will not endanger our national security, and will provide a savings of \$1.012 billion which can be applied to meet our domestic needs.

A concerned Congress trimmed the Administration budget request of last year by more than \$6 billion, primarily from the Defense budget; we must continue the fight this year.

Measured against urban needs and the bite that inflation takes out of all income, the first budget for which the Nixon Administration is completely responsible is the most retrogressive budget in over three decades.

Most appalling, this retreat comes at a time of extreme urban crisis. Our inner cities are sliding into disaster. The cities face economic stagnation. And the disaster and stag-

nation are not temporary; they will certainly grow worse unless we change the emphasis of the allocation of our available resources.

This Administration, excepting for its proper but inadequate thrust in welfare reform, is not only failing to progress where forward momentum is so desperately necessary, it is reversing much of the movement which was won in hard legislative fights of recent years.

The fund for the desperate needs of the decaying inner cities must be found—not in the future, but in the immediate present, beginning now. Improving education cannot wait, for a short investment means decreasing dividends when big payoffs are mandatory. The polluted environment cannot wait if our world is to remain habitable. Mass transit cannot wait if we are to move the urban masses. Needed housing cannot wait if we are to meet the right of decent homes for all. Job training cannot wait if we are to provide meaningful skills to all who want to earn a livelihood. Equality and human rights cannot wait if we are to become one society. Inflation and growing unemployment under the present policies pose one of the greatest threats to our sound economy, which must remain sound if we are to finance national defense and domestic programs. The first of all requirements, the number one priority, is a healthy economy. And, I fear that the mismanagement by the present policy makers is endangering the health of an economy which has proven that it need not evolve in cycles. Others, I know, are dwelling on this subject, but the excessive interest rates and slower production are going to subtract substantially from the anticipated revenues of the federal government, making more difficult the allocation of our resources. This need not be; enlightened fiscal management can correct this growing recession coupled with inflation. I call again on the Administration to utilize the tools provided by Congress—and join in providing others—to combat this double menace of inflation and recession.

The high interest policies of this Administration have forced the housing industry into a depression. Not only are we failing to meet our housing goals established by law (housing starts dropped by 40% in 1969, when they should have increased) we are not replacing or improving substandard housing that continues to deteriorate. Costs soar and production drops each year owing to inflation rises in land, labor, money and materials.

The \$3.3 billion requested for the Department of Housing and Urban Development in the Administration budget is an increase of only \$135 million over fiscal 1970, barely enough to cover the inflationary rise and increased federal pay. Two key programs so essential to inner city improvement, urban renewal and model cities supplementary grants, were held at 1970 levels by the Administration. The \$1 billion budgeted for urban renewal is only 27 percent of the pending applications which already total \$3.8 billion. The program has to meet the cities requests if it is to provide adequate assistance. It is my fervent hope that Congress will appropriate the full \$2.3 billion it has already authorized for urban renewal.

It seems to me that the achievement of a real breakthrough in volume housing production at lower costs ALSO requires the acceptance of brand new concepts by industry, and all levels of government as well.

The urgency of the housing problem in the United States requires that steps be taken immediately to develop cost-saving building innovations. One of the biggest stumbling blocks to this effort has been the thousands of different, often conflicting building codes across the country. Combine this with the lack of an authoritative technical institution to review and approve innovative construction techniques and the natural result

is the higher cost of homes and obstacles in the introduction of new materials. At the present time we have no single source where professionals can turn for authoritative current data regarding the changing developments in all facets of building technology. Fragmentation in the housing industry simply must not be allowed to obstruct the development of new technologies and a mass market for the construction of low-cost housing. The Administration's "Operation Breakthrough" is important, but the outcome is uncertain, and it does not resolve the basic problems.

Education has been a favorite whipping boy in the President's rhetorical attack on Congress. The President vetoed the 1970 education bill, and then asked for only \$130 million increase over the fiscal 1970 request. This means the Nixon Administration is placing more and more of the burden of school costs on already bare state and local treasuries. Federal aid to the educationally deprived under Title I would be increased by only \$74 million if Nixon Administration requests are met.

Congress has authorized much more, and I hope Congress appropriates much more. For as President Nixon said while campaigning in 1968, education is the one area which cannot be shortchanged.

As in other programs, the Nixon Administration requests in the health field barely cover the increased costs of holding the line, brought on by the Administration's inflationary policies. Hospital construction money was actually reduced in the requests, despite the President's lament of a "medical crisis." Medical manpower training programs are being reduced although there is a severe shortage of doctors, nurses and medical personnel. And in research, cutbacks have severely hampered some significant efforts that could save lives of Americans in the future.

Mass transit also suffers lessened emphasis, contrary to the President's pledge of a "balanced national transportation system." Nearly 65% of Federal transportation funds are allocated to highways. While an urban transportation bill would provide new obligatory authority of over \$3 billion, the Administration would restrict 1971 cash outlays to only \$80 million. This shortsighted approach leaves little incentive for the bold innovation so necessary to bring new opportunity to our inner cities.

The cry of law and order strikes a responsive chord in all inner city residents, the most victimized of Americans. Even here, the Administration which raised a local responsibility to a nation political issue would shortchange the cities, both in funds and administratively. The Administration asked for only \$48 million, less than half the authorized amount, for the Law Enforcement Assistance Administration. Also, the failure to give the cities first priority, and bungled Administration threatens the entire program designed to provide aid to the local governments in the fight against crime.

A Nixon promise of revenue sharing with the cities gave rise to expectations last year. He announced initial funding of \$500 million last year, but requested only \$275 million which would not be available until the last quarter of fiscal 1971, a year from now.

Manpower training received somewhat better consideration, but even this all important area was not sufficiently funded in the budget requests. Of the \$13.2 billion requested, only \$1.6 billion is for training the poor and hard core problems. Most importantly, rising unemployment—in 1969 the highest in 12 years—threatens private participation in hopeful job programs.

The great upsurge of interest in environment improvement caught up with the new President last year. It appears, however, the fervor extended mostly to rhetoric. The Pres-

ident announced \$10 billion "clean waters" program for Municipal sewage facilities provides only \$4 billion; hard pressed cities must come up with the balance of \$6 billion. And even the federal outlays of the short-changed allocation would be far short of Congressional authorization. Air pollution control was likewise smothered in rhetoric, but left wanting in budget requests, with only \$3 million more in fiscal 1971—a paltry sum indeed when one views the intensive pollution of 1970.

Is there little wonder, then, that I profess pessimism about the future of our cities. Matched against the present demands which are not being met, the increasing population and ever greater demands on cities will sink them in the morass of an entangled jungle of poor transportation, inadequate housing, growing crime, declining business, shortage of jobs and a city society of the uneducated and underemployed.

If we are concerned about our country, if we are concerned for human dignity, then we must draw an agenda for action. We must emphasize our own needs. We cannot permit to happen that which is happening in the cities. I know the need for a strong defense, and understand the demands of the military. However, unless we recognize the needs of the cities, and put the emphasis on first needs first, there may be precious little of the American dream to defend in a few short years.

In the recent Brookings study, "Setting National Priorities, the 1971 Budget", former Budget Director Charles Schultze said, "at least for the immediate future, the largely uncontrollable increases in income maintenance programs (such as welfare), combined with periodic increases in Social Security benefits will claim much of the normal growth in Federal revenues. Barring changes in taxes, or further sizeable decreases in military spending, they will severely limit the possible expansion of other domestic programs."

The Democratic Party has never been afraid to take risks or to advocate change.

While there is an element of risk involved, and it is never easy to change priorities, I believe the Democratic Party is ready to assume the necessary leadership in this role.

We have no choice but to reorder our priorities for pressing domestic needs, and to do it today.

STATEMENT OF CONGRESSMAN WILLIAM D. HATHAWAY BEFORE THE COMMITTEE ON NATIONAL PRIORITIES, DEMOCRATIC POLICY COUNCIL, APRIL 29, 1970

I appreciate very much the opportunity to come before the Committee on National Priorities of the Democratic Policy Council, and I wish to commend the Committee for the all-important work you are doing. The task of setting national priorities is not an easy one, and too often the past judgments of our society's needs and goals have not been the result of rational consideration, evaluation and decision. This Committee performs a valuable function by focusing attention on the need for recognizing that hard choices must be made in rationing our resources, and that we must allocate those resources in a reasoned and systematic manner. In addition, you perform a valuable function by gathering the information and facts we must have if we are to choose sensibly from among the various alternatives open to us. I am sure that the work of this Committee will contribute much toward sound, coordinated social progress in the years ahead.

As we enter a new decade, I believe our mission for the seventies should be to improve the quality of life in America. Historically we have emphasized quantity over quality, and we have done an effective job in meeting the demand for more cars, more television sets, more military gadgets. We

have succeeded in establishing ourselves as the most powerful, the most affluent nation that has ever existed in the history of mankind. But with the accomplishment of this goal has come the realization that national survival does not so much depend on the quantity of goods and services which are provided as on the nature of those goods and services. Sheer numbers can no longer suffice; quality must become the hallmark of American living.

In order for the United States to effectively meet the challenges of the 1970's and achieve the goal of improving the quality of American life, there must be a reordering of priorities to allow greater expenditures in the area of environmental and human welfare. Recent activities on Earth Day served to focus attention on the need for a basic shift in emphasis away from uncontrolled technological growth in the name of "progress" to a new emphasis on the development, conservation and management of America's natural resources. Thousands of citizens demonstrated their concern over the deterioration of our physical environment, and particularly the threats of air and water pollution. I share this concern and support a national effort to control air and water pollution and conserve our natural resources, but today I wish to focus my remarks on a different type of environmental problem and call attention to ways in which we can improve the quality of life for America's working men and women.

For the American worker who spends nearly one quarter of his time at his job, the quality of the workplace is an important environmental matter. I believe there is an urgent need to protect the American worker from job-related deaths, illnesses and injuries. The need for improved nationwide standards in the field of occupational health and safety is amply demonstrated by shocking statistics: every eight minutes of every working day one American worker is killed and 148 sustain disabling injuries on the job. Every year some 14,500 persons are killed and more than 2 million are disabled as a result of work-related injuries or illnesses. During the last four years more Americans have been killed where they work than in Vietnam.

Not only do these statistics reflect great losses in terms of human tragedy, they represent great losses in terms of productivity. Nearly a quarter of a billion man-days are lost every year due to industrial accidents. In the last five years, the number of man-days lost because of work-related injuries was ten times the number lost because of strikes. In 1968 the costs of deaths, injuries and illnesses on the job in terms of lost time, lost production and insurance totalled about \$7.9 billion.

These statistics are appalling in this day and age, and they indicate that one of our first priorities must be the adoption of federal occupational health and safety legislation. I have sponsored a bill designed to mobilize the resources of the federal and state governments, labor, management and the medical and health professions to mount a coordinated attack and provide the necessary money and manpower resources to eliminate or control the hazards of the workplace. The bill, currently being considered by the House Education and Labor Committee, provides for the development of occupational safety and health standards to cover workers employed by businesses affecting commerce. It authorizes the setting of effective standards, their administration and enforcement. In addition, it provides for substantial aid to the states to encourage them to develop and improve their own safety programs. These provisions will make possible extensive cooperation between the federal government and the states in the health and safety field, and will enable states to retain jurisdiction in the field if they are willing and able to do the job. The bill also contains provisions to promote more accu-



rate and centralized reporting of safety and health information and provides for programs of research, training and education. I firmly believe that enactment of this type of legislation must be a matter of top priority for it will mean a substantial reduction in the needless illnesses, injuries and deaths which result from unsafe or unhealthful working conditions.

In a related area, I feel it is imperative that a minimum federal standard for state workmen's compensation laws be established. The original intent of these laws was to provide injured workers with wage loss benefits equal to two-thirds of their average weekly wage. More than 75 percent of the states have failed to meet this minimum standard. In 46 states the maximum limits on the weekly benefit injured workers can receive are less than two-thirds of the state's average weekly wage. Medical benefits are limited in 27 states, and seriously injured workers must bear the burden of any medical care they require beyond the limits fixed in the state law. Maintenance benefits for workers undertaking vocational rehabilitation are not provided under 32 state laws. In addition, there are severe limitations on the amount of benefits available to widows and children, broad gaps in coverage, and omissions in the scope of protection provided. In fact, no state law meets all the minimum standards recommended by the U.S. Department of Labor or those recommended by the International Association of Industrial Accident Boards and Commissions, the organization of state workmen's compensation administrators. Because of the inadequacy of state workmen's compensation laws, I feel federal action is imperative if we are to provide a decent level of wage loss benefits and adequate medical care.

I also urge that the Fair Labor Standards Act be updated to provide a more adequate minimum wage and to extend its coverage to all of the nation's workforce. No single piece of legislation has done as much to alleviate poverty, and no single legislative route constitutes a better weapon in the war on poverty than the FLSA.

The purpose of the minimum wage is to provide workers with enough earnings for "a minimum standard of living necessary for health, efficiency, and general well-being..." The present minimum wage of \$1.60 an hour does not allow a family to live decently and in dignity. It is clear that the minimum wage must be increased to an amount in the neighborhood of \$2.00 an hour in order to provide workers with a meaningful recompense for their labor.

More importantly, I believe that all Americans who labor for a living should be guaranteed the minimum wage and maximum hour protection of the Fair Labor Standards Act. There are approximately 11 million non-supervisory workers in private industry who are still denied coverage under FLSA. Most of these workers are also excluded from state minimum wage and hour protection. Major groups of such workers are employed in smaller retail and service firms and smaller farms and as household domestics. In addition, significant numbers of workers receive only limited protection under the Act because of specific exemptions involving groups of workers such as hotel and restaurant workers, farm workers and various food processing workers.

I am particularly concerned that the nation's agricultural workers continue to be denied almost all of the rights and benefits enjoyed by other workers under federal and state laws. The three million Americans who work for wages in agriculture need protection and assistance now. Farm workers should be included under all the protective and social welfare legislation enjoyed by other American workers.

I also advocate that the National Labor Relations Act be reviewed and specifically that

Section 14(b) be repealed. This section invites individual states to compete for industrial plants by enactment of anti-union legislation. In actual practice it has encouraged the poorest states to enact "right-to-work" laws which perpetuate an anti-union environment that invites violence to union organizers, discharge of union adherents, and other union-busting devices.

Another priority related to improving the quality of American life is the establishment of a systematic method of financing health services for all of the American people. The concept that health is a basic human right is now widely accepted. There is, however, a fundamental discrepancy between acceptance of this principle and the means to implement it. If health is a right, all people, regardless of income and ability to pay, should have access to health services. To implement this right, I endorse the establishment of a National Health Care System based on a national health insurance plan, preventive as well as curative health services, and comprehensive health planning. The plan should cover all of the people of the nation and could be financed by contributions from employers, employees and general revenues.

Neither can we rest content with the present Social Security System, for its beneficiaries still do not have adequate economic security. Although the individual who retired in 1954 is receiving a higher social security benefit today, the buying power of his higher benefit is worth less than the benefit he was receiving fifteen years ago. Since the gap between the income and living standard of older people and that of the rest of the population is getting worse instead of better, I advocate a substantial increase in social security benefits at this time and advocate amending the Act so that future adjustments will be tied to the cost of living.

In the continuing struggle for civil rights, one of our first priorities must be to end discrimination in employment. The abnormally high rates of unemployment among Negro and other minorities and the remaining pockets of discrimination require that vigorous efforts be made to expand opportunities for minority group workers in the better paid and more skilled jobs throughout the economy.

As a representative from an area where shoes and textiles play an important role in the economy, I am also concerned about the soaring increases of imports in products sensitive to disruption by unfair competition. Rapidly rising imports in these industries have a particularly adverse impact on affected workers and their communities. Shutdowns of plants or departments usually result in the loss to workers of seniority and seniority-related benefits and, sometimes, the job-loss means that the special work skills developed in a specific plant cannot be applied elsewhere. Moreover, workers and their families cannot easily move from one town to another, and when they do, they must incur the expense of moving and the loss of friends and relationships that have developed over many years. In addition, an affected community, particularly a small town, can experience a shrinking tax base as a result of plant or mill closings. This means an additional economic burden is imposed on all citizens, not just the workers displaced. For all of these reasons, I believe that a realistic tariff-quota system must be implemented to protect workers. Safeguards against injury from imports should be administered so that drastic production cutbacks or employment-displacement do not follow. Agreements with other nations to regulate world trade are needed and should be concluded for industries particularly sensitive to disruption from increasing imports and unfair compe-

tition. In addition, an effective, workable trade adjustment assistance mechanism is a necessity for trade policy if we are to provide assistance to workers and firms that are adversely affected by imports.

In my view, the top priority objective of national economic policy should be to achieve and sustain full employment—jobs at decent wages for all people who are able to work and desire employment. We must insist that unemployment not be used as a cure-all for rising prices. We can't sacrifice our working people by making them the whipping boy for inflation. What is needed is a better balance in the economy—between wages, profits, dividends and other forms of income—for sustained economic growth to reach full employment and maintain it. Federal policies should encourage such improved balance. The demand for goods and services—from consumers, government, business and net sales abroad—must expand sufficiently each year to provide enough new job opportunities for those who are unemployed, for the large numbers of entrants into the labor force, and for those displaced by rapidly increasing output per manhour of work. The federal government's tax, expenditure and monetary policies, in combination, should encourage the necessary expansion of economic activities to sustain full employment. In addition, I believe adoption of a program to create one million public service jobs for the unemployed and seriously underemployed is essential. Such a program would provide job opportunities at decent wages for the millions of poor who are able to work and seek employment. I also favor a program of adequate relocation allowances for unemployed workers and their families in order to enable workers, if they so desire, to move to areas of job opportunities.

For those impoverished millions who are not self-sustaining due to unemployment, the absence of the breadwinner from the home, disability or other causes, I believe we should provide adequate income maintenance through a revised system of public assistance. Unemployment compensation should be improved, both in terms of the amounts paid and the duration of time over which they are paid. An adequate unemployment insurance system can be achieved only when federal legislation establishes minimum standards which all states must meet. This will help eliminate the glaring deficiencies in coverage, benefit amount and financing that characterize the present system. I also favor continued area redevelopment assistance to areas of high unemployment as part of a general program of national economic expansion.

In order to strengthen the nation's manpower programs and move more rapidly in the direction of a rational manpower policy, we must move to consolidate the existing job training programs into a single flexible program which can be tailored to meet the needs of the unemployed and the particular localities in which they live. One serious deficiency in the existing manpower programs is the lack of a single, centralized and comprehensive program. Manpower programs are dispersed among various public, private and quasi-public agencies, and the result has been duplication of effort and fragmented responsibility. A better financed and restructured manpower system would enable us to penetrate the job markets more deeply, develop a national orientation to deal with manpower needs that are national in scope, and provide better service to both workers and employers.

We also must put top priority on better designed training programs to provide opportunities for training for more meaningful jobs. This will necessitate programs of longer duration and an increase in training allowances for trainees in institutional programs and greatly strengthened supportive

services, such as literary education and counselling.

Our commitment to education must be one of the first priorities related to improving the quality of American life. There must, at the very least, be full funding of existing programs of federal support for education. Moreover, the authorizations for most education programs need to be increased to meet the great magnitude of problems facing our educational system. In this regard, I think it is important to emphasize that education in our times must be a lifelong process. There must be greatly expanded opportunities for a wide range of adult education, including a federally financed program of university extension services in the field of labor education, comparable to the long existing university agricultural extension service.

If Americans, both young and old, are to have within their reach the quality education which they need and deserve, it will require more money than is now being invested in education. This money must in large part come from the federal government since it alone has the taxing power to meet the needs.

Our resources are, of course, limited, and resources committed to one program will inhibit activities in others. However, I believe we can finance the priorities I have advocated herein by cutbacks in defense, space and foreign aid programs. Reductions in military spending should and could be offset by increases in public investment. In addition, federal programs should be developed to deal with dislocations that result from cutbacks or shifts in defense spending. The government has a special obligation to those workers, firms and communities adversely affected by changes in military procurement. Programs to provide assistance to workers, firms and communities as they strive to make adjustments to the changed situation should be adopted. Moreover, we should make a special effort to convert the intellectual and financial resources invested in the defense and space programs to the most socially useful purposes.

Funding for priority programs is quite clearly related to tax revenues, but, unfortunately, the many loopholes and special tax privileges in the federal tax structure limit the effectiveness of tax policy in forwarding national objectives of maximum employment, production and purchasing power. More than \$45 billion dollars a year is being "spent" through utilization of a long list of tax dodges, special credits, deductions and preferential rates which are supposed to serve as incentives to encourage an activity in the national interest. Unfortunately, the costs of these special privileges in terms of dollars, equity, inefficiency and taxpayer confidence have far outweighed any benefits. It is difficult to maintain control over the management of priorities when billions of dollars are escaping due to open-ended tax incentive provisions that place no limit on how much tax benefit a taxpayer or corporation can "earn" by taking advantage of the provision. We must not allow our tax system to be used as a "back door" through which dollars can flow free from careful planning and scrutiny. If we eliminate this "back door" spending we can substantially increase the resources available to the government for direct expenditures in achieving desirable social goals.

I believe that America has the resources to meet our domestic problems and help solve the crises facing our society. There are many demands on our resources and many other very important priorities to which others have directed their remarks before this Committee. I do not purport to be an expert on labor matters, but I know these are matters of great concern to our citizens, and I believe that they deserve a position of priority on the agenda for the decade of the 70's.

STATEMENT OF THE HONORABLE NICK GALIFIANAKIS, REPRESENTATIVE, FOURTH DISTRICT OF NORTH CAROLINA, BEFORE THE COMMITTEE ON NATIONAL PRIORITIES, DEMOCRATIC POLICY COUNCIL

We poignantly acknowledge that we can never return to the era of Abraham Lincoln, who was elected to Congress in 1846 after a campaign that cost him 75 cents. But on the other hand, can we continue to tolerate the kind of overspending which has become a part of campaigning in the television era?

I single out television because we know that we now have more television sets in the United States than automobiles, and this is a fact which has not been lost on candidates for public office. It is now estimated that 97 percent of American homes have TV—more than have bathtubs or telephones—and according to the latest Roper Poll, more people get their news from television than from radio, newspapers, and magazines combined.

Adlai Stevenson learned in 1956 what can happen to a candidate who concentrates too heavily on television advertising. Just after he had appeared on a political broadcast which pre-empted "I Love Lucy," he received a three-sentence telegram from a lady who had watched the show. It read: I like Ike; I Love Lucy; Drop Dead."

I think we can agree that an aspect of the elective process which is in definite need of revision is financing of campaigns. Many factors have contributed to the spiraling cost of campaigning. One of the culprits—with which I am very familiar—is the two-year term. Two-year terms for Congressmen, legislators, and other state and local officials increase the burdens of political financing. They force incumbents to become indirect or "unofficial" campaigning for reelection almost from the day they take the oath of office. This reduces the time available for their governmental duties and—because elections are so frequent—requires substantially larger sums over a period of years than would be needed if terms were longer. Modern means of communication, travel, and attitude polling make it easier for elected officials to keep abreast of public opinion than it was when short terms were originally set.

Not only is the two-year term out-dated as far as effectiveness of service, but I think the voters grow weary of too frequent and lengthy campaigns. Candidates often campaign openly for a nomination many months in advance of a convention or primary. Campaigns for a general election usually last from two to five months. With present travel and communication capabilities, such time spans generally tire the electorate and exhaust the candidates. The short campaigns characteristic of the United Kingdom, Canada, and many other countries attract heavier comparative voter participation than our long, drawn-out ones. Basic reforms are long overdue, but resistance to change is deeply imbedded in custom and reinforced by vested interests.

Several responsible organizations have conducted intensive studies of the problem of high campaign costs. In its report on the subject, the Twentieth Century Fund indicated that the costs may not seem high compared to the enormous sums spent by commercial advertisers. But to the candidates and the parties they are very high. One can agree that the costs of campaign broadcasting are indeed staggering. The Twentieth Century Fund is actually understating the case for when political media costs are compared to those amounts spent by the big commercial advertisers, political expenditures rank surprisingly high.

The Television Bureau of Advertising listed 1968's biggest clients in network TV. Among the top 100 advertisers—in 79th place—is United Citizens for Nixon-Agnew with an estimated net "talent and time" budget of

\$3,922,600. Considerably further down the list in 109th place is the advertising budget for Hubert Humphrey with an expenditure of \$2,826,800.

The article in *Advertising Age* from which these figures are taken points out the danger inherent in the high costs of campaign broadcasting. The article starts off with the question: "How did Richard Nixon win the Presidency? Partly, at least, because he outspent the competition in advertising." This observation challenges the foundation of the democratic process. Although the 1930's and 1940's proved that money alone could not win an election, since the Republicans consistently outspent the Democrats, one can look with apprehension to the fact that in a close election in a reasonably prosperous period television may be decisive. Our most recent election duplicated these circumstances. The Nixon victory margin was 510 thousand out of 73 million votes. The total estimated broadcasting expenditure of the Republicans was more than double that of the Democrats: \$11.5 million compared to \$5.5 million. Was this not a situation where the cynical notion that "politics is a rich man's game" was reinforced?

More importantly, in the impending elections, we are faced with an even greater disparity between the coffers of the Republicans and those of the Democratic Party. *Fortune* magazine has made it quite clear that wealthy contributors have returned to the Republican fold with the consequence that the Republicans, thanks to their 1968 financial triumph, will be in a far better position to play the costly game of politics than the debt-ridden Democrats.

One of the roots of this problem can be seen in the fact that for the elections of 1956, 1960, and 1964 the percentage of the population which contributed to any committee or candidate fell somewhere between 10 and 12 percent. Yet, during the 1968 election only an estimated 6 percent of the population made a political contribution. We are faced with a situation not unlike the old cliché in which the Republicans are well-financed by the wealthy and the Democrats are supported by the common man. If the Democratic Party is to reassert its position as the leading party, on all fronts, we must significantly broaden the base of citizen contribution to the party. Some of the financial burdens now borne by candidates and political parties should be eliminated or materially reduced. Legitimate costs of campaigns should be spread far more widely to strengthen the sense of citizen involvement.

Well-considered measures have been formulated for this purpose by the Committee for Economic Development, as well as the Twentieth Century Fund. These proposals include a tax incentive in the form of a deduction up to \$100 from an individual's total taxable income or a federal income tax credit up to \$25 (\$50 on a joint return) equal to one-half the dollar amount of their annual contributions to all legally qualified candidates in general election campaigns. The ceiling is proposed in order to minimize the loss of tax revenues.

Tax incentives in either of the above forms have the advantage of allowing individuals to choose the party they wish to give to and in addition does not suppress the tradition of democratic dissent in the formation of minor parties. I believe tax incentives in support of the vital needs of political education are as fully justified as they are for any philanthropic purpose.

Another measure to insure equal opportunity for the major candidates is the Twentieth Century Fund's notion of "voter's time" where the candidates for President and Vice President are offered broadcasting time in amounts and under conditions allowing an equitable distribution of this forum to both major parties and to any significant minor



parties as well. Reservations must be made as to the Fund's recommendation that the Federal Government subsidize these broadcasting costs. Alternative means ought to be considered, such as tax deductions for the broadcasters and having them share a greater part of the burden as a pre-requisite for their broadcasting license.

One further factor must be taken into account, namely the Twentieth Century Fund has not given sufficient consideration to the danger of too much use of the television media. Fortune has noted that "from early 1967 until just before the election, Richard Nixon turned down all invitations to be interviewed on 'free' programs like 'Meet the Press' or 'Face the Nation.' He preferred to pay for his time so that he could control content and format in his television appearances."

This was not true for Hubert Humphrey who accepted every occasion to confront the issues honestly in an open forum uncontrolled by the gimmickry of campaign specialists. Without limitations on TV spending, any candidate who is well funded can calculatingly use this unique media by emphasizing appearance and packaged personality while overlooking the issues.

Given the potential distortion in unscrupulous use of TV as well as the inherent advantage of the candidate supported by wealthy contributors, one can see the merit in the recently passed Senate bill S. 3637, which limits the amount of expenditures for television and radio broadcasting to 7 cents per vote. According to this bill, a candidate would be limited to 7 cents for each vote in the last election for his seat, or he could spend \$20,000, whichever was the greater amount. This maximum figure—and in the case of my own district, it would be \$20,000—would include television and radio costs picked up not only by the candidate's own organization, but by his committees and friends as well. So in one sense, this bill is an improvement on the Corrupt Practices Act, which has been privately and publicly ridiculed for years. That act sets a strict limit on campaign expenses for Congressmen, but it allows candidates to circumvent it by setting up outside committees to raise money.

Even though this bill is an ambitious beginning, it does not go far enough. It does not establish any limits on spending in campaigns except for radio and television—and newspaper advertising, billboards, posters, bumper stickers, campaign buttons, postage, and the like can also add up to a monumental sum. Moreover, the bill does not extend to the party primaries which now are exempt from even the Corrupt Practices Act. I believe that controls should also be applied to expenses in the primaries so that a firm and comprehensive policy can be established to deal with this problem rather than merely shift the emphasis on spending from the general election back to the primary.

The complexities and costs of campaign broadcasts and political finance are challenges to the democratic process and to the Democratic Party that must be met. If a definition of democracy includes the notion that voters ought to decide on the basis of political issues, then to the degree that the present system of financing and promoting political campaigns inhibits political awareness by an inability to reach the people or by a conscious subversion of the issues, this system hinders the development of a truly democratic society.

STATEMENT OF REPRESENTATIVE LESTER L. WOLFF, OF NEW YORK, TO THE COMMITTEE ON NATIONAL PRIORITIES OF THE DEMOCRATIC POLICY COUNCIL, APRIL 29, 1970

I appreciate the opportunity to appear before you today to discuss briefly the fundamental question of what our national priorities should be in the 1970's. I should note

my pleasure with the decision of the Democratic Policy Council to create this important Committee. Your existence represents the firm commitment of the Democratic Party to the establishment and achievement of a responsible system of national priorities.

Implicit in the existence of your Committee and the decision of so many Members of Congress to appear before you is the assumption that our present system of national priorities is in some way distorted. What we need, I submit, is a "Renew Deal" for the United States in the 1970's.

Certainly something is wrong when now each year we are asked to spend more than \$70 billion for Defense appropriations. Clearly we must appropriate those funds needed for our national security. But, can anyone honestly argue that there is not significant waste in this fantastic budget. It is ironic that in the guise of national security we are wasting billions needed elsewhere and thus undermining our national security by underfunding vital domestic programs.

This past week we witnessed a great, understandable outpouring of public sentiment for improving conditions in our environment. There is no denying that the great hue and cry about cleaning up our environment has become a political catchword, embraced by all ends of the political spectrum. But there is also no denying the importance of this issue. At stake here is not the survival of some exotic species of wild bird. Rather when we talk of saving our environment we are talking about the survival of the human species.

But as the myriad problems of pollution have generated much talk, the Administration and the Congress have thus far failed to supply the funds and enforcement power necessary if we are, in fact, to realize a "Renew Deal" for our environment. Certainly an end to further pollution and the reversal of existing pollution, where possible, must be among the greatest of our national priorities. It is not facetious to suggest that unless we have an environment in which we can survive that all else is meaningless.

There are other national problems that deserve much greater priorities than they are currently receiving. It is a constant blight on our national conscience that there are people underfed and undernourished in this country even as the federal government pays farmers to plow food under. We are paying billions to farmers to not produce food, when for a much smaller expense we could distribute that food to Americans and for that matter to people throughout the world who are hungry and who are suffering from malnutrition.

I realize there are no simplistic solutions to problems such as these, but I also know that something is basically wrong with a society that permits such an incongruous set of priorities to be perpetrated.

I do not pretend that what I am saying is original. But I do believe that it must be said over and over until we finally achieve the urgently needed reordering of our national priorities. Let's look at this in perspective.

We cannot correct the problem of our confused national priorities without imaginative approaches to our national needs. What is happening around us every day, here on Capitol Hill and especially downtown in our massive bureaucracy, is that we are approaching contemporary problems with outdated assumptions about the role of government. Our weak and unsatisfactory handling of such basic problems as hunger, malnutrition, narcotics use, environmental pollution, student unrest, equality of opportunity and urban decay—our handling of these problems is analogous to using the bow and arrow as a deterrent to nuclear aggression. We are battling these basic national problems with weak, anachronistic weapons. No

wonder we are failing. No wonder we need a Renewal deal.

The point of this is that while we re-order our national priorities we best include in our statement of goals, at the very outset, a willingness to seek out and apply adequate up-to-date, creative means of solving basic national problems.

There are two points I have thus far avoided because I feel they deserve special attention. The first is the impact the war in Vietnam and the general situation in Indo China have had in confusing our national priorities. The second is a specific proposal I wish to make regarding the improvement of our environment in a way that will put to constructive use the vast energies of young people in this country.

It is my strong conviction that the war in Vietnam is the greatest culprit in having distorted our sense of national priorities. You are all familiar with the grim statistics about the costs of this war in lives and dollars. The point I wish to make is that by continuing the war, bearing in mind that the President is Vietnamizing the war instead of Vietnamizing the peace, we will continue to divert valuable resources which are much more urgently needed here at home. We do not have a bottomless pocket-book and as long as we permit so substantial a portion of our resources to be eaten up in a futile attempt to prop up a corrupt unresponsive Saigon government we will never be able to achieve a responsible sense of priorities.

And now we are confronted with the possibility of an extension of the war into Laos or Cambodia or both. This must be resisted if we are to redirect our attention and resources to solving the persistent domestic problems of hunger, substandard housing, inadequate schools, poverty, unemployment, etc.

Rather than prolong or extend our involvement in Indo China I believe our first priority should be to begin immediately the deliberate, orderly and total withdrawal of all American forces from the area. This must be done as a first step to reordering our national priorities and freeing the necessary resources to solve pressing domestic problems.

Finally, I wish to put before you a specific proposal as to how we might clean up our environment. What I wish to suggest is a 1970 "Renew Deal" Civilian Conservation Corps.

A Renew Deal means reclaiming our environment from decades of unchecked pollution.

A Renew Deal means reforestation.

A Renew Deal means cleaning up our national parks, national forests and shorelines.

A Renew Deal means employment for young people who are hard hit by rising national unemployment.

A Renew Deal means a regeneration of national spirit and rededication of national purpose.

A Renew Deal Civilian Conservation Corps means that the federal government will put young people to work in all parts of the United States to renew our environment by undoing some of the massive damage already done to the environment.

This is a program for young women and young men.

This is a program that will recognize the valuable role played by the youth of America in raising the issue of the environment to the paramount role it deserves.

This is a program that will give true meaning to the term conservation.

This is a program that would not only enable us to clean up our parks, beaches, highways, and waterways, but which would also enable young men and women to play a constructive role in building a better America.

A Renewal Deal for America would have

the effect of improving our national morale and would serve as perpetual evidence of our national commitment to improving our environment.

TESTIMONY OF CONGRESSMAN CORNELIUS E. GALLAGHER, BEFORE THE DEMOCRATIC NATIONAL COMMITTEE, COMMITTEE ON PRIORITIES, APRIL 29, 1970

Mr. Chairman, Members of the Committee, I wish first to thank you for this opportunity to testify before the Committee on Priorities and to commend you for establishing these hearings.

Our party has long been regarded as a party of the people. In order to maintain that position, it is essential that we take heed of what the people of this country are saying, of what dissatisfies our citizens, of what goals they seek to achieve. In this way—to use a rather overworked but useful phrase—the Democratic Party makes itself and its policies relevant to those we seek to serve.

Mr. Chairman, today there are three major concerns to which I would address my remarks. It is my hope that our Party will move these concerns to a high position on the priority list for America; the issues involved affect no less than the question of whether our Nation shall survive as a free and democratic republic into the twenty-first century.

#### PRIVACY AND HUMAN VALUES

As Chairman of the House Special Inquiry on the Right to Privacy, I have become increasingly disturbed by the state of the right to privacy in our country. While this right is not explicitly enumerated in the Constitution, it is inherent in those rights which are specified. Indeed, without our right to privacy secure, our fundamental freedoms are meaningless.

Assaults on the citadel of privacy have proceeded apace in the past few years. It would not be remiss to state that never before have our basic rights been under such constant and concerted attack as at this point in our history.

Invasions of individual privacy have stemmed from both the public and private sectors of our society. We have faced private and official computerized data banks which contain dossiers on most of our citizens. We have confronted requests for new uses of the Social Security number which would make that administrative number a universal identifier for all American citizens from the time of their birth. We have heard frightening proposals for testing all 6 year olds to discover their "criminal potential," and to place those 6 year olds who fail to meet the established psychological "norm" in special camps. We have seen individual income tax returns opened to scrutiny with virtually no justification.

The list goes on and on. It is oppressively lengthy and repressively real.

I believe that the time has come for our Party to confront this shocking pattern and work to stop it.

As one proposal, I have introduced a resolution calling for the creation in the House of Representatives of a Select Committee on Privacy, Human Values, and Democratic Institutions. The purpose of this Committee would be to provide an effective vehicle for Congressional oversight of the panoply of privacy assaults in this country.

I have also introduced legislation aimed at providing—for the first time—federal regulation of private "credit bureaus." The activities of these private data banks pose an overwhelming threat to liberty in the United States; their activities affect an American's right to have a job and to provide security for his family.

Mr. Chairman, I cannot stress with sufficient emphasis my fear over the fruits of the new technology in our society. We must take

a firm stand; we must stop using man for technology and start using technology for man. Otherwise, dictatorship will be more than merely an operational possibility in our country (which it is today), but it will be a reality.

#### NARCOTICS ABUSE

It is my belief that the foremost domestic crisis in this Nation is the tragedy of narcotics abuse. The great crime problem in our cities is rooted in the illegal trafficking in narcotics. All of our young people, from all backgrounds, are becoming prey to the vicious pushers who stalk our neighborhoods in ever increasing numbers.

Indeed, the tide of drug abuse now threatens to drown our society.

What can we do?

I believe that we must establish a principle of compassion and treatment for the addicts, and of prison and punishment for the real villains of the drug tragedy: the pushers.

Accordingly, I have introduced legislation which would make it a federal crime for adults to involve young people in illegal narcotics transactions. My legislation would also require that addicted pushers be committed to hospitals for full therapy; it provides further that non-addicted pushers who transport narcotics across State lines be liable for life imprisonment in a federal penitentiary.

Mr. Chairman, I have also introduced a bill which would empower government approved medical-rehabilitation centers to provide hopeless, incurable addicts with free drugs or drug substitutes, under guidelines to be determined by the Department of HEW. My bill also would authorize the funds necessary to construct these approved centers in localities throughout the United States; part of these funds have already been approved by the Congress.

My bill does no more than face the facts of narcotics abuse. Those facts indicate that not every addict can be cured. Does it make sense then to turn these hopeless human beings back to the streets where they will continue to fill the pushers' pockets and to raise the already intolerable crime rate? Obviously, it does not. Yet that has been our traditional approach. I would note here that under my bill, an addict may be put on a "maintenance program" only after he has proceeded through a total treatment and rehabilitation program and has been deemed incurable by the physicians at the approved medical centers. Further, only these approved centers would be authorized to operate a drug maintenance program.

There is no doubt that the true victim of society's neglect for the incurable addict is society itself. It is time to reverse the trend.

#### A CURE FOR CANCER

Mr. Chairman, cancer will take the lives of more than 320,000 Americans this year. Every hour of 1970, at least 30 citizens of this country alone will die of cancer.

There is simply no excuse for permitting this horrid disease to continue its killing course. Our technology enables us to do anything we wish; it thus enables us to cure and control cancer. The only obstacle is money. I find no decent or justifiable excuse for allowing this obstacle to stand.

Accordingly, on April 9, I introduced legislation calling for a firm national commitment to cure and control cancer within this decade. My bill calls for annual appropriations of no less than \$650 million until the goal is achieved; my legislation also requires that at least \$250 million be expended within the first two years of the program to construct 5 new cancer research institutes in the United States.

More than 40 Members of the House joined with me in this resolution, and I expect even more co-sponsorship in the next weeks.

Mr. Chairman, no American family has

been left unscathed by the tragedy of cancer. The people of our country have been unanimous in their desire to conquer this disease, and medical science assures us that this desire can be fulfilled with sufficient funds.

If economic considerations are at all relevant here, then I ask you to note that the price-tag on my bill falls well below the expense of placing a man on the moon; that commitment has required more than \$5 BILLION each year—and we are today closer to finding a cure for cancer than we were to reaching the moon when that national commitment was undertaken in 1961. Finding a cure for cancer is at least as essential to our welfare as visiting the stars. It is surely more essential to our survival than the development of a supersonic transport which will cost well over \$1 BILLION if it ever finds a place to get off the ground.

Moreover, if the millions of Americans who are now wasting away from cancer could be living productive lives, and working as normal men, then their income tax payments alone could recoup the cost of my program. It is estimated that in 1969, cancer actually cost the United States more than \$6 BILLION in reduced earnings, hospital insurance, and medical payments.

In the final analysis, is there any cost which can be compared to the cost of a human life?

It is simply unconscionable to allow cancer to exist any longer. I implore this Committee to make a cancer cure the commitment of our Party, and through it, of our nation.

Thank you again.

#### EQUAL RIGHTS FOR WOMEN—A NATIONAL PRIORITY

(Testimony by Hon. PATSY T. MINK, before the Committee on National Priorities, of the Democratic Policy Council, April 30, 1970)

I would like to thank Dr. Abram and Mr. Califano and members of the Committee on National Priorities for this opportunity to present my views on what I consider to be one of our nation's most urgent priorities—the achievement of equal rights for women.

Unfortunately, there are those in our country who do not feel that this subject is of any priority, and who will even deny that discrimination against women exists.

The Congress enacted the Civil Rights Act of 1964 which established the Equal Employment Opportunity Commission to prevent and eliminate employment discrimination on the basis of race, color, national origin or sex. Without enforcement rights the Commission has been helpless and women like Ida Mae Phillips have had to pursue their rights step by step through the courts.

Fifty years since the fight for universal suffrage was won, women are still the victims of discrimination.

I think we as a Party must recognize our moral responsibility for this social and economic injustice and grant to the fight for women's equality the highest priority.

The day is long past when those in office could complacently hold to the view that a woman's place is in the home, because the facts show that 42% of all adult women are working either by choice or out of necessity.

Working is not a matter of choice for millions of women. Many must hold jobs to provide food, clothing and shelter for their children.

It is patently unfair to cast aspersions on working women who are forced to hold jobs by the facts of economic existence or to relegate them to the most menial tasks. Yet that is what is done by allowing lower positions and less pay for women on the theory that they don't deserve a good job as much as a man does.

Early this year our Labor Department got



around to publishing 1968 data on women's employment. They said more than 29 million women were working that year, and this was 37 percent of the nation's work force.

Forty-two percent of all women of working age work. Thus, the necessity or choice to work is not limited to a small minority of women who might be pictured as rebels or feminists, but is nearly half of the women involved.

Now, what about women who are working? Have we done anything as a nation to recognize their special needs such as adequate child care centers for their preschool age children and for after school care?

In the current 91st Congress I have introduced legislation to provide for preschool education and child development centers for all children in the United States, without regard to their parents' income, educational level, or work status.

We need a sum of \$1 billion dollars for this purpose if we are to inaugurate a meaningful program. Child care should not be associated with only welfare mothers, but it should be regarded as the right of all parents who desire adequate, meaningful education-oriented care for their children.

Under my proposal, any mother whether working or not could bring her child to the center and leave him for a day or any part of the day while the mother worked or pursued her other interests. At the center, the child would get the enrichment benefits of all the care and development attention that the best American research and technology could devise. The emphasis would be in personality development and instilling interest in and motivation to learn.

This is just one of the tasks before us as we strive to eliminate discrimination against women which has existed in many sections of our society. I could mention employment barriers—such as the unfair employment practice of refusing to hire women with preschool aged children.

Women are confronted with less pay for doing the same work as men. In one case this year, a glass company in a northeastern State appealed to the Third Circuit Court of Appeals a decision against its policy of paying 10 percent less to women employees than men for identical work. This contention was rejected by the court of Appeals under the 1963 equal Pay Act, which the chief judge called "a broad charter of women's right in the economic field."

We must recognize that employment discrimination is a powerful undercurrent in our society which must be overcome. The median salary for women is only half of what it is for men—that fact alone speaks volumes about interlocking discriminatory practices which operate to shut out women from equal employment opportunities. This fact cuts through the fabric of evasions, excuses, and rationalizations which men use to justify this treatment of women. Moreover, the gap is widening since in 1955 women's median income was 64 percent of men's. In addition half the women who work are paid annual salaries under \$4,450.

Executive positions seldom go to women. Women are only given such figurehead positions as Director of the Mint and U.S. Treasurer, which one spokesman announced was a woman's job because it required only the ability to sign one's signature. This kind of public insult can not any longer be tolerated.

This is the type of attitude we must change if women are to achieve equal rights. I am sure that there are many women who are qualified for cabinet positions and higher. Women, in fact, are just as capable of being heads of state as men. Some of the most forceful leaders of history, from the time of Queen Elizabeth to Israel's Golda Meir and India's Indira Gandhi in our own time, have been women. Mrs. Gandhi, incidentally, is prime minister of 530 million people, more

than twice the population of the United States.

Ironically many women themselves seem to share the view that women are not qualified for high office. A Gallup poll last year found that 58 percent of our nation's men would vote for a woman for President, but only 49 percent of women would do so. This shows that the attitudes of inferiority and guilt that have been inflicted on women have penetrated so deeply that many women themselves are convinced that they are second-class citizens. Our nation can only benefit if we lift this depressing attitude from the minds of our citizens and give them the freedom and equality to participate fully in our democratic society.

There are many fronts on which this battle must be fought. For instance, we must eliminate discrimination against women in our universities, which often impose quotas limiting admissions of women students and offer more scholarships to men than women. The proportion of women studying in college has held fairly constant over the past several decades, indicating that a quota system is used whether admitted or not. In 1968 there were 4.5 million men entering colleges as freshmen compared to only 3 million women. At the advanced levels, the proportion of women is even less than it was in 1930. On the faculty, study after study shows women mainly in the lower reaches of academia. For example, in 138 graduate departments of sociology across the country, women are 30 percent of the doctoral candidates, 14 percent of the assistant professors, 9 percent of the associate professors, and finally only 4 percent of the full professors. And in university administration, deans of women are frequently paid less than deans of men. All of this adds up to the rankest kind of discrimination against women in higher education which is the very field which is supposed to know better! Women are systematically deprived of the educational tools they need for advancement. We must end this institutionalized deprivation.

We must work against practices by our companies, which one study revealed recruited at men's schools but did not at women's schools. We must end discrimination in government where our Social Security System provides one set of retirement and other benefits for men and another, lesser, set for women, even though they are taxed equally. We must end similar discrimination against women in our Civil Service system which also does not give equal recognition to women's income when it comes to family benefits. We must end sex discrimination in the armed services where educational opportunities are limited frequently to men only. We must end discrimination in news and opinion media where even women's publications are edited by men, and press clubs are closed to women.

Obviously this kind of effort is an immense undertaking and will require our most dedicated and persistent efforts. That is why I urge this Committee on National Priorities to join in a concerted campaign to give the cause of women's rights the highest priority it deserves.

#### WHAT THIS COUNTRY NEEDS IS FULL EMPLOYMENT WITHOUT INFLATION

(Statement by Representative HENRY S. REUSS, of Wisconsin, before The Democratic Committee on National Priorities, April 30, 1970)

Perhaps the greatest Democratic legislative achievement of this century is the Employment Act of 1946, with its goal of full employment without inflation.

The Republican Administration has been in office for 15 months. It has achieved—steadily rising unemployment plus inflation.

Unemployment is now at 4.4 percent of

the work force. Those unemployment figures, if the projection continues, mean that close to one million Americans who could have otherwise had jobs this year will be prevented from getting jobs by the Administration's programs. Independent witnesses place the figure at two million.

The consumer price index continued its inflationary rise again last month for a .5 percent increase in one month, an annual rate of 6 percent inflation. According to the Washington Post, "the White House said Mr. Nixon's economic advisors found the report 'rather encouraging'."

Republican leaders are generally proudly proclaiming that the battle on inflation has been won! There is much talk of easy money, at a time when we are experiencing the highest interest rates in 100 years; and a relaxed attitude toward what begins to look like a sizable budget deficit for fiscal 1971.

For myself, although I hear these Hosannahs about how inflation has been licked, I regret to say that I don't believe it. Furthermore, I don't think that Republicans believe it, either. That infallible indicator of Republican sentiment, the Wall Street stock market, has registered further profound losses at the news of the continued increases in the cost of living.

The people of this country are understandably wondering just how the Administration ever expected its great "war" on inflation to work. The Administration is fighting a demand inflation—too much money chasing too few goods—which does not exist. The two major weapons in the Administration's arsenal—the highest interest rates in 100 years, and the business of throwing hundreds of thousands of men out of work by slowing growth—do not cure inflation; they make inflation worse.

High interest rates are marvelous for the banks, now enjoying record-breaking prosperity. But they are an unbearable inflationary cost to the home-owner, the small business man, and to state and local governments. Due largely to high interest rates, our home-building goal for this year has shrunk from 2.6 million starts to 1.1 million starts.

It is no accident that current high interest rates cause such little consternation in the United States Treasury. For the first time in history, the top of the Treasury is entirely from the banking world. The Secretary and the two Undersecretaries come to the Treasury from the Continental Illinois of Chicago, the Chase Manhattan of New York, and the Executive Directorship of the American Bankers Association. Is it any wonder that the highest interest rates in a century are equated by this government with the highest morality in a century?

Ruining the home-building industry by high interest rates, and deliberately slowing economic growth so that close to a million men will be unemployed, both add to inflation. By reducing demand, the supply of homes and goods is reduced. Unemployment and stagnation mean higher unit costs, lessened productivity, and an incentive to business to keep unit prices up because over-all profits are being squeezed.

I asked the Budget Director at the recent Joint Economic Committee hearings whether it wouldn't make more anti-inflationary sense to keep workers at work, making homes and useful consumer goods which could then be sold to other people and sop up inflationary purchasing power in the process. I'm still waiting for my reply.

This Neanderthal economics—that a lineup of job-seekers at the factory office is the best guarantee of a healthy economy—goes back a long way in Republican lore. It was behind the Hoover depression. It was behind the three recessions in the Eisenhower Administration. Those who will not study history are doomed to repeat it.

If the Administration's policies of high interest rates and enforced joblessness add to

inflation rather than *fight* inflation, if the kind of inflation that confronts us is not the classic demand inflation, what are the causes of our present inflation, and what can we do about them?

I suggest that there are four main causes of our current inflationary troubles:

1. Far and away our biggest cause is the government's continued vast concentration on war and its allied hardware. I know that much of this started under a Democratic Administration. But, as I understand the purpose of this Committee on National Priorities, it is to inquire whether we are doomed to repeat past mistakes.

Former Budget Director Charles L. Schultze, in his searching new Brookings Institution Study on "Setting National Priorities" says of the 1971 Nixon Budget:

"There is no reason to expect the trend (away from the military) to be different when the Vietnam conflict is over. To reverse the trend, if that is desirable, will require a major conscious effort, not only by public officials, but by the body politic as well."

This enormous and continuing concentration on the military and associated expenditures is the largest single cause of inflation. It keeps millions of soldiers and scientists from productive activity. We pay them incomes, but they produce nothing we can use in exchange. Heavy procurement of defense goods has shifted scarce labor and factory facilities from the production of civilian goods, and has thus increased price pressures.

2. Next to the military, the biggest cause of inflation is the cost-push and wage-price spiral. Particularly in concentrated industries like automobiles, steel, rubber, and oil, management can and does increase prices pretty much without check. And labor is able to, and does, demand wage increases which add to the spiral. The prevailing rate of wage increases is now close to 10 percent, at a time when productivity increases are close to zero.

3. After war inflation and cost-push inflation, a third type of inflation from which we suffer is credit inflation. The monetary authorities since January, 1969, have deliberately cut back on the creation of new money. For many months, the rate of new money creation—demand deposits and currency outside banks—has been pretty close to zero.

But has this prevented the big New York, Chicago and San Francisco banks from increasing their lending? Not at all. They have evolved superb ways of buying their way out of tight money. In the extremely tight-money year of 1969, for example, the large city banks increased their lending to business—for unnecessary capital expansion, for inventory accumulation, for conglomerate take-over—by more than 12 percent. This extra credit was obtained because the big banks had the ability to suck in money from all over by repatriating Euro dollars, by using the smaller banks through the Federal funds market, and by certificates of deposit. Big business, to whom most of the loans are made, doesn't mind the high interest rates, since Uncle Sam picks up half of the cost with an income tax deduction.

Thus inflationary over-expansion continues apace, unchecked by tight money. While one-fifth of our present industrial capacity is not now being used, business is busy adding to unnecessary capacity which can cause disruptions in the future. This feeds inflation in the most overheated sectors of the economy. It also takes scarce credit away from housing, from small business, and from state and local government.

4. A fourth type of inflation lies in the deficiency of supply in many important areas. One prominent reason for the high cost of gasoline for the motorist and of oil for the home-heater is our present system of oil import quotas, which the President refuses to tamper with despite the recom-

mendation for liberalization of his task force. One reason for the high price of beef and hamburger is that the President refuses to liberalize the meat import quota systems and thus bring down the price of beef. A crash program of developing more physicians and para-medical personnel would be the best and surest way of bringing down the cost of medical care. Yet, as Charles Schultze points out of the Nixon budget, "Some medical schools may find the net contributions of the Federal government reduced as a result of a cut in sums for medical research and training."

What have we seen so far? We have seen that the Administration's deliberately induced stagnation of the economy will mean a continued shortfall of growth until the middle of 1973, three years off, with a loss to the nation of at least \$90 billion over that period. We've seen that the Administration's alleged anti-inflationary policies—high interest rates, and increased unemployment—not only cause great human suffering, but abet inflation rather than check it. We've seen that these policies don't touch the real causes of inflation—the war economy, the wage-price spiral, the credit inflation by the big banks, and the supply deficiency inflation.

If we are sincere in our war against inflation, we must come to grips with the real causes:

1. We must accelerate our withdrawal from the mess in Vietnam, and cut back on some of the billions of dollars unnecessarily spent on the military. The best way to fight inflation is to turn part of our economy back to the business of satisfying the real needs of our people, rather than dumping our gross national product into the sea as we are now doing.

While we are at it, we should re-examine our national priorities across the board. Is it sensible, for example, to spend only \$100 million in the 1971 budget for controlling air pollution, and \$290 million in the budget for making air pollution, via the tax-payer-subsidized SST? If we insist on subsidizing Boeing—and I think Boeing's economic position may justify a subsidy—why in heaven's name don't we stop the SST and turn over the money to Boeing to make mass transit vehicles, and air and water pollution control equipment?

2. To break the wage-price spiral, we need a revival of the wage-price guideposts which served us so well in the 1962-1965 period. Let the guideposts be arrived at in consultation with labor and management, and let the spotlight of publicity be thrust upon their observance by a special Board or Commission.

To expect labor to abide by a policy of moderation in wage increases, the government has to make it clear that it means to break the inflationary spiral.

This means, I should think that during the three or six months required to work out guideposts, the government would have to move on all of the fronts mentioned, and would also do well to impose a temporary freeze on price increases across the board, as well as to ask labor to restrict its wage increases during that period to a figure which would not compel price increases.

If the government wants to counsel moderation on the wage-earner, I would also suggest, patriotism should begin at the highest level. It would be an excellent idea if the President would heed the advice—I believe it was Secretary Romney's and I credit him for it—to put at least 10 percent of his recently increased salary back into the Treasury. He should ask other highly paid executives in and out of government to do the same. Specifically, he should ask Congressmen to comply; and specifically, I would be delighted to take part in such a program of symbolic belt-tightening.

3. To fight credit inflation, credit controls are needed—quantitative ceilings on bank-

lending for such purposes as unnecessary plant or inventory expansion, or conglomerate take-over. The Democratic Congress gave the President these powers last December, but they have not been used. Alternatively, the variable reserve requirements recently suggested by Federal Reserve Board Governor Brimmer could be employed. Almost every other major country uses such procedures. We used them ourselves successfully in the Korean War days. The big banks of our central cities, and their officials who now call the tune in the U.S. Treasury, won't like it. But about 200 million American consumers and taxpayers will like it very much. It's about time some attention is paid to their interests.

4. To combat supply-deficiency inflation, let the President take out his pen tomorrow and relax oil and meat quotas. Let him expand medical training and manpower training generally. Rather than forever dampening demand, why don't we try increasing supply in areas where bottlenecks exist?

So let us have done with our current policy of unemployment plus inflation. Let us instead have a policy of full employment without inflation—just plainflation.

The Administration's war on inflation will be believed only when it is believable. Its present policy of supine neglect is not.

STATEMENT OF HON. AUGUSTUS F. HAWKINS, BEFORE THE NATIONAL PRIORITIES COMMITTEE OF THE DEMOCRATIC POLICY COUNCIL, APRIL 30, 1970

I appreciate the opportunity to testify before this distinguished Committee of the Democratic Policy Council. I consider what you are doing to be of vital interest to the nation and significant in establishing communication between government decision makers and the people. Surely something is now wrong in our priorities if we in this country with five percent of the world's population and fifty percent of its wealth can not live among ourselves in peace and with greater security.

Most of my testimony deals with the problems of the ghetto areas the solution of which constitutes in my opinion the very highest priority among all domestic issues we face.

Black people in our low-income areas are in greater need of attention and of freedom than any people in Southeast Asia. Their suffering and twisted hopes, their humiliations and economic despair constitute a national tragedy from which present generations will never recover.

I see no hope of reversal in current or projected programs and policies of these conditions. Negroes are not swallowing the morsel of a Philadelphia Plan as offering a realistic escape from poverty. Black capitalism is a cruel hoax. And the Family Assistance Plan is loaded with false promises.

Blacks and other minorities will not benefit from "tax sharing," block grants, or so-called New Federalism, another name for States Rights and an abdication of Federal moral responsibility.

Our main problem is certainly not with the precise order of our priorities but with the philosophy and reasoning behind our national concerns and purposes. If our leadership had the courage to act on the basis not of self interest or mere political expediency but on what is morally right as a nation, our priorities would assume a proper and natural order in time and place.

We will be a truly great nation when we stop being greedy and that means all of us; when we turn from the importance we attach to material things to development of the human mind and the improvement in human relations.

However, lacking such a clear moral purpose in much of what we are now doing, we are foundering as a nation in double talk, meaningless rhetoric, and conflicting policies.



Examples are countless: We are creating unemployment in order to stabilize prices but paying private industry to create jobs. We are allocating millions to remedial manpower programs to do the job for which we have already paid our schools to do. The Justice Department appears to be for "law and order" and also the right of citizens to "reject what they consider to be unreasonable requirements" of court decisions. And militarily, we are making the same mistake in Cambodia that we did in Viet Nam.

These inconsistencies originate in high places. In his inaugural message in January 1969, President Nixon appealed to us to "lower our voices" . . . to relieve our "fever of words," and to restrain "inflated rhetoric that promises more than it can deliver."

Besides his own inflated rhetoric on economic and military conditions, it is apparent he cannot still the trumpet of Vice President Agnew whose ambiguous rhetoric not only disunites us but challenges the moral purposes of our most cherished democratic ideals.

In Florida on April 28 he demanded the ouster of Yale President Kingman Brewster. By what right does he assume the competence to dictate to our education institutions?

In an equally doubtful role a few months ago in Des Moines, Iowa, Mr. Agnew decided too many disadvantaged minority students were being admitted to our college campuses and declared this privilege should be reversed for the elite.

Is not each of us elite as a human being, or if not, is the Vice President to select what minds should be developed?

From these two speeches at political fundraising affairs of "fat cats" it would appear public policy is being made under the auspices of those who contribute to political candidates.

In striking contrast, United States Commissioner of Education James Allen is to be commended for his forthright position on educational matters and particularly his right-to-read advocacy. It is not clear, however, to what extent he commits this administration to the goal of universal literacy in the United States in the 1970s. But his integrity as an educator is both admirable and refreshing, and we should support his ideas morally and financially.

President Nixon in his education message of March 24 proposed to spend a large part of \$1.5 billion in two fiscal years on improved education in segregated schools. I believe this money distorts the priorities in education and will not be effectively used.

Even if compensatory education met constitutional requirements of equal educational opportunities, the President's proposal lacks any substantial support among educators and certainly falls far short of providing enough money to make any appreciable impact on intellectual achievement. We must, therefore, conclude this is a political gesture forced upon the administration by court decisions and constitutes a waste of money we can hardly afford.

The serious result, however, is the extent to which we will be turned away from the need for reform in education and the restructuring of our school system. Emphasis on improving the performance of black children in a segregated setting has obscured the need for better education to meet the needs of our modern society. As long as this is so, taxpayers will continue to vote against school bonds with some reason and many parents will oppose bussing with doubtful justification.

As in education, current economic policies ignore basic human considerations and are based on material values that protect entrenched interests at the expense of those in need.

A policy of creating unemployment to achieve price stability without direct pro-

grams to aid the victims is unconscionable on moral grounds and of doubtful economic value.

Given the current fiscal and monetary policies of this administration its proposed manpower program of consolidation and states rights is pathetically inadequate in funding and lacks any job development.

Even if approved it will leave Negroes and other minorities with the cotton-bag-on-their-backs type of jobs.

Of one thing we can now be sure: without more government concern for the hard core unemployed nonwhites in the labor market, there is no hope for correcting the inequities in the labor force.

Our manpower policy must recognize the need of a public service employment program for those disadvantaged by past discrimination in education, training, and seniority rights. In this respect, government must assume the role of employer of initial concern, not one of "last resort."

Prolongation of the war in Southeast Asia is having a disastrous psychological and moral effect on our people. And the assignment to its cost the reason for our inability to finance domestic programs is difficult to accept.

The issue revolves not around our integrity in honoring international commitments as is alleged but rather the contradictions and inconsistencies in our foreign policy.

Our alleged motives are seriously questioned . . . and since this is so, few are willing to bear sacrifices or to believe in government authority on any matter, especially our youth and minorities, the chief sufferers of war.

For minorities the war is a bitter pill. They suffer doubly, both as participants on the battlefield and as victims of the cost in the deprivation of domestic programs. And as long as the Defense Department is racist in makeup, black people will question not only our reasons for being in Viet Nam but also our country's protestation of equal opportunities at home.

Our values and sense of decency are weakened by our double standards in dealing with individuals and events. This distorts our order of priorities and explains why we are in deep trouble.

For example, we should apply the same rules on "inciting to riot" whether against the Governor of a state as against a black militant.

But we perpetuate evil in the world by supporting unequal justice, a dual educational system, and two separate societies.

In view of our diverse population, cultural heritage, and rich resources, we should be the world's great moral force for freedom, peace, and brotherhood.

The first step toward this goal is demonstrating at home that which we proclaim to other nations to be our ideals and moral principles.

"YOUTH, DISSENT, AND OUR NATIONAL PRIORITIES," OR "OH SAY, CAN WE SEE WHAT THEY SEE?"

(Testimony of Representative JAMES W. SYMINGTON)

During the past weeks we have been discussing the environment. The confidence of the young American in his country's purposes is a vital part of his environment and ours too. That confidence has slipped a little. Why? And how is it to be restored? It could be, of course, restored by accident—one of those little accidents of history, or comparative history, that render what is even more palatable than what might be. But we shouldn't count on that. We should face directly up to youth's view of what is. Until we do, we are in no position to reason together what might be. We must "gladly learn" before we can gladly or effectively teach. And so must they. The College President who tells his

graduating class "how much he learned from them" might do well to suggest that they were not entirely self-taught either. Being young is no guarantee of being right. It is at best an opportunity to outlive a few more mistakes. So in discussing what we want from our country we should stand up to one another like men, each of whom, observing Franklin's counsel, "doubts a little of his own infallibility." The possibility of restoring the confidence of young Americans in us and ours in them will begin at that point. But why did it slip to begin with?

Some years ago I visited a juvenile institute with then Solicitor General Thurgood Marshall. It was late December, and we were being shown the festively decorated dining hall. One of the boys motioned us over to his table and said, "We just wanted to wish you a merry Christmas and ask who the hell you are." Today's young American having read more, seen more and therefore felt more than prior generations, wonders, indeed, who we—the ordaining adults of this fatherless society—are, what hypocrisies we conceal, and what moral basis fortifies our right to exclusive occupancy of the command module of spaceship earth. Their confidence has diminished in direct proportion to the personal separateness which technology first made possible and now seems almost to require.

And I read in much of the current politics of confrontation, a desire not so much to destroy as to be heard, to bridge the growing gap between generations, and to defy the impassive logic of the technological age which so tends to isolate us from each other as human beings, while it organizes us for collective purposes seemingly of its own. Much of this desire has admittedly been derailed. Much of the movement has succumbed to senseless, destructive putschism and sectarianism, owing ironically, I think, to a kind of apathy among the more gifted, which abandons leadership roles to persons better able to organize than conceptualize, to lecture than to lead. The young mirror the old in spite of themselves when they fail to perceive how much easier it is to bring people to their feet than to their senses.

But youth's dissatisfaction in and of itself is not to be mourned. It should be welcomed. Informed discontent is better for a society, at least our kind of society, than mindless compliance. And what is to be welcomed should not be unexpected. Yet it is clear that no element in society anticipated the depth of this restlessness, and none were prepared to cope with it. Fathers were unable, and in many cases unwilling to discuss it with their own children. (I've just had a two-hour session with a young man whose father won't speak to him because the foolish boy takes the sixth commandment so literally. Perhaps you will advise me on how a Congressman can represent fathers and sons who won't speak.) Schools were floundering in a sea of outdated nostrums. And the universities slept on, certain that their steeple bells and ivy covered ethic of civility would contain the problem.

When it came the trustees and administrators, not a class notable for imagination or prescience, stood back aghast. They were appalled by behavior which a visit to any number of classrooms or late-hour bull sessions would have led them to anticipate. Under the imminence of draft age during an essentially unbelievable war, plus other contrasts on the domestic scene, principally black and white, the American student of the 60's was already framing questions to which he would demand answers. Students would demand them particularly as they saw one by one, those leaders who decried institutional apathy and inequality, murdered. Fuel to the smoldering tinder of their discontent has been added by some faculty gurus who see in these developments a vicarious chance not generally available to academicians, to influence historical proc-

esses without assuming public responsibility. Many thrill to that opportunity. Those who do not must answer for their restraint to an aroused student body. And the school administration which has already made its accommodation with the flood is in no position to hold the dike.

At first for many students it seemed only logical to act out a challenge to distant authority by striking at the nearest particular authority which, after all, had soiled itself by existing under current conditions. But a specific rationale is soon formulated for attacks on any authority. All have been advanced right down to the reason for climbing Everest—"because it's there," and, one might add, "Dad isn't."

But I leave to students of Freud whether some students are striking at their own fathers when they hit other more accessible institutions.

Finally, even the institution of party politics, a relatively malleable framework for innovation has proved brittle to the new rough touch of youth. It has withstood the first onslaught. I believe not so much, however, by its "toughness" as by its inherent ability to channel change. I happen to think this is particularly true of the Democratic Party because of its broader base and traditional refusal to retreat into comforting old biases when new challenges come along. The fact that both major parties appear to have endorsed the 18-year-old vote testifies to a general political awareness that this is an idea whose time has come.

Yet the young activist should understand that the war on authority as it is currently waged presupposes an uneasy peace no matter how it terminates, because new generations will inevitably challenge whatever new authority emerges, and look to the young of today for example. In the meantime contemporary authority must answer for what "is." And mindful of Shakespeare's admonition that nothing is but thinking makes it so—we must try to go behind the eyes of today's young American to get his view of "it."

The young people of today were born after the depression and under the nuclear shadow. In an age of affluence and potential Armageddon, they are less concerned about material security and more concerned about basic human values. They feel that time is running out on the great problems—war, racial injustice, poverty. They dislike the impersonalization brought about by large organizations and rapid technological change. Because of the influence of the mass media, the mobility and the intellectual freedom of our society, young people today learn faster and mature earlier. They become quickly aware—and deeply resentful—of the differences between what elders say and what they do. They have discovered that our surface prosperity acts as a veneer over the lack of quality in the lives people lead. In short, the very accomplishments of our generation—in technology, communications, affluence—have served to focus the attention of the young on what we have failed to accomplish.

The post-World War II generation is the first to face adulthood in a mass society and a world that has entered what has accurately been called the age of technocracy. Hence, growing numbers of the young have been brought up in families where affluence, as well as political freedom and social mobility, are accomplished facts of life, not distant goals to be sought as they are, for example, in Czechoslovakia. To our young people, national affluence is no guarantee of personal fulfillment, and political freedom no sign of personal liberation.

Our affluence, born of technology, has therefore created a group of young people with both the time and the reflective capacity to see that our society, for all its technological prowess, has not yet fulfilled

its proper objective purpose: the protection of the individual, or its subjective purpose, the development of the individual.

Many dismiss the idea that today's generation gap is any wider than it was between past generations. But it is certainly arguable that the gap has, indeed, grown wider than even before, simply because of the technologically induced rapid loosening of the ties of family interdependence. Today it is impossible to predict what life will be like in five years, much less in 10, 20 or 50 years. Current knowledge, work-skills, and values, may be totally irrelevant when the current generation of youth reaches maturity. It is therefore understandable that youth, exposed to an ever-increasing rate of technological growth, come to perceive that the values of the past may be totally inappropriate for the world in which they will be adults. Moreover, they feel powerless to anticipate or direct the future. In this environment, hope no longer sustains. The lessons of the past seem less relevant; planning for the future appears futile. This causes in too many instances retreat to an elysian drug culture expressed by one youngster, this way, "If we've all booked passage on the Titanic, we might as well go first class." The great majority of young Americans still believe the ship can be safely steered and will do nothing to numb their mind or strength, but they want a hand on the wheel. The theme of today's youth dissent is the hypocrisy of our institutions. No institution—family, church, the university, or even the law—can any longer hide behind dogma or tradition. Young people are vigorously questioning whatever arbitrary structure is imposed upon them. We can owe the intensity and accuracy of their questions to our success in educating them, though we may think at times they've learned too much for our own good. When they perceive an apparently weak intellectual base for behavioral demands made upon them, they balk. Simple answers such as "We should do it this way because it is right," or "because we have always done it this way," no longer satisfy this generation of youth. Tomorrow? Who knows? But, we are unlikely to secure young peoples observance of order in their lives as long as such order implies compliance with courses of action that they believe even more threatening than the sanctions applied to preserve it.

What America's young today consider most threatening is a continued sacrifice and subordination of individual human wants, needs, and dignity to the depersonalized needs of our bureaucratic and technological institutions. They are protesting against the trend to pursue the Nation's overriding concerns not in terms of the individual, but in terms of national prestige, the good of the economy, as defined in statistics.

It would be ironic certainly for a nation founded on the belief in individual worth and dignity to subordinate those qualities to the whims of impersonal institutions. A clear statement of the message of youth appears on a current lapel button: "I am a human being: do not fold, staple, or mutilate."

It is certainly no problem to find ways in which technology has been permitted to serve the lesser of two objectives. For example, as Doxiades said last year, "We are building cities for cars, not people." The young have come to doubt the suggestion that economic expansion alone fosters human progress. Current trends may well provide them with an opportunity to evaluate the corollary of that proposition. Meanwhile, recruiters for industrial firms on our campuses are learning that many of the best students are not interested in business but in service: teaching, government, and volunteer work at much lower pay. Even young professionals, such as lawyers, are turning down the big law firms and lucrative private practices to work in previously forsaken areas

such as landlord-tenant law, legal aid, and community organization. Thoreau, Veblen and Galbraith notwithstanding, to date, our society has tended to accept the assumption of identity between the needs of the individual and those of industry and technology—the laying on of Adam Smith's "invisible hand" which presumably moves each of us to do automatically what is good for society because it is in our own best interests.

The surest evidence that we can no longer equate technological progress with human happiness is the disastrous effect that un-directed technology has wrought upon our ecological balance, our environment. Rampant technology has endangered not only man's relationship to man, but to nature itself. As Luther said, "Things are in the saddle and ride mankind." It's not that the young reject technology; they know it is neutral. They just want the right questions put to it, and proper demands made of it. Until then, at the height of the banquet of affluence, they see the handwriting on the check, which they feel will be cashed in their time. The country has already drawn heavily on the bank of its young blood to pay off debts incurred without their consultation or support.

Many in their twenties undoubtedly provided the margin of victory two years ago to the current administration in the belief that it would end our participation in the Viet Nam conflict. They were promised a "secret plan" to end the war and found instead a secret war to end the plan.

This increases their opposition to the current selective service system itself in addition to the way in which it has been geared to maintain priorities and sensibilities which they deem inadequate to their survival prospects no matter who "wins the war." The young ask why fighting for some Vietnamese against other Vietnamese rates higher on our list of priorities than fighting illiteracy and poverty at home. They wonder about deferments per se and particularly those honoring technical sciences, but not social sciences, or other forms of service like the Peace Corps or VISTA.

Young people's disenchantment with our educational institutions is due in part to their presumed lack of "relevance" and secondly to their suspicion that universities and colleges seem more beholden to management (the administrations) and financial resources (trustees and state legislators) than to their human resources, (students and faculty). They are, of course, as surprised as any of us to learn that education is our first priority when they see the disparity of investment in it.

Finally, in the matter of race, many of our young people see a distinction between theoretical equality and actual equality. They are beginning to wonder whether prejudice develops an immunity to progress. American society generally accepts black and other minority groups as equals in sports, labor, business, and even politics. But many look to the day when there are no more talented black students and artists, only talented students and artists, no more outstanding black leaders, only outstanding leaders. Will counter-currents of black and white assertiveness prevail? That is largely up to youth itself and the leadership it chooses. Meanwhile the unique contribution of today's youth is their "why." We should answer it to their satisfaction and ours before applying our "how." We, like them, should in Shaw's words which were Robert Kennedy's favorite, "dream things that never were and ask why not".

When such dreams trouble not only the sleep but the waking moments of adult America, in Government, industry and education, these institutions will be at the dawn of a new and better age—one which will offer to the young American a wide selection of challenges which are worthy of him and



of that so far brief spark in history. The American Experiment.

**THE REFORM OF ECONOMIC POLICYMAKING**  
(Statement of Representative RICHARD BOL-  
LING, of Missouri, before the Committee on  
National Priorities of the Democratic Pol-  
icy Council, April 30, 1970)

Less than a year hence, on February 22, 1971, the Nation will complete twenty-five years of effort at coordinating the Govern-  
ment's economic policies in the interest of achieving full employment, stable prices, and economic growth in a free enterprise economy in accordance with Section 2 of the Employ-  
ment Act of 1946. While we have not had either a runaway inflation or another depres-  
sion of the 1929-1941 dimensions, neverthe-  
less we have had persistent economic insta-  
bility and inflation. At the present time, these  
are at the most persistent and virile stage of  
the postwar period, with prices and unem-  
ployment both rising rapidly.

Nor can we justly claim that failure in  
achieving economic stability was a result of  
persistent and vigorous devotion to achieve-  
ment of economic growth and to the solution  
of the nation's other pressing economic and  
social problems. Indeed, every year we have  
found some excuse of budgetary stringency,  
international crisis, or even the necessity for  
further investigation that provided reason  
for postponed action. If anyone should doubt  
the accuracy of this characterization, he  
would need only to review the riots of recent  
years, or the voluminous and pungent reports  
of the National Advisory Commission on Dis-  
orders and other similar investigative bodies  
to dispel the illusion that the sacrifice of  
economic stability has provided success else-  
where on the economic and social fronts.

Indeed, the charge is widespread among  
economic experts that a prime cause of eco-  
nomic instability since World War II had  
been the activities of the Federal Govern-  
ment itself. For years the Joint Economic  
Committee of the Congress has been recom-  
mending a greater degree of stability in  
monetary policy as one way in which the  
Government could contribute to increased  
stability of the economy as a whole. They  
have recommended that the money supply  
be increased at from 2 to 6 percent per year—  
a much more narrow range than has been  
experienced under the policies followed by  
our monetary authorities. Now, at long last,  
the new Chairman of the Board of Governors  
of the Federal Reserve System seems to have  
accepted this rule as a reasonable one. Per-  
haps monetary policy will become less vari-  
able and hence contribute to overall eco-  
nomic stability.

But even if this should prove to be the case  
over the next several years—and we can-  
not be certain—monetary policy alone can-  
not do the whole job of stabilizing the econ-  
omy. I cannot accept as reasonable the posi-  
tion of some extremists on the subject of  
monetary policy who seem to believe that  
this tool can, by itself, if properly used, pro-  
duce economic stability and satisfactory  
growth. To a large extent, both the limits  
of the power of monetary policy and the  
range of alternative monetary policies that  
are practical are determined by the way in  
which fiscal policy operates. The decisions  
of the President and the Congress on Gov-  
ernment expenditures and revenue and the  
operations of the debt management officials  
of the Treasury between them substantially  
affect the monetary policy. These fiscal mea-  
sures also have their own more direct and  
independent impacts on the generation of  
private incomes and on the way in which  
those incomes are saved, invested, and spent  
on consumption. To achieve, therefore, a  
stable and growing economy that will sup-  
port the kind of social and economic pro-

grams this nation needs, we shall have to  
do something to enhance the contribution  
of fiscal policy to economic stabilization.

It is useless to look toward deliberate,  
planned variations in expenditure programs  
as a tool for stabilization. Indeed, the in-  
stability of Federal expenditures has been a  
prime cause of instability in private incomes  
and spending. Furthermore, it takes too long  
a time for changes in expenditure policies  
to produce changes in actual public spending  
and hence to affect the economy. After de-  
cisions are made by top officials in the Ex-  
ecutive and Legislative Branches of the Gov-  
ernment a long train of lower level actions  
are needed to turn decisions into expendi-  
tures.

Many of us, therefore, have been convinced  
that sooner or later the Federal Govern-  
ment will be compelled to make rational and  
continuous use of fluctuations in tax rates  
as a means of promoting economic stabili-  
ty.

The Constitution puts the basic author-  
ity for levying taxes in the Congress, and  
provides that such measures must origi-  
nate in the House of Representatives. The  
jealous protection of this constitutionally  
mandated authority has kept the decisions  
about tax policy firmly in Congressional  
hands. A very rational and useful scheme  
for using a surtax mandated by Congress  
to achieve stabilization objectives was re-  
commended by the Subcommittee on Fiscal  
Policy of the Joint Economic Committee in  
May 1966, under the chairmanship of the  
distinguished Congresswoman from Detroit,  
the Honorable Martha W. Griffiths. Conclu-  
sions and recommendations of the Subcom-  
mittee in its report entitled "Tax Changes  
for Shortrun Stabilization" were in general  
as sound and deserving of support as one  
could reasonably expect.

Unfortunately we were then faced once  
more with the necessity for trying this de-  
vice because of the upsurge of Government  
spending partly for new social programs and  
partly for Viet Nam. The President pro-  
crastinated until January 1967 and then  
recommended a 6 percent surtax. But Con-  
gress outdid him in procrastination, and the  
final bill, with a 10 percent surtax, required  
because of delay, finally became law on June  
28, 1968—one and one-half years later. Its  
effectiveness in stopping the inflation and  
restoring stability must be counted as some-  
what "iffy" to put it kindly. The main re-  
ason was not that tax policy can't be effective,  
but that it was two and one-half years  
late. It was a fear of Congressional barri-  
cades to action that delayed the recom-  
mendation from the President for a year,  
and it was those same barricades that de-  
layed the actual legislation for another year  
and one-half.

It is simply impossible for the Government  
to do anything else than to promote economic  
instability—including both inflation and re-  
cession, perhaps simultaneously, if tax policy  
experiences delays of this character. Speed  
is an essential ingredient to successful policy-  
making when you are concerned with stabili-  
zation of an economy as dynamic and fast  
moving as this country's. The economy will  
not wait for the outcome of a prolonged de-  
bate, and once massive forces leading to  
economic instability get underway for a con-  
siderable time during the policy debate, it  
requires large magnitudes of corrective action  
and prolonged periods to bring the economy  
back into line with stable, full employment  
growth.

The way out of this dilemma has been sug-  
gested by economists, by the press, and by  
some of us in the Congress on numerous  
occasions. President Kennedy suggested it in  
his January 1962 Economic Report. The way  
out which all of these recommendations uni-  
formly outline is to delegate to the President

standby authority to temporarily raise or  
reduce all individual and/or corporate income  
taxes by some stipulated percentage subject  
to Congressional veto. The percentage could  
be a certain number of percentage points, or  
could be a percentage of the dollar amount  
of tax due by the individual or the corpora-  
tion under prior existing law. The procedure  
would operate approximately in the manner  
of the reorganization authority, with the  
change taking effect within 30 days after  
submission by the President unless rejected  
by a vote of the Congress. Most of the pro-  
posals suggest that the tax remain in effect  
for a fixed period—perhaps six months or a  
year—unless revised or renewed through the  
same process by which it was originally insti-  
gated or extended by a joint resolution ini-  
tiated by the Congress. Some provision would  
have to be made, of course, as in similar  
programs for the contingency that the Con-  
gress might not be in session at the time the  
President wished the statute invoked.

Such a delegated authority to initiate a  
tax action would achieve two goals: First, it  
would provide a way for the President to  
make a proposal, secure in the knowledge  
that he would get a decision one way or the  
other within 30 days. It would thus insure  
a speedy decision when speed is necessary.  
Second, the very existence of this power  
delegated to the President would insure that  
if the need for more or less revenue were seen  
to be more or less permanent the Congress  
could take adequate time to discuss a per-  
manent tax legislation without disastrous  
economic consequences because the tempo-  
rary increase or reduction in taxes on  
Presidential initiative would provide an ap-  
propriate immediate stimulus or restraint,  
as the case might be, which would hold the  
line, so to speak, until Congress could with  
due deliberation produce permanent tax  
legislation in the normal manner.

I am convinced more than ever by the  
experience of the last decade that we must,  
sooner or later, come to some such plan as  
this in order to provide the short-run speed  
of action which is essential in stabilization  
efforts while at the same time protecting the  
prerogatives of Congress to give due and, if  
necessary, prolonged deliberation to perma-  
nent tax changes as provided for in the  
Constitution.

As the Joint Economic Committee has  
often pointed out, we have a pressing need  
to produce greater stability and overall fiscal  
balance between receipts and expenditures.  
We cannot afford swings in the Federal sur-  
plus or deficit of amounts as high as the  
\$15 to \$25 billion from year to year that have  
occurred in the past two decades. And we  
cannot achieve this greater stability in the  
balance between receipts and expenditures  
without some reform in taxwriting proce-  
dures, such as I have proposed.

In addition, of course, the Administration  
and the Congress in the years ahead will  
have to devote great effort to tax reform  
and simplification along lines suggested re-  
peatedly by the Joint Economic Committee  
and the long line of impartial experts who  
have appeared before the full Committee and  
its Subcommittee on Fiscal Policy. We can-  
not expect public support for rational varia-  
tions in taxes for stabilization purposes if  
the basic tax structure itself is cumbersome,  
unclear, and to many Americans, appears to  
contain substantial inequities.

The Tax Reform Act of 1969 made a be-  
ginning on this enterprise but it did nothing  
to simplify the problems of the average tax-  
payer in determining his tax liability so he  
could report appropriately to the Govern-  
ment. Nor did it touch a number of im-  
portant areas where reform has long been  
called for, such as the taxation of retirement  
income and capital gains. While we should  
pursue vigorously the goal of a more equi-

table and simple tax structure, we must not use this as an excuse to further postpone the day when we will delegate to the President suitable authority for varying tax rates the purposes of promoting economic stability.

#### RACIAL JUSTICE IN AMERICA

(Statement of Hon. JAMES C. CORMAN, of California, before the National Priorities Committee of the Democratic Policy Council, April 30, 1970)

"We Shall Overcome" was the commitment made by the President of the United States to the American people when, on March 15, 1965, Lyndon Johnson uttered those three simple words to a joint session of the Congress. President Johnson promised that we would overcome the crippling immorality of bigotry and injustice. It was a singular moment of pride for the President when, on August 6, 1965, he signed into law the Voting Rights Act of 1965, at a ceremony in the President's Room of the Capitol. It was on August 6, 1861, in that same room, that President Lincoln signed a bill freeing slaves who have been pressed into the military service of the Confederacy.

These three words symbolized the high plateau of moral leadership provided by the Johnson years in steering this country toward a single society, away from the unconscionable state of segregation, fed through the years by fear and hate.

It may be worthwhile to reflect for a moment why leadership at the highest level is so essential to curing the sickness of racial intolerance. Borne out of historical mistakes, racism—touching us all, individually and institutionally—is nourished by false fears, irrational prejudices and, too often, deep hatred. It is only through leadership at the highest level of our government, having responsibility for the welfare of the nation, that these fears and hatreds can be controlled so that racial justice can prevail.

Let us look at what has happened since January 20, 1969, and how leadership is being used by the man holding this nation's highest elective office. It should be apparent that the ideas uttered by the Vice-President, the Attorney General and White House aides flow from President Nixon himself. These are his men. He chose them, and I am certain he did so for the purpose which they now fulfill.

Spiro Agnew's insensitive, often inflammatory, racist remarks are not the words of an ill-educated, red-necked cracker. They are the words of the second highest ranking official of the United States Government, the man selected by Richard Nixon at the 1968 Republican National Convention to be his closest confidant. Does anyone doubt when he tells America that "when you have seen one slum you have seen them all," and asks "how would you like to be operated on by a doctor who got into college under a quota system?" that he is speaking for the man who put him where he is today?

The public utterances of the Nixon men are not the only evidences of Richard Nixon's intention to take us back toward a segregated America. Many of us were shocked that he would contrive to destroy a fundamental right of black Americans—the right to vote. With the aid of a letter signed by Richard Nixon himself, the President's Man-in-the-House, Gerald Ford, was able to unite in the House of Representatives most of the Republican Members with the Dixiecrats, in refusing to extend the Voting Rights Act of 1965. Thanks to a responsible United States Senate, the House has another opportunity to correct that mistake.

Nowhere does President Nixon's real attitude toward racial justice come through more clearly than in his nominations to the federal judiciary, particularly to the highest court, and at least in one instance to the circuit court. We are familiar with the reasons the Senate found it necessary to reject

the nominations of Haynsworth and Carswell, but many are not aware that the President filled his first vacancy on the critically important Fifth Circuit Court of Appeals by tapping the lawyer who had made a career of representing the State of Mississippi in its efforts to deny black Americans their basic constitutional rights. One can only conclude that when President Nixon promised to "bring us together," he was addressing himself to the 43 percent of Americans who had voted for him and the 15 percent who had voted for George Wallace.

When the Supreme Court, under the leadership of Chief Justice Earl Warren struck down racial discrimination in public schools, in *Brown v. Board of Education* (1954), a milestone in racial justice had been reached. This act more than any other became the cutting edge for a single society.

Entrance into public school is a child's first public experience. It has the most lasting impact on his life, for it is here that he meets his first challenges away from parental protection; it is here that his first value judgments are made. A white child and a black child, both with fresh, unprejudiced minds, do not heed differences in skin color. There is no black problem nor white problem among five- and six-year-olds. They are just two specimens of mankind, learning to live, work and play together. Left alone, without outside influences of racial prejudice, they are the citizens of a "single America."

But, unfortunately, the edge cuts another way, too. School desegregation, more than any other act, has evoked on the part of some parents outlandish, violent hysteria. This is the area where demagogues have been most effective—the hate mongers, who for their own purposes, play on false fears, who predict the destruction of educational standards in a desegregated school system. They feed the natural feeling of distrust for any change to the point of intolerance and blind rejection; they incite disobedience to the laws of the land. The retreat on school desegregation by the Nixon Administration perhaps best demonstrates how this edge cuts.

It is a retreat which began the day President Nixon assumed office. This Administration had been in office only a few days when the first test of its will to enforce the civil rights laws came about. Secretary of Health, Education and Welfare, Robert H. Finch, was confronted with what to do about six school districts that had over the years consciously and consistently refused to comply with Title VI of the Civil Rights Act of 1964 and with the Constitution. The issue was simple. Termination of federal funds flowing into these districts had been recommended to him by an independent hearing examiner and an independent reviewing authority within his Department. These six school districts, on the basis of every shred of information available, and after years of negotiation with federal officials had shown no inclination to comply with the law as hundreds of other school districts had. Yet, instead of terminating funds to these districts, Secretary Finch gave them the reprieve that Senator Strom Thurmond of South Carolina had promised all Southern school districts during the Presidential campaign, when he so forcefully and successfully put the South in the Nixon camp.

That was the beginning. The disintegration of the carefully constructed school desegregation compliance machinery at HEW and elsewhere in the government has been crumbling at a steady pace. The disintegration is the result of calculated destruction by this Administration. While the list of acts the President and his subordinates have taken is too long to be included in this document, following are some of the highlights.

(1) On July 3, 1969, Secretary Finch and Attorney General Mitchell issued a joint statement on Federal Policy on School Desegregation, which in effect gutted the exist-

ing school desegregation guidelines. The statement was full of flowery language, but the message was clear—the 1969-70 target date for complete compliance was wiped out. The statement indicated that the Administration was going to take a kind of *ad hoc* approach to school districts in the process of desegregation. They would look at the "chemistry" of each district and grant exceptions and adjustments if school systems could show that it was "just too tough" to comply with the law; just too tough, even though they had had over 15 years to comply.

(2) The Administration then tried to fool the public. To counter this cut back in enforcement, it announced a few days later, July 9 to be exact, that it had told the Chicago school system if it did not come up with a faculty desegregation plan within two weeks, it would be sued. I need not tell you here, some nine months later, not only has Chicago not submitted a faculty desegregation plan and has not been sued, but there is no indication that it will ever be sued. So the big announcement about Chicago was just another effort on the part of the Administration to cover up its retreat on school desegregation.

(3) Perhaps the clearest indication of just how much this Administration was going to retreat on school desegregation came in late August, when Secretary Finch asked the federal courts to delay segregation in 33 Mississippi school districts, from January 1969 until September 1970. These 33 districts represented the most recalcitrant in Mississippi. They also represented districts where Secretary Finch's own staff had developed many of the desegregation plans in cooperation with the Department of Justice. Justice had presented to the courts clear and concise evidence indicating the ability of these school systems to desegregate in September 1969.

In requesting the delays, Secretary Finch said that he questioned the viability of these plans because so little time had been spent developing them. He also said that he had personally reviewed all 33 of these plans and some of them appeared to be educationally unsound. While Secretary Finch was "confessing" to the public how bad his own desegregation plans were, Senator Stennis of Mississippi was advising the White House that unless the Administration reversed its position on those 33 school districts, he would simply leave Washington, go home to Mississippi and take care of some "urgent business" and thereby deny the Administration his vital leadership on the ABM fight which it so sorely needed. Not surprisingly, the Administration reversed its position on the 33 districts, Senator Stennis stayed in Washington, and the President won on the ABM vote.

(4) In response to these political machinations, over 40 attorneys in the Civil Rights Division of the Department of Justice sent a petition to Assistant Attorney General, Jerri Leonard, and to Attorney General Mitchell protesting the Administration's request for delays in the desegregation of 30 of the Mississippi districts, the 30 districts in which the Department of Justice was involved.

(5) The U.S. Commission on Civil Rights, a fact-finding agency of the federal government, was also concerned, not only by the Administration's actions regarding the 33 Mississippi school districts, but by what had been happening to the school desegregation compliance program. As a result, it issued a statement severely criticizing the Administration's school desegregation policy. As if to show the Commission and the rest of the nation that nothing would change the Administration's Southern strategy, Vice President Agnew stated that he was against busing children "to other neighborhoods simply to achieve an integrated status of a large geographic entity." The Vice President's statement was a forecast of what was yet to come.



(6) September was a good month to demonstrate the "calculated confusion" of this Administration with respect to school desegregation policies, for immediately on the heels of the Vice-President's statement, Secretary Finch said on *Issues and Answers* (September 22) that the Department of Health, Education and Welfare would continue to use busing as a method to achieve school desegregation. The following week (September 27) on a nationwide television program, Assistant Attorney General Jerris Leonard said, "If the Court [meaning the Supreme Court] were to order instant integration, nothing would change, because somebody would have to enforce that order." Events of the following months demonstrated that the Justice Department clearly could not be counted on to enforce such an order.

(7) In late October the Supreme Court of the United States told the Administration that it was wrong, that there were no reasons for delaying school desegregation in those 33 cases. This represented the first time since the historic *Brown v. Board of Education* (1954) that the federal government had sided with recalcitrant school officials in school desegregation litigation. But, the Court threw out the argument of the imminent Solicitor General, and ordered those districts to comply with the Constitution forthwith. The next day both the President and the Attorney General said that the Administration and the Department of Justice would abide by the Supreme Court decision. The Attorney General went so far as to say "all Americans, state and local officials, judges, federal officials and citizens would be called upon to understand, cooperate and comply, as we believe in a society based on the rule of law, we will do so without hesitation." How quickly the Attorney General forgot that lofty statement, for only two months later the Department of Justice again asked the Supreme Court to delay desegregation until 1970 in the cases before it, and again the Supreme Court ruled against the government saying that desegregation could not be put off until September 1970.

(8) If there was one bright spot in the Administration during this year of retreat and regression on school desegregation, it was Leon Panetta, the young Director of the Office of Civil Rights. Panetta had tried earnestly and diligently to persuade his superiors in the Administration that they could not flout the Constitution and deny citizens Constitutional rights that had been established and reestablished over the last 16 years. Panetta's reward for his efforts was to be fired by the Administration on February 17.

(9) The firing of Panetta was coupled with an announcement of the creation of a Cabinet-level Compliance Committee on School Desegregation to be headed by Vice-President Agnew (chief spokesman for the Southern strategy). Robert Mardian was appointed Executive Director. While General Counsel of HEW, Mardian had proposed to Secretary Finch in a secret memorandum that the school desegregation guidelines be gutted without any public announcement.

(10) Several days after Panetta was fired, the HEW independent reviewing authority found that Columbia, South Carolina, had failed to comply with Title VI and should have its funds terminated. This was another test of the Administration's will, for Columbia, one of the largest cities in South Carolina, had been involved with HEW for the past two years, and is a stronghold of Senator Strom Thurmond. The same day the reviewing authority announced its decision, Secretary Finch, in a midnight press release directed only to Southern papers, stated that he believed the Columbia school officials had acted in good faith. He urged them to appeal the decision of the reviewing authority to him, and he assured them that he would re-

consider the reviewing authority's decision if they did appeal to him.

(11) In a kind of unsolicited, off-the-cuff remark, Secretary Finch condemned the desegregation orders of Judge McMillian in the Charlotte-Mecklenburg, North Carolina, school case and of Judge Gitelson in the Los Angeles, California, school desegregation case. Both of these cases involved possible busing of students and that is what the Secretary condemned, obviously concealing from the public and perhaps from himself the facts in these cases. The courts had found that both of these school systems by calculated action and inaction had promulgated policies to segregate children on the basis of race. Two days later, 125 staff members of HEW's Office of Civil Rights sent a letter to President Nixon protesting the dismissal of Leon Panetta and condemning the Administration's school desegregation policy. Some days thereafter, over 1800 HEW employees signed and sent a petition to Secretary Finch requesting an open meeting on the Administration's school desegregation policy.

(12) Before March was out, the Administration took what might be considered the final massive act of retreat. On March 24, the President issued his Statement on School Desegregation. It has been criticized by scholars, lawyers and others familiar with the whole area of school desegregation. Perhaps the most cogent criticism was issued by the U.S. Commission on Civil Rights, its second in a period of a year, and the lengthy criticism was one of the few unanimous statements issued by the Commissioners. Its entire tone was an indictment of the President's surrender to the inevitability of racial segregation in our public schools.

(13) Shockingly, a few days later the Department of Justice filed a brief in the Charlotte-Mecklenburg, North Carolina, school case, suggesting to the Fourth Circuit that Judge McMillian had committed an "abuse of discretion" by ordering an "extreme busing plan." Judge McMillian has had the Charlotte-Mecklenburg case under advisement for a very long time. It had been in court five years. The busing plan imposed by the court calls for transporting 13,000 students in addition to the 24,000 who are already bused.

Several days later, the Justice Department filed a memorandum with the Fifth Circuit saying it had strong reservations about the Manatee County, Florida, busing order, which a district judge had imposed; again suggesting that the court may have abused its discretion.

(14) Even as late as this month the Attorney General of the United States in a prepared statement for a Republican leadership conference said that citizens have "the right to reject unreasonable requirements of busing." The question is obvious, is each citizen left to define what he considers to be unreasonable? The distinguished Senator from Minnesota, Senator Walter F. Mondale, said that by this statement the Attorney General seemed to be saying "that the people have a right to disobey the law as issued by the court. . . ." Senator Mondale said further:

"If so, I not only think he is wrong, I think he is counseling illegal action, and of course, that is no surprise coming out of this Administration. They have . . . actually counseled opposition to court orders. They have appealed the order out of Charlotte (N.C.), the President has openly and in an unprecedented fashion criticized the court in Los Angeles.

"The President of the United States was very silent, strangely, when the Governor of Florida openly flouted the law of the land and the orders of the Federal District Court in Manatee County. The President could not find it possible to be critical of the Lamar (S.C.) situation where, through violence, they attacked the school bus with school children on it. We have had a steady pattern

of lawlessness on the part of this Administration where it comes to enforcement of human rights laws."

What is the real purpose of school desegregation? It is to give every American child the opportunity to learn to his highest potential—to create a single school system in which every American child can achieve this goal. President Kennedy said in 1963 that "American children today do not yet enjoy equal educational opportunity for two primary reasons: one is economic, and the other is racial." By removing from our public school system any school that is segregated, whether *de jure* or *de facto*, we can destroy any semblance of an inferior school. High standards for teacher training, adequate school facilities, excellence in school administration—such a school system will give to each child, black and white, the quality of education that is so meaningful to the individual and so vital to the future of America.

The people of our great nation—all the people—deserve leadership toward this goal, and there is not the slightest trace of leadership emanating from the Nixon Administration.

When we look at the official acts of President Nixon and the members of his Administration, what do we find: nominees to the federal judiciary unsympathetic to civil rights; back-sliding in school desegregation, in voting rights, in public housing and equal employment opportunities. The Nixon Administration's hostility to the cause of racial justice is polarizing the nation to a dangerous point and is a breeding ground for the handmaidens of intolerance: fear, bigotry, hate and prejudice.

There is no alternative to a single America. We cannot be separated because of race or color. The brutality of apartheid cannot be a life style for America. It is not only moral values that are at stake, but also the potential for the country's greatness, in which each of us has the opportunity to share to the full extent of his own capacity. We are considered to be the most powerful of the nations of the world. We are the wealthiest nation. We have beauty of the land. God has truly "shed His grace on it." Yet, we deny our own plea that He crown it in "brotherhood."

Just as Abraham Lincoln said over a hundred years ago that this nation cannot continue half slave, half free, so today it cannot continue to exist as a segregated society; one white and privileged, the other black and denied. To continue as a segregated society would destroy our basic democratic values and impair the very foundation of our institutions. Our country was founded on the principle that government exists to serve all the people and to secure for all the natural rights that belong to them by virtue of having status as human beings. The President of the United States cannot abdicate his responsibility in fulfilling this goal.

The responsibility was implicit when our founding fathers blessed us in the Declaration of Independence with a great new promise of individual freedom. The Constitution gave reality to the promise—reality for most, but not for those black men and women who would come to the United States as chattels to be bought and sold by white men. Thus, the seeds of human despair were sown into the hearts and minds of these black people, and the search for racial justice had begun.

The post-Civil War Constitutional Amendments, the Thirteenth, the Fourteenth and Fifteenth, were the structure for implementing the promise of the Declaration of Independence for black Americans, freed by the Emancipation Proclamation. Regrettably, through deep conflict and tragic circumstances, they were denied that fulfillment, and we created two Americas: one for whites, one for blacks—one for people who lived in freedom; the other for people who lived in degradation and without hope, set aside from

the rest of the nation because the color of their skin. Toward the end of the 19th century segregated America had been given status in basic law. It took two-thirds of this present century to undo the grievous mistakes of the last third of the 19th century. As a Democrat, I am proud to attest that four Democratic Presidents—Roosevelt, Truman, Kennedy and Johnson—provided most of the leadership to correct these mistakes.

It was during the Roosevelt years that America began to honestly question both the morality and constitutionality of our segregated society. Much of the present interest and executive action to achieve racial equality was sparked by President Roosevelt. He strongly upheld the right of every citizen to vote and to enjoy racial equality. In 1939, President Roosevelt established the original Civil Rights Section of the Department of Justice, responsible for enforcing all federal statutes affecting civil rights. This section played an essential and significant role in the 1960's in enforcing these statutes. The first Committee on Fair Employment Practices to eliminate discrimination from federal employment was established during his Administration.

President Truman gave added impetus to the attacks in support of racial justice by his forceful advocacy of federal responsibility for the securing of civil rights. He proposed a comprehensive legislative program, including anti-lynch, anti-poll tax, anti-segregation laws. While Congress defeated his program, President Truman, through executive action, set up a Fair Employment Practices Board in the Federal Civil Service Commission to review complaints of discrimination, and took landmark action toward ending discrimination by integrating Negroes in the Armed Services.

Many of us may have been frustrated with President Eisenhower who, armed with the Supreme Court decision to end racial discrimination in public schools, seemed to move slowly and reluctantly in this difficult field. Yet, we should not understate the importance of his stand in Little Rock in 1956 and the leadership he gave to bring into being the 1958 and 1960 Civil Rights Acts.

In January 1961, this nation was given vigorous leadership and new hope—hope that the progress, slow but consistent, of the past thirty years would be speeded to successful conclusion. President Kennedy told the nation in 1962 that "The distance we have traveled in eliminating prejudice is the measure of the distance we still must travel." And, on the 100th anniversary of the Emancipation Proclamation, he reminded us that "In giving rights to others which belong to them, we give rights to ourselves and to our country." Each of his thousand days—in his public pronouncements, in his private conduct, in executive orders and legislative suggestions—was a fulfillment of his obligation to lead the nation toward its ultimate goal of total racial justice.

These thousand days were followed by five years of vigorous and effective leadership by Lyndon Johnson, which resulted in the enactment of broad, new legislation, accepting a national commitment to equal justice for all Americans. When President Johnson, before a radio and television audience, on July 2, 1964, signed the historic Civil Rights Act of 1964, he spoke of the blessings of liberty to which all men are entitled, yet denied to some because of the color of their skin. He admonished the nation to "close the springs of racial poison," because "Our Constitution, the foundation of our Republic forbids it. The principles of our freedom forbid it. Morality forbids it. And the law I will sign tonight forbids it."

With the signing into law of the Civil Rights Act of 1968, which included the historic provision for fair housing, it was evident that through the leadership of these Presidents, who understood that to go for-

ward America had to become one nation, we had made a good beginning in the journey toward full racial justice for all citizens.

This, then, is our legacy as Democrats. It is the great moral force generated under Democratic leadership from which this country benefited between March 4, 1933 and January 20, 1969.

Repercussions of history are felt in diverse ways—often through devastating acts. While the early 1960's saw the goal of equal justice reinforced by legislative statutes, 1967 and 1968 were years of civil disorder that tore our cities apart. Violence in civil disobedience cannot be tolerated in a free society that is governed by the rule of law—the same rule of law that, protected by the First Amendment, guarantees the right to peaceably assemble and to petition. As there was a great need to understand what had happened and what must be done to avoid recurrence of civil disorders, President Johnson established the Kerner Commission, on which I was privileged to serve. We were enjoined to examine in depth the real nature of the crisis that faced the nation. The Commission's basic conclusion—that we were moving toward two societies: one black, one white, separate and unequal—was an indictment of the racism which has crippled our society since the earliest days of its history. The Commission in unequivocal terms called for a "commitment to national action—compassionate, massive and sustained, backed by the resources of the most powerful and richest nation on the earth." Further, the Commission asked for a commitment of conscience, saying "From every American it will require new attitudes, new understanding, and above all, new will." America's journey toward fulfillment of constitutional rights for all was not stopped by these civil disorders. Rather, in part, through the Kerner Commission's Report, the peril of racism was spelled out and the conscience of America was called to arms.

While the Negro, more than any other minority group has been victimized by racial injustice, the goal we have set for ourselves—a single American identity—and the progress we have made toward this goal encompasses all American minority people.

But, no longer do we hear the words "We Shall Overcome" from 1600 Pennsylvania Avenue. Rather, the man occupying that residence is whistling "Dixie," counting the 1972 electoral votes of the old South, promising in return for their delivery a continuance of segregation and deprivation of black Americans. However, the success of the Southern strategy has two Achilles' heels. The first is the need to keep Southern blacks from the polls. If all persons entitled to vote in the South really voted, the Southern strategy would be a shambles.

The second Achilles' heel of this strategy is the calculation that a sufficient number of Americans in the Mid-west and in suburbia will tolerate continued blatant racism for political purposes. These are President Nixon's so-called "silent majority." But will they tolerate continued racism? I doubt it. Its immorality must offend their sense of decency and justice. These are the people who have the greatest stake in America's future. America's potential for greatness becomes their own potential for greatness. The wisdom of a single society, giving every man an opportunity to develop his maximum potential is not lost to them.

The Southern strategy is a disservice to the nation. It may be the "Waterloo" of Richard Nixon's form of Republicanism.

Perhaps never before in our history have we been in such great need of moral leadership and had so little of it in our Chief Executive. For this reason, both the responsibility and opportunity are maximized for the Democratic Party. We must be true to our heritage. We must not fail our nation. We must overcome both racism and a Presi-

dent who sees his future, in a large part, dependent upon it.

This, then, is my plea for the cause of racial justice in our democracy. I urge that it be placed high on our Party's list of national priorities.

#### CONGRESSIONAL REFORM COMES FIRST

(Statement by Representative MICHAEL J. HARRINGTON, of Massachusetts, before the Democratic Committee on National Priorities, April 30)

Even in the question of priorities, there are priorities.

I suggest that until the Congress of the United States addresses itself to the reform of its own structure and traditions the whole problem of establishing priorities and implementing national goals is certain to be distorted and confused and negated.

Let me cite a specific example which is current.

Today the House of Representatives is considering a 20.2 billion dollar military procurement bill.

This bill allocates more than 20 times the total funds assigned for abatement of pollution in the nation's waters.

This bill allocates more than 20 times the amount which the Administration has directed be spent on low and moderate housing needs, needs which are not being met by any standard.

This bill allocates more than 14 times the sum that the Administration is spending for aid to school districts where low income families live in large numbers.

Quite clearly the expenditures being contemplated in this bill are of major consequence to the nation. Does anyone doubt that the substance of this bill relates directly to our national priorities?

I think not.

Nor should anyone doubt that the manner in which this significant legislation is presented to the House—the time allotted for debate, the options for amendment, the recording of members votes—all this also must be viewed as essential to the passage of the measure and accordingly directly related to national priorities too.

But gentlemen, under the traditions and rules of Congress as it is presently constituted, there is hardly any prospect of open expression and implementation of national views on this bill which we agree relates to our national priorities.

Instead, this measure, like all others, is being funnelled through the narrow hose of seniority and accordingly is subject to the misrepresentation which is the natural step child of seniority.

Consider these facts of Congressional life.

Control of the procedures by which this bill reaches the floor is vested in the Rules Committee, and the key man on that committee is the chairman. The chairman of the Rules Committee is 80 years old. He has served on the Rules Committee for 38 years. He is from a rural district.

Control of the bill in terms of its content and in terms of steering it through Congress lies with the Armed Forces Committee. The ranking members of that committee also have determined who shall speak in its favor and who shall be permitted to speak in opposition, and for how long. The key member of that committee is its chairman, and he is 65 years old. He has served on the Armed Services Committee for 30 years. He is from a rural district.

The third most important member of Congress associated with this Military Procurement Act is the ranking minority member of the Armed Services Committee. He is 74 years old. He has served 36 years on the House Armed Service Committee. And he too is from a rural district.

To summarize, the commitment of 20 billion dollars for military procurement, a commitment representing 10 percent of our total



national budget, comes to the floor of the Congress of the United States under the control and direction of three men who average 73 years of age, and who all represent rural districts.

By contrast, the average age in the United States is 27 years of age and 80% of the nation's population lives in urban areas.

Gentlemen, it should be clear that the question of national priorities and effective action to deal with national priorities cannot be considered until the priorities in the Congress of the United States have been first considered.

The seniority system—the system which Congress has imposed on itself for determining leadership, for determining who is most important, for determining what bills shall be heard and how they shall be heard—this system must be altered before the citizens of the United States can properly be represented in their own legislature.

At the present time, the seniority system makes length of service the sole factor in determining chairmanships and has led to an average length of service for committee chairmen of 28 years. Their average age is 70 years.

We have institutionalized age and length of service in the Congress. If the retirement rules Congress itself has passed for civil servants were followed, half of the committee chairmen in the House would have to retire. But this is not all.

Misrepresentation is also the stepchild of this system.

While the Supreme Court has insisted that the people of the nation be fairly represented in its one man-one vote decision, the Congress by indirection has been able to distort the meaning of equal representation by assigning rank to the Congressmen who come from rural and largely southern districts. That's what seniority has done.

Despite the fact that this is an urban society in which we live, only six out of 21 committee chairmen represent urban areas.

Among the chief committees, nine out of ten chairmen come from rural districts, and eight out of these nine represent districts from the South.

It is without criticism of any member of the House that I list these facts. I do not and would not suggest that rural members with long years of service do not work hard and conscientiously. But it is in the natural order of things that a member with a rural background would bring to bear less interest and capacity for urban problems and priorities than a member who does in fact have an urban constituency.

Why should our urban population suffer such discrimination in terms of representation?

And look at the consequences. Congress has not been able to develop for the nation a rational and comprehensive approach for federal policy for urban areas. Congress does not reflect the urgent concerns which disturb so much of our nation's urban and youthful population. We are, gentlemen, an irrelevant body—a body which by its own rules and regulations has removed itself from the mainstream of American life. We promote disequal representation. The rural district of a southern state has much greater control over national affairs than the urban district of a northern, western, or eastern state. The 435 Congressmen who will be elected next November will be elected by equal numbers of constituents. But gentlemen those Congressmen will not arrive in Washington next January with equal capacity to serve their constituents. They will arrive ranked. One district will be represented by a private, and another district will be represented by a general.

The Congress has distorted the very meaning of bi-annual elections, elections originally designed to keep it close to the voters.

The example, gentlemen, of today's debate on the \$20 billion military procurement act is an everyday sample of the control which characterizes our House of Representatives, a control which under present circumstances could only by accident reflect the priorities which our citizens have expressed through election of the members of the House of Representatives.

Change in the House of Representatives internal management, gentlemen, is a priority which must be acted upon constructively before other national priorities will have the chance to see the light of day.

Thank you.

#### THE DEMOCRATS SHOULD OPPOSE THE EXTENSION OF THE HIGHWAY TRUST FUND AND SEEK A SINGLE TRUST FUND FOR ALL MODES OF TRANSPORTATION

(Statement by Representative EDWARD I. KOCH, before the Democratic Committee on National Priorities, April 30, 1970)

Our nation's first priority can be none other than the termination of the Vietnam War. This should receive the Democrats' most vocal and constant attention followed by continuing efforts to reduce the billions of dollars lavished annually on the military-industrial complex—dollars that are so critically needed to meet our domestic problems posing a real threat to our country's internal well-being and security.

For the purposes of this hearing, however, I would like to leave these issues to those who have greater access to military budget figures than I, and devote my time today to a very important matter which President Nixon has chosen to neglect but which is in need of urgent attention—mass transportation.

In spite of his budget rhetoric proclaiming a dedication "to achieving a balanced national transportation system," President Nixon has failed to make a meaningful commitment to mass transit. For FY 1971 he has allocated to mass transit only 6% of what is going to highways.

Our cities are now struggling for survival in a morass of auto traffic and pollution. Their meager transit systems are overburdened and in need of modernization. Our cities need help, and yet this year's budget provides only \$284 million in federal funds for all the country's mass transit needs while the highway program will spend \$4.5 billion. This is on top of past Highway Trust Fund expenditures which have totalled almost \$50 billion while mass transit expenditures have just barely reached \$1 billion.

Such a funding imbalance would not be so critical if it weren't for the fact that there is a backlog of mass transit needs and transit construction is very expensive. Furthermore, our country's urban concentrations are expanding so rapidly that demographic projections place 90% of our population in the year 2000 (when we will have an added 80 to 100 million people) in urban areas. The kind of transportation our metropolitan areas need is public transportation—not more highways.

While the President allocates \$285 million in federal funds for mass transit, estimated capital requirements for just 19 major mass transit systems in the next decade will total \$17.708 billion.

In February 1969, I introduced a bill providing the magnitude of funding and the financing mechanism needed to mobilize our cities in transit construction and to lend some balance to the country's transportation picture. My bill—which has been co-sponsored by 105 House Members—provides for the establishment of a Mass Transportation Trust Fund which would commit \$10 billion in the next four years to mass transit. Expenditures would start on an annual \$1 billion level and increase so that by 1974 a \$4

billion plateau would be reached—comparable to the Highway Trust Fund's spending level. The Mass Transportation Trust Fund would have its own independent source of financing through the existing 7% automobile manufacturer's excise tax.

Such a program of long term secure financing for mass transit would help to eliminate that "highway reflex" that so many municipalities have acquired—really out of necessity oftentimes—because of the availability of so much "free" highway money and the alternate scarcity of mass transit money.

Support for the Mass Transit Trust Fund was widespread last year. It came from the Mayors, the Governors, the transit industry and even from the President's own Secretary of Transportation. But, in August of last year, while having submitted to Congress an Airport Trust Fund proposal, the President decided not to do too much about the transportation crisis of our cities and instead "take care" of the transit issue by sending to Congress a proposal providing a "contract authority" financing mechanism for public transportation. Such a funding program would allow the Department of Transportation to enter into contractual arrangements with municipalities for funds to be expended in future years. This kind of financing mechanism was the President's answer to the cities' need for a secure long term funding program; but, contract authority has had a difficult history with the Appropriations Committees exhibiting a propensity for placing ceilings limiting contract authority levels.

Even more important than this, however, was the President's decision to ignore the cities' financial needs. The bill's opening paragraph spoke about a need for a \$10 billion commitment to mass transit in the next twelve years. But, this is only rhetoric. The President proposed that only \$3.1 billion be made available in the next five years for contractual obligations with a total of \$1.86 billion in appropriations for expenditure in this period.

This dollar sum is totally inadequate in view of today's transportation needs. Something the Nixon Administration has failed to recognize is that in mass transit construction you cannot go half-way. If the federal government does not provide sufficient funds, the larger cities simply will not be able to use even what little money is made available. While the law provides for federal participation in two-thirds of a project's construction cost, the Federal share may actually amount to only 20 percent if only \$200 million is available for a billion dollar project. Municipalities cannot finance 80 percent of a project—and so nothing is done.

Thus, it is essential that we bring the federal level of funding to a point which is most suitably called a "threshold for action," below which point funds are insufficient to enable our communities to undertake transit modernization and new construction.

Perhaps what should be said about the President's transportation proposal is that it is just another example of his lack of interest in finding solid solutions to our problems and his reliance on sophisticatedly packaged programs, glittering with Madison Avenue embellishments, which when opened reveal an emptiness and an inability to solve the problems they are meant to meet. I have noticed in the past year that the President has submitted a number of new programs which appear to be renewed and expanded efforts, but which in reality are a shuffling of the cards providing an actual reduction in the federal government's financial commitment. Most recently, this was evident in the President's new water pollution abatement program which for weeks before its official announcement was touted as a \$10 billion program, but when unveiled revealed a commitment of only \$4 billion by the federal government, the remaining \$6 billion to be

matching funds provided by the states and localities.

And most detrimental is the fact that with all these program revisions, the President is actually setting back the timetable for action. In his 1971 budget, President Nixon provided no dollar figure for the Water Pollution Control program, and in his message, he stated that little money would be needed to fund his new program because "of the normal time lag in starting new construction"—as though the construction of waste treatment facilities is a new phenomenon. And likewise, in mass transit, the Administration has reasoned that little money will be needed in the next few years because cities need time to plan their mass transit construction programs and get underway. But, this is not good planning, it is just irresponsible procrastination. Federal aid to mass transit is not new, the Administration's own UMTA Administrator testified in 1969 before the House Appropriations Committee that by June of this year—even with today's small scale urban transportation program—his office would have a backlog of applications for capital grants in excess of \$400 million.

Despite its deficiencies, the President's \$3.1 billion proposal was accepted by the Senate late last year. During the House hearings in March of this year, the funding inadequacies of the bill were brought out and the authorization for contract authority was increased by the Banking and Currency Committee's Housing Subcommittee to \$5 billion with the authorization for appropriations being increased to \$3 billion. We are now awaiting final action by the full Committee later in May.

Most important, in the meantime, are the House Public Works Committee's hearings on the extension of the Highway Trust Fund. According to the Committee's Chairman, the hearings are "wide-ranging on all aspects of a comprehensive highway program, extending at least through 1985"—getting us just past Orwell's 1984.

The highway lobby of course is determined to keep alive its thriving trust fund which provides billions each year for highway construction. Furthermore it is determined not to allow the fund's resources to be dissipated by sharing the "wealth" with other modes of transportation. Originally, the Highway Trust Fund was to expire in 1972. But, now it has become such a successful financial pork barrel that the highway lobby does not want to let it go, and so we now have the prospect of its eventual extension to at least 1985.

I believe that the Highway Trust Fund should not be extended beyond its present expiration date. And, I call on the Democratic Party to oppose the Highway Trust Fund extension and to seek instead the establishment of a single transportation trust fund in 1972 which would coordinate and provide for all modes of transportation—including highways and mass transit. While the Highway Trust Fund has authority to expend funds through 1974, its revenue collecting authority (granted through the Ways and Means Committee) expires in 1972.

With a limited amount of money available for our country's transportation needs, it simply does not make sense to put \$4 billion into highways each year and then not have more than \$285 million for mass transit, particularly when the nation's mass transit systems are in such critical need of help and our country is becoming more urban.

A "comprehensive highway program" simply will not solve the transit needs of our metropolitan areas. What we need is a comprehensive transportation program. But, a balanced transportation system cannot be achieved as long as there is such an imbalance in funding and a colossal Highway Trust Fund pursuing a life of its own, isolated from the nation's total transportation needs.

The Department of Transportation was es-

tablished so that the nation's transportation systems could be coordinated; but, surely the Department must be handicapped in carrying out this mandate if each mode of transportation has its own source of funding with funding levels having no inter-relationship.

If we are ever to have an effectively coordinated transportation program, now is the time to stop the extension of the Highway Trust Fund and seek a single Transportation Trust Fund. If, on the other hand, we let the extension of the Highway Trust Fund go through unchallenged, we never will be able to take back the authority at some later time.

The Democrats must at this time demand a re-ordering of our transportation priorities. The highway lobby is a very powerful force in Washington, but I think that the American people are getting tired of having \$4 to \$5 billion poured into the concrete mixers every year so that another one million acres of new land can be cemented over. The taxpayer is tired of such large expenditures for highways while he has to struggle through traffic jams and overcrowded subways each day to get to work and home again. The working man needs and wants mass transit. If the Democrats take up the cause of mass transit, we will have the people on our side as well as the tide of the future.

It should be noted that when the Interstate Highway System was originally contemplated in 1944, its purpose was to provide links between cities primarily for commercial vehicles—and of course to provide an inter-linking network for defense purposes. But, with its construction since 1956 and the concurrent deterioration of public transportation, the greater use of highways has been by cars and in the metropolitan areas by cars for commuter purposes. Such driving is simply a misuse of the automobile and an uneconomical use of the highway. If we do not hasten to correct our mass transit deficit, auto congestion will continue to mount (along with its resultant air pollution) and the highway lobby will justify decking expressways through our cities—a murderous prospect.

So, I urge that we act quickly—oppose the extension of the Highway Trust Fund—seek a single Transportation Trust Fund—now, while the opportunity is still with us.

STATEMENT OF HON. WILLIAM F. RYAN, BEFORE THE COMMITTEE ON NATIONAL PRIORITIES OF THE DEMOCRATIC NATIONAL COMMITTEE, APRIL 30, 1970

I welcome the opportunity to appear before the Democratic National Committee's Committee on National Priorities to discuss our nation's needs and our failure to meet them. This Conference offers a needed focus on this issue, and a lever with which to press for a reordering of our priorities.

This reordering is essential. The expenditure of \$30 billion per year for the war in Vietnam has prevented allocating sufficient resources to human needs. So our first priority is to end the war now; and to curtail drastically the military budget.

This year the President submitted a balanced budget to the Congress. This has been heralded by some as a laudable and commendable feat. However, it is a balanced budget of imbalanced priorities.

The President's budget envisions an expenditure of more than 71 billion on defense. Another \$3.4 billion is allocated to space research and technology. Yet, only a little more than \$8 billion—\$8.129—is provided for education and manpower. Health accounts for \$14.957 billion. The Administration points to \$50.384 billion for what it terms "income security;" in fact, 83 percent of this amount comes out of trust fund accounts and, therefore, certainly reflects no new perception of priorities. An outlay of only \$284 million is envisioned for mass transit; by comparison,

\$4.6 billion—chiefly derived from the highway trust fund—will be expended on highway programs. Only \$1.499 billion is planned for low and moderate income housing aids.

It is safe to say that this budget is balanced in dollars alone; it certainly reflects no perception of the need for funds for health, education, and housing—a need which continues to grow, and which continues to go unmet.

Of course, the Administration's budget requests are only half the story. The actual amounts appropriated by the Congress enact this misperception of priorities into law.

This misperception of our national priorities can no longer continue. The decay of our cities; the inadequacy of the housing that exists and the shortage of new housing; the deplorable state of our educational facilities and lack of teachers and money; the unconscionable inadequacy of health care—these are deficiencies in our society which no longer can be shrugged off by the well-to-do and borne alone by the poor. For the poor will not allow the rest of the population to ignore these ills. And the widespread nature of these problems leaves no one immune from ills which assail us all.

But I do not want to confine myself to generalities. Not that it is not important to state them and re-state them. Growing public awareness will lead to increasing public insistence on their amelioration and remediation. However, I would like to address one specific issue which is the cornerstone of any strategy to eliminate poverty in our nation—income maintenance.

At first glance, it may seem that this is one subject which need not be discussed. The Administration introduced the Family Assistance Plan last year. It was considered by the House Ways and Means Committee and reported out as H.R. 16311. On April 16 this bill was passed by the House, and the Senate Finance Committee will soon begin hearings. I think there is no question that the Senate will pass it, hopefully in significantly improved form, and I expect that we will soon see enacted into law a guaranteed annual income system.

Yet the acceptance of the concept of income maintenance and the implementation of this concept are two very distinct things. I very much fear that, while we have done well as to the former, we have done very badly as to the latter. It would be a major error for the country to settle for this.

This kind of error occurs too often. Congress takes what appears to be a significant step; or the Supreme Court hands down what appears to be a major decision; or the Executive branch promulgates what seems to be a progressive and far reaching administrative regulation; and then the job supposedly is done. Or, at least, everyone assumes it is done.

All too often, the job has barely even begun. For example, Congress passed the Economic Opportunity Act in 1964. Some believed that Act signaled the beginning of the end of poverty in America. Today, there are still 25 million people whose incomes fall below the poverty line, which, of course, is no magic delineator separating the poor from the well-to-do, and which still leaves millions living above the poverty line with barely enough. In 1949, Congress declared as its goal a decent home in a suitable living environment for every American. Today, city slums sprawl across greater areas than ever.

The simple fact is that legislation is only the beginning. Firm, aggressive commitment to administer the law, and money to fund its programs, are necessary corollaries. And if the legislation is weak and deficient to begin with, the barriers to remediating the problems it seeks to solve are even greater.

Let us look at the flaws in the Nixon Family Assistance Program and recognize the pressing need for an adequate income maintenance system. The reason this is so essen-



tial is clear—poverty is an unconscionable disgrace in this land. Every American is entitled, not as a matter of privilege, but as a matter of right, to a decent income, enabling a life of dignity and comfort.

First, I think it is essential that the benefit levels provided for in the Family Assistance Act be raised. Under this bill, the basic allowance payable to a family of four with no other income is \$1600 annually. This amount is totally inadequate. Even given the fact that some states will provide supplementary benefits, there can be no acceptance of a \$1600 level for a family of four without accepting as well that this would be a failure to provide meaningful help to the poor. That this is in fact the case is demonstrated by the statistics showing that only in eight states will families experience a rise in assistance levels.

Yet, according to the Bureau of Labor Statistics, it costs a family of four living on a lower budget \$6771 a year in New York City. Nationally, the National Welfare Rights Organization is calling for a \$5500 level. And according to the Gallup Poll of January 25, 1970, "The average American believes a family of four needs a minimum of \$120 per week (\$6,240 per year) to make ends meet."

While the benefit levels for the aged, blind, and disabled have been improved by H.R. 16311, the levels for families remain the same as in the original Administration bill. And the figures prepared by the Department of Health, Education, and Welfare show how few families are adequately aided under these benefit levels. (Selected Characteristics of Families Eligible for the Family Assistance Plan: 1971 Projections, Department of Health, Education, and Welfare, February 2, 1970.)

Only 301,000 families will rise above the poverty line; 2,708,000 families will remain below it. In addition, 2,082,000 families whose incomes now fall between the poverty line and the low income line will remain there. Only 77,000 families will rise above the income line. The Administration's estimates further reveal that of 9,556,000 children now below the poverty line, 8,416,000 will remain there under the presently proposed benefit levels. And of the 6,946,000 children whose families' incomes now fall between the poverty line and the low income line, only 341,000 will rise above it; 6,605,000 will not.

In brief, the benefit levels proposed by The Family Assistance Act are totally inadequate.

2. Second, the Family Assistance Act must be modified to cover single adults and childless couples. As passed by the House, the bill only applies to families with children. Yet the need of families without children, and single adults, is no less dire.

3. Third, a higher percentage of the costs for state supplementary benefits should be borne by the Federal Government. The Family Assistance Act, as passed by the House provides for 30 percent Federal matching funds. At the least, the matching provision should be raised to 50 percent and, instead of matching state supplemental payments only up to the poverty line, the matching provision should apply to those state payments made in excess of the poverty line, as well.

What is more, the matching provision should not in any way penalize the poor. The bill abolished the provision in the Administration proposal permitting disregard of one-half unearned income. The money (\$600 million) thereby saved was offset by the added expenditures incurred in providing for matching Federal funds. The consequence is to take money from the poor. While the aim of alleviating the burden borne by the states is commendable, it cannot justify denying the poor.

Actually, the solution is to provide for full federalization of income maintenance. Under the present scheme, states which already have made the effort to meet their obligations to their disadvantaged citizens by pro-

viding relatively better AFDC benefits, such as New York, are penalized. Their burden is lightened by 30 percent Federal matching, but the remaining load of 70 percent is an onerous one.

It is clear that Federal matching, if it is to really aid those states which most need Federal moneys because they are most responsibly meeting their obligations, must be far greater than 30 percent provided in H.R. 16311.

4. Fourth, the matching provision for State supplementary benefits should be expanded to apply to those benefits paid to the working poor. As passed by the House, Section 453 precludes Federal sharing in the cost of these benefits. This limitation is unjustifiable for several reasons. For one thing, one of the objectives of the Family Assistance Act is to do away with the distinction between the working and the non-working poor. This objective stems from the penalization which has been imposed upon the working poor by virtue of their being ineligible for welfare benefits in most states. This bill institutionalizes the distinction, rather than obliterating it.

In addition, once again those progressive states which have implemented welfare programs for the working poor—such as New York—even though they received no Federal assistance for such programs, are penalized. They still will not be receiving any Federal funds for these programs, unless the House bill is modified to provide Federal matching for the benefits paid to the working poor.

5. Fifth, the Federal government should assume 100 percent of the costs of the programs for the aged, disabled, and blind.

Only the Federal government has the resources to assume this burden. The states simply are not financially able to meet fully the welfare needs of their citizens. Full federalization not only of the programs for the aged, disabled, and blind, but of the entire income maintenance program, is urgently needed. Provisions should be made for a three-to-five-year phasing-in transition to this end.

6. Sixth, the coercive work requirement embodied in the Family Assistance Act, as passed by the House, should be removed. Philosophically, it is objectionable; forced work is alien to individual choice and freedom. Pragmatically, the fact is that there really are very few persons who would work, but who do not. This coercive work requirement is a misguided approach to a problem which really lies in the failure of the economy to provide places for these potential workers, and the failure of government—Federal, state, and local—to provide adequate job training to enable these people to develop skills which will make them attractive to employers.

7. Seventh, if this coercive work requirement is not to be totally eliminated, at the least it should be modified.

The work requirement for mothers with school age children should be removed. Again, this is a philosophically objectionable requirement. No mother should be required to substitute her care and love for that of day care custodians. We certainly would not conceive of requiring that if mothers with adequate incomes, and there can be no justification for penalizing mothers who have the misfortune—a misfortune thrust upon them, not chosen—to suffer inadequate incomes.

The Family Assistance Act is even discriminatory as between recipient mothers. Those who have a husband receiving benefits are not required to take employment. Those who have the misfortune of being without a husband are subjected to this requirement.

Moreover, practically it instructs us that such a provision cannot work; mothers who object simply will not comply with the requirement that they take employment.

Mitchell Ginsberg, Administrator of New York City's Human Resources Administration, clearly attested to this fact in his speech before the National League of Cities Conference on March 10, 1970.

Finally, this coercive work requirement levied against mothers with school age children is unnecessary. Most mothers do, in fact, seek work, if there are jobs for them and day care facilities for their youngsters. The April, 1970 issue of *Nation's Business*, certainly not a noted liberal magazine, states in an article entitled, "The Great Welfare Debate:"

"Survey after survey has shown that most welfare mothers prefer to work but have been thwarted by the welfare bureaucracy, lack of training opportunities, lack of day care centers for children and lack of knowledge about job opportunities." (p. 60).

The disaster of the last thirty years in the welfare system shows that we cannot settle now for new errors and new inadequacies.

I have devoted considerable time to discussing the income maintenance bill recently passed by the House because I believe it is a seminal piece of legislation. But it also holds within it the seeds of disaster; it may well engender a complacency and satisfaction among those who voted for it totally unwarranted because of its deficiencies. Such complacency would be destructive of any chance for significant reform for years to come.

Moreover, I believe it to be no distortion to view the Family Assistance Act as a part of the Administration's juggling act which tends a little solace for everyone and solution for no one.

It is this policy, or lack thereof, of the Administration which I want to discuss in closing my statement. There is a crisis of the spirit in America, and the misperception of national priorities is the major symptom of that crisis. The basic premise underlying any discussion of national priorities, and the need to reorder them, is a view of the future direction of this nation. And this Administration has, to my mind, no discernable vision—and I mean vision in the best, the progressive, sense of the term—of what America should be, or even what it can be. It has not set any goals, nor even any priorities, really. It is intent on responding to or ignoring the issue of today, and has no vision of what tomorrow should bring.

This is demonstrated by the Administration's actions thus far. Defense spending is cut, but not by much. This offers supposed panacea to those who deplore the bloated defense budget.

Troops are withdrawn from Vietnam—the average is about 12,000 a month, when one breaks down President Nixon's figures, which are spread over steadily longer periods of time. Yet no commitment is made to get out of Vietnam for good. And a secret war is waged in Laos. This withdrawal is supposed to quiet the dissenters—both those who deplore the war on principle, and those who, dealing solely in pragmatic considerations, point out that it diverts needed money from the domestic economy.

Spending on fighting pollution increases, but barely.

The Administration hails our need for improved educational facilities, and then vetoes the appropriation for the Department of Health, Education, and Welfare as being inflationary.

The Administration emphasizes the need for manpower training, and guts Job Corps and Neighborhood Youth Corps.

It retreats from enforcement of school desegregation, offering in its stead a proposal to spend more on racially impacted schools.

The sum of all this is something for almost everybody—each person probably can

find something he approves. But, in return, he is confronted with something negative. One cannot discern where this country is going, except downward, because the Administration is not leading. Rather, it is defaulting to and catering to retrogression. And in the ambiguous, ambivalent twisting and turning, we founder.

Yet the path the nation should be following is not so difficult to see. The ills which afflict us are too apparent. Poverty remains endemic. Pollution poisons our air and water. Housing is deficient in quality and in quantity. Education is underfunded. Health services are desperately inadequate, and shockingly expensive. Civil rights are neglected—and not benignly—and even denied.

Given vision and leadership, the war in Vietnam can be ended; national priorities can be reordered; racism and poverty can be rooted out; the total environment can be saved; and the promise of America can be fulfilled. Let us meet the challenge.

#### A LETTER FROM A FIGHTING MAN IN VIETNAM IN SUPPORT OF THE PRESIDENT'S CAMBODIAN DECISION

**HON. GERALD R. FORD**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. GERALD R. FORD. Mr. Speaker, nearly every day my mail brings me increased evidence that our GI's in Vietnam wholeheartedly support President Nixon's decision to clean out the Communist sanctuaries in Cambodia.

Today, I would like to place in the CONGRESSIONAL RECORD a letter written to his parents by a Grand Rapids, Mich., soldier and forwarded to me here in Washington. The last name is omitted because the parents fear reprisal on the part of persons who are violently opposed to the Cambodian operation. I offer this letter to my colleagues in the House as indicative of GI feeling about our attack on the Communist camps in Cambodia. The letter follows:

MAY 5, 1970.

Hi Mom and Dad: Everything is great over here. I suppose you are hearing a lot about Cambodia. Well, Pleiku is close and we got a build up of 10,000 troops. You should have seen it. Helicopters by the hundreds lined up as far as you can see. You'll see it because I took some movies from the film you sent me.

I don't care what you hear about Cambodia, everybody is backing Nixon. We are tired of playing around here. When we see the build up—it really made us feel good. We are going to bust Charlie in half now if Nixon goes for all, and he should. I didn't think old Nixon had it in him, but I'll support that guy now. He's got my vote. It's about time we gave Charlie what he's asking for. I definitely think the Viet Cong are going to think again.

Everything is going all right over here, except that we are working day and night. One of our pilots, Mr. Stephenson, was hurt a couple of days ago. His plane was shot up pretty bad. I flew with him a couple of times and he's a good pilot. He's now in a hospital, but is going to be okay. He got it in the leg or heel of his foot. He had only 27 days left.

Those movies, I hope, will turn out good because I've got some great shots.

Your son,

DAN.

#### BLACK PANTHER SHOOTOUT LEAVES A GREAT DEAL UNEXPLAINED

**HON. WILLIAM (BILL) CLAY**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1970

Mr. CLAY. Mr. Speaker, in early December 1969, two Black Panthers were killed and four others were wounded by police in a raid at a Chicago apartment.

On December 4, 1969, State's Attorney Edward V. Hanrahan said:

As soon as our men announced they were policemen, occupants of the first floor apartment attacked them with shotgun fire.

The officers took cover and the occupants continued firing at our policemen from several rooms in the apartment.

The Federal grand jury probing the police raid on the Black Panther apartment concluded that only one shot, if any, was fired from inside the building.

Mr. Speaker, this raises some very serious questions about the integrity and credibility of State's Attorney Edward V. Hanrahan. Was he an actual eyewitness to the Black Panther murders? If so, did he deliberately lie about the role of the police? Or was he misinformed about what actually happened? If so, will Mr. Hanrahan pursue the prosecution of the police officers with the same diligence and tenacity that he pursued the prosecution of the Panthers?

I commend the following editorial which appeared in the St. Louis Post Dispatch on May 16, 1970, to the attention of my colleagues:

#### QUESTIONS ON THE PANTHER SHOOTOUT

The dismissal of all charges against the seven Black Panther Party members who survived the great police shootout in Chicago last December may not prove that the police wantonly gunned down the occupants of the apartment, as Panther supporters insist, but it certainly casts enough suspicion on the police version of events that the matter should not be allowed to end with the dropping of charges.

State's Attorney Edward V. Hanrahan said the charges of attempted murder, armed violence and other offenses against the seven were "largely based" on a police crime laboratory report "which identified two expended shells recovered in the apartment as coming from a weapon fired at the police by Brenda Harris," one of the seven. But now, Mr. Hanrahan says more than three months after the indictments, further tests show that the shells did not come from Miss Harris's weapon.

Mr. Hanrahan's explanation leaves a great deal unexplained. First of all, how is it that seven persons were indicted for attempted murder when the evidence against them consisted largely, to use the State's Attorney's own word, of evidence against only one of them—evidence, it turns out, that was erroneous? And the strange business about two laboratory tests on Miss Harris's gun becomes even more unsatisfactory when it is recalled that the police officer at whom she allegedly shot claimed, at first at least, that she fired a shotgun. Ballistics tests cannot be made on projectiles fired by shotguns. And, finally, if evidence gathered by police at the apartment was so faulty it could not be admitted at a trial why was it presented to the grand jury?

The shooting has stopped, but the smoke has by no means cleared. Two Black Panthers are dead, and the black community of Chicago—and in the rest of the nation, too—remains understandably convinced that black citizens, particularly militant ones, are not secure from police oppression. When that kind of feeling is prevalent in a community, hostility on both sides is intensified with every police incident, and violence upon violence is the certain result. Both the interests of justice and the restoration of confidence that our system protects blacks as well as whites require that the Black Panther shootout be investigated further and the full story disclosed.

#### LETTER FROM A STUDENT

**HON. H. R. GROSS**

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. GROSS. Mr. Speaker, a young man in the district I have the honor of representing has written an excellent, thought-provoking letter to the editor of his hometown newspaper, the Clear Lake Mirror-Reporter. He is H. T. Schuler, a sophomore at Clear Lake High School.

He speaks with pride of being called a conservative, one who wants "to conserve the American principles which our forefathers built."

I commend the text of his letter to the attention of my colleagues:

#### PEACE HAS ALWAYS BEEN OUR GOAL

To the Editor:

Peace has always been the goal of, shall we say, the "conservative" Nixon supporters (we, throughout the essay, refers to the "conservative" Nixon supporters). We're called conservative because we want to conserve the American principles which our forefathers built. We're Nixon supporters because he is our President. Therefore, we need no one to tell us to make peace our goal. I'm shocked that someone hasn't yet made peace their goal.

POP (Peace—Our Priorities) should be changed to "President—Our Protest". I feel you people are so un-American. You say let's unite the country, and you say that Nixon is dividing the country. The protesters are the ones dividing the country. If we want peace, we must back our President and leaders. How do you think the colonists won their independence?

I do not object to anyone handing out leaflets. This recipient drew thought from those leaflets. It aroused more disgust in me towards the "bums" and "little children".

Our national budget may allow 70% for national defense (not war). I'm not going to refute that figure, but do you realize where all the money is used? Here are just some of the uses of our national defense money: civil defense, Atomic Energy Commission for research and development, wages for military personnel, Army Corps of Engineers, Panama Canal Zone, Navy and Air Force Wildlife Conservation, Savings Bonds, and national prestige gained by putting the first man on the moon. Just how much does that leave for the war in Vietnam?

Nixon has cut from the amount allotted to national defense. Johnson gave \$81.2 billion to national defense, while Nixon has cut national defense expenditures to \$73.6 billion. Nixon's budget also has a larger income than Johnson's—it is \$201 billion (Which, mathematically makes national defense only



37% of the total budget). Anyway, is your freedom worth the billions of dollars our country has spent to protect your freedom?

We are not judging anyone by the way he looks, but by the way he acts—the way God does. I heard from more than 2 adults over 25 that the “leafleters” were making big fools of themselves, and I wholeheartedly agree.

The weather is sure bad for Nixon. He has the toughest thing going for him right now. There are protesters, campus disorders, riots, anti-Nixon campaigns, and other foul weather things. Yet I don't see Nixon giving up! Let's get behind him.

I'm sick and tired of hearing people make analogies between the American colonies' fight for independence and the dissent of some American people today (American refers to the country in which they live, rather than the ideals which they uphold). The colonists were fighting for American principles and freedom. Today, dissenters and protesters are carrying Communist aid with them. I say this with absolute proof. I was in a group discussing today's problems, at one of our colleges. The particular boy we were talking to was a protester, dissenter, and what he calls an organizer. He admitted that he was an atheist. Communists don't allow Christian worship. He even went farther, he said that their campus leader was a Communist. Proof that the protest and dissents today are instigated by the Communists. The Communists said that they would take over the country in the 70's without firing a shot. Warning: They're doing it! Watch out!

You know, you take off the lid to reveal the Communists, but the people won't look in. They're too bull-headed. They don't think the Communists can take over. I guess you just have to break the whole jar so the people have to look. The Communists will do that for us when they take over.

We don't have to protest to make ourselves known. We talk with the people, we use the media peacefully, and go through our democratic political set up, to make ourselves known.

Minority groups of yesterday used the political system to make themselves heard. They made progress because they were fighting for American principles. We say you can work through the political system to make changes for American principles.

Most kids under 21 are too immature to make mature decisions. It can be seen by the unrest in America—a majority causing the unrest is the American youth who can be swayed by the cunning Communist leaders in our country. I hope these “kids” will someday learn that Communism is wrong.

In world cultures class at school, I learned that freedom of belief and freedom of speech is the power to believe and say anything without being injurious to others. Therefore, I believe Communism should be outlawed in the United States because Communism is going to be injurious to me. I will not be able to go to church, vote for the man of my choice, or do as I please. I highly commend Mr. Huntington (our high school principal) for his conduction of school matters and not allowing protesters to hand out leaflets on school grounds. School is not the place for protesters—colleges or high schools. School is a place to learn. As Vice-President Agnew said, those who aren't there to learn should be weeded out.

This country was built on the American principles we have now. I don't want to force my ideas on anyone, but these American principles should remain for the good old Americans. If you don't like these American principles, don't change them for those who cherish them. You are free to go to another country which believes in your principles; in Russia or China, those who don't believe in Communism can't leave. Think about it!

H. T. SCHULER,

Sophomore, Clear Lake High School.

## CAMPUS HERO GETS PLAUDITS

HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. ICHORD. Mr. Speaker, college campuses across our great country are today being disrupted by students who are more intent on promoting discord and violence than on receiving an education. These militants represent only a small minority of the total number of students in our colleges. The great majority of our college students are sincere, hard-working young people who are trying to prepare themselves for the future. But on many campuses, these students have had their education disrupted and delayed for months by senseless acts of violence.

It was with great interest that I noted a recent article in the Chicago Sun-Times telling how Bill Pierson, an outstanding athlete at San Diego State College, stopped a group of dissenters from lowering the U.S. flag at the college to half staff. Pierson, who stood his ground between the flag and 150 campus demonstrators in spite of being threatened with violence, told the demonstrators:

I fought for that flag and I am going to college because of what it stands for.

Mr. Speaker, it is refreshing and encouraging to know that there are students, like Bill Pierson, who have the intestinal fortitude to stand against destructive minority forces on our Nation's campuses to reassert faith in America and to help assure the uninterrupted educational process for the vast majority of students.

I submit the article from the May 15, 1970, issue of the Chicago Sun-Times for inclusion in the CONGRESSIONAL RECORD as follows:

### CAMPUS HERO GETS PLAUDITS

SAN DIEGO, CALIF.—A husky football star who stood alone between the U.S. flag and 150 campus demonstrators for three hours says he can't believe the favorable public response to what he did.

"I'm overwhelmed," Bill Pierson said Thursday. Since the incident Monday, Pierson says he has received hundreds of telephone calls, letters and telegrams from across the United States commending him.

The school's athletic department reported many favorable calls, including offers of financial help if Pierson needed any.

### MARKETING MAJOR

Pierson, a senior marketing student, was walking from class when he spotted dissenters lowering the flag at San Diego State College to half-staff.

The 6-foot-3, 250-pound ex-sailor raised it back to the top and stood his ground while being threatened with fire hoses and chemical sprays.

"I was born under that flag," Pierson told the demonstrators.

"I fought for that flag, and I am going to college because of what it stands for."

### NOT ATTACKED

Although he was never attacked, he said: "I wouldn't have moved if they had."

Pierson, 23, of Arlington, Tex., an All-West Coast center, joins the New York Jets professional football camp July 14. He has a wife and a 3-year-old daughter.

## WHAT THE GI'S THINK OF THE PRESIDENT'S MOVE INTO CAMBODIA

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. ARENDS. Mr. Speaker, since the President's decision to eliminate the Communist sanctuaries in Cambodia along the border of South Vietnam there has been a deluge of comment, verbal, and written, on this limited military operation.

But what do our GI's in South Vietnam think about this concentrated move against these sanctuaries? They are the ones most affected. They are the ones whose lives have been endangered by Communist forays from these sanctuaries. They are the ones who are called upon to participate in their destruction.

I submit for publication in the CONGRESSIONAL RECORD a report of their reaction which appeared in the June 1 issue of the Republican congressional committee's weekly newsletter:

### EVERY GI I TALKED TO BACKED THE PRESIDENT

(NOTE.—Entertainer Johnny Grant recently returned from visiting GI's in Vietnam and on the Cambodian border. After he reported to President Nixon on his trip, the Newsletter interviewed him. Here are excerpts of the taped interview.)

You apparently arrived in Vietnam just a couple of days after the President's announcement about Cambodia. What reactions did you find from the troops?

I started asking questions as soon as I got there. I was very happy to learn that every GI I talked to backed the President. They were like a bunch of happy tigers that had been caged up. They knew the advantage to the Viet Cong having the sanctuaries in Cambodia. They could set up all that stuff there and just fire like you-know-what at our guys and run back across the line and our GI's weren't allowed to fire back at them or go after them. So the GI's were happy with the President's decision.

I felt it was my duty, after hearing over the radio over there and reading the newspapers and learning about the tremendous beating the President was taking from the press, that someone should come back and tell him. I was in the hospital [visiting] over there and a GI said to me, "For God's sake, will someone let the President know that someone is behind him—us." So I decided to deliver that message, and he was very happy to get it.

I talked to some of the men that had been wounded, and I didn't find one who thought that the President hadn't done a fine thing. Many of them talk about their younger brothers. They all want to get this over and put a finish to it so their younger brothers back home don't have to come over and go through what they have.

How did the GI's react to the demonstrations that we've had in this country protesting U.S. policy in Southeast Asia?

Well, they consider it a slap in the face to them as well as to the President. They feel for once they can fight the enemy on an even basis.

I feel that we have set the Viet Cong back a year; some people are saying nine months, but I saw part of that [captured] stuff and I would have to say a year.

These young people [GI's] don't seem to understand these politicians and don't un-

derstand the papers that are continually blasting the President and the Administration for giving them the go-ahead. This is the generation of truth, this is the generation of honesty, and I think they can stand the bad news as long as you are telling them the truth.

There have been many comments to the effect that the President has not communicated with the young people. Did you sense any reaction over there to these comments?

I thought the President showed great faith when he got up early to visit college youngsters at the Lincoln Memorial. I guess he's had many sleepless nights. But GI's thought it was a great thing that he got up and that he went over to the monument. I am finding more and more Nixon fans. I got on a commercial airliner to come from Honolulu to San Francisco and there were quite a few Los Angeles people on there and we started a conversation. Right away, two men admitted that when the President made his Cambodia announcement, they were anti-Nixon, anti-everything. And after a week or 10 days had gone by, two of them said they sat down and wrote the President supporting him. I think he is winning people over.

HON. JOHN W. McCORMACK

Hon. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 26, 1970

Mr. MONTGOMERY. Mr. Speaker, countless times I have said those two words, Mr. Speaker, when I was really addressing myself to the entire membership. But this time, Mr. Speaker—Mr. McCORMACK—my remarks are directed to you and for you, although I feel sure the other Members will join with me in the sentiments I have to express.

Being a relatively new Member of this body, I feel somewhat cheated since I will not have the privilege of working with you for many, many years as a goodly number of my colleagues have. But I will cherish always our past relationship and friendship. Speaker McCORMACK, there has not been enough time for us to form an extremely close friendship and I regret this. But I still feel close to you and appreciate your privately spoken words of encouragement and your personally handwritten notes that have meant so much to me.

Before coming to Congress, the name JOHN McCORMACK was just a name to me of a man who wielded a great deal of influence for good and progress in our American Government. But since I have been privileged to become a Member of the House, I have found that there is also a great person behind the name of JOHN W. McCORMACK. A man of great humility and warmth. A man of compassionate understanding and decisive judgment. A man who enjoys the lighter moments of life as much as he does a good fight for what he believes is right. A man who has never shied away from his sometimes overburdening duties and responsibilities as a Representative of the Ninth District of Massachusetts and Speaker of the U.S. House of Representatives. Speaker McCORMACK, we really owe a debt of grati-

tude to your constituents also, since they have been willing to share you with all the people of America.

Come next January, you may not be in our presence, but your presence will be felt in this Chamber by my colleagues and myself. For this we are grateful.

Speaker McCORMACK, there are really no words to express our deep feeling of gratitude and sense of loss over your retiring from public office. So I simply say, thank you Speaker McCORMACK, thank you very much for a job well done.

#### THE SUCCESSFUL LIFE OF ESTHER BROWN

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. BOLLING. Mr. Speaker, the following fine editorial from the Kansas City Times of May 26, 1970, describes very well what just one person can do in our society.

Esther Brown's death is a loss to our Nation and to democracy itself.

The editorial follows:

#### THE SUCCESSFUL LIFE OF ESTHER BROWN

Mrs. Paul Brown was a beautiful woman, but beautiful women are not uncommon. Her beauty was that also of a unique spirit. Her death Sunday was a loss to all mankind, for she spoke for, and to, the best of humanity. Her life changed the lives of unknown numbers of thousands. Some 1,400 of these can be counted—the women who serve on almost a hundred Panels of American Women. By narrating their experiences in discrimination before thousands of audiences they have become more devoted and effective citizens. They are the humane activists who influence others by pleasant and reasonable, if sometimes firm, demands to officials for reform.

Esther Brown could be very firm indeed in her personal relationships and in her profession as national head of the panels. She insisted that the panels be carefully structured to reach the hearts of audiences. She had faith that hearts once touched would respond actively if only in their own families and neighborhoods. Few persons who have heard a panel program—consisting of four brief talks followed by general discussion—will forget how moving was a young Negro housewife's account of growing up in white America—or the Catholic housewife or nun, or the Indian, Jew, Oriental... or sometimes the white Anglo-Saxon Protestant.

She seemed a typical suburban housewife when in the 1940s she was appalled to discover the schooling offered to her maid's children. She believed, naively perhaps, that her neighbors would encourage her in efforts to help Negro children. But she had to go to court to get that situation changed, and she went on to prod the N.A.A.C.P. into bringing the now famous Brown vs. Topeka case to the Supreme Court.

The result was the 1954 decision on school segregation. The historian of that case, Hugh Speer ("The Case of the Century"), presented her a copy of his book in which he wrote "With my compliments to the white Mrs. Brown of the Topeka case. If Abe Lincoln were around to shake your hand, he no doubt would say something like he did to Harriet Beecher Stowe, 'Is this the little woman who started it all?'"

The last two and a half years of her life were counted in days of discomfort, for she was a victim of cancer. Many of these days and weeks were lived in hospitals, but her spirit never faded away with her life. She worked, even when hospitalized, by telephone.

A friend once said at a testimonial dinner that if there were some way to plug Esther Brown into the world she would light every dark place.

She did light up thousands of individuals, and they will continue to light up dark places with their changed lives. Her death, though grievous to many, marked the end of the life of a beautiful woman, and that was inevitable. She lived successfully.

#### CITATION FOR THE HONORABLE MILTON RUBEN YOUNG

HON. MARK ANDREWS

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. ANDREWS of North Dakota. Mr. Speaker, last Saturday, the 30th of May, Jamestown College, a very fine private liberal arts school in Jamestown, N. Dak., presented our State's senior Senator with an honorary degree *Litteris Humanioribus Doctor*, *honoris causa*. The Honorable MILTON R. YOUNG richly deserves this tribute, a fact made clear in the citation read on this occasion. I insert in the RECORD at this point this citation so that my colleagues and the Congress as well as others may know of the esteem we in North Dakota have for Senator YOUNG:

#### CITATION FOR THE HONORABLE MILTON RUBEN YOUNG

Mr. President: I have the honor and pleasure to present to you a man who, from his youth, has been a distinguished public servant.

The Honorable Milton Ruben Young, a native of North Dakota, was for two years a member of the North Dakota House of Representatives, for some eleven years a member of the North Dakota Senate, and for twenty-five years has represented the State of North Dakota in the United States Senate. With the completion of his present term of office, he will have represented his State in the United States Senate longer than any other Senator from North Dakota.

Through these years of public service he has shown a persistent and intelligent concern for the interests of human beings, especially for the interests of the people of North Dakota. Among his many contributions to the Nation and to the people of this State, we may call attention to his efforts in making possible the Jamestown Dam and recreational facilities in this area and in the city of Jamestown, his effective support of the establishment of the Northern Prairies Wildlife Research Center in Jamestown and its Woodworth substation, and his untiring work to secure the participation of the Federal Government in the lengthening of the runway of the Jamestown airport to accommodate jet planes.

We may remind you further of his courtesy in assisting representatives of Jamestown College whenever they were in Washington to confer with Government agencies in the interests of the college.

We esteem Senator Young as a man of judicious wisdom who, for many years through direct engagement in the affairs of



state, has shown such a keen appreciation of the conviction that government is for the people, and so kind and compassionate a sensitivity to the needs of others, that he has proven himself to be a true and worthy servant of humanity.

Therefore, Mr. President, it is my honor and pleasure to present to you the honorable Milton Ruben Young, asking that, by virtue of the authority vested in you, you confer upon him the degree of *litteris humanioribus doctor, honoris causa*—the honorary degree of doctor of humane letters.

Given at Jamestown College, Jamestown, North Dakota, this thirtieth day of May, in the year of our Lord nineteen hundred and seventy and of our college the eighty-sixth.

ROY JOE STUCKEY, Ph. D.,

President.

JOHN L. WILSON, Ph. D.,

Chairman of the Board.

WILLIARD W. STRAHL, D.D.,

Chairman, Faculty Committee on Honorary Degrees.

## NATIONAL DAY OF TUNISIA

### HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. DIGGS. Mr. Speaker, on June 1, Tunisia will celebrate its national holiday. The day marks the anniversary of Tunisia's successful recovery of its internal autonomy after a protracted and bitter struggle with France.

In the 14 years since independence, Tunisia has attained an almost unique position among the new nations of Africa and Asia. With few resources, and despite a series of natural catastrophes—most recently the disastrous floods of 1969—Tunisia has achieved an impressive rate of economic growth and social development. In excess of 25 percent of its gross national product is reinvested each year. Over 30 percent of the national budget is spent annually on education, with the result that today almost one in every four Tunisians is in school. Development has taken place with unbroken political stability, reflecting the self-discipline and dedication of the population and the wisdom of its leadership, particularly that of its President, Habib Bourguiba. The uniqueness of the Tunisian experience has been recognized abroad, and because of it, Tunisia has been able to add the cooperation of many nations, the United States included, to its own considerable efforts.

On June 1, 1955, Habib Bourguiba returned to Tunisia from exile, bringing to a close his country's battle for independence and beginning the equally difficult struggle for development. At this time he is returning after a long and serious illness. I hope his recovery is complete and that he will enjoy many more years in the service of his people.

The American people are proud of their long record of friendship and close association with the people of Tunisia. We will continue to follow with great interest the cause and progress of their nation.

## SOME MEMBERS OF GETTYSBURG COLLEGE FACULTY ACT WITH MATURE DELIBERATION

### HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. GOODLING. Mr. Speaker, there are those who react hurriedly and without much thought under certain circumstances, only to regret their actions later.

The following was not a "spur of the moment" production but rather one that was given mature deliberation. It tends to unite rather than divide. We need this type of thinking in today's troubled world.

I commend it as a guide to those who act today and think tomorrow:

We, the undersigned, members of the Gettysburg College Faculty, acting as individuals, wish to disassociate ourselves from the motion passed by the faculty at its meeting on Friday, May 8. We take this position for the following reasons:

1. We are not convinced that the matter at issue last Friday is properly the business of the faculty. We reject the motion that the faculty as a corporate body should speak out on matters not clearly entrusted to it by the charter of the College. This is to say that we defend the right and duty of individual faculty members to express themselves on any matters on which as citizens, they have a deep concern or special competence. But, in our judgment, a directive on military tactics addressed to the President of the United States is not the business of the faculty acting in its corporate activity. It seems to us that if the college faculties across the land take collective action on matters clearly within the political area the consequences to American higher education may be exceedingly harmful. The peculiar contribution of higher education in this country is to act as a critic of society. Once its agencies become political, they run the risk of forfeiting their role as critic.

2. If the substantive matter at issue was in our opinion the business of the faculty, we would still be opposed to the motion passed by the faculty.

3. We all look forward eagerly to an end to the Indo-China War and a return of all of our men to our shores. But we fear the international consequences and ultimate domestic repercussions of a precipitous and irresponsible withdrawal of American troops from South Vietnam. We are anxious that the debate over this issue not be construed as between those who favor war and those who favor peace. We are aware that a peace gained at the expense of the stability of Southeast Asia would hardly be an enduring one or worth anything in the long run. We support the goal of establishing international guarantees of the neutrality of this area. An "immediate withdrawal" would dissipate all chances of accomplishing this end and would surely imperil the future independence of the Philippines, Indonesia, Thailand, and other states in Southeast Asia.

4. We are prepared to accept as sincere the statements of the President that he desires to end the war as soon as possible and also that the move into Cambodia is designed to bring this about. Because his course is one fraught with great risk we have certain reservations about it. However, we are prepared to support the President on the assumption that his motives are those which he has stated publicly. In any event, there are

established ways to hold him responsible for his actions.

5. Therefore, as individuals, we call upon President Nixon to withdraw all American troops from Cambodia as soon as the present military operations there insure the safe withdrawal of American troops from South Vietnam. We further call upon him to withdraw American troops from South Vietnam at a rate commensurate with their safety and security. At the same time we urge the President to seek the establishment of international guarantees of the neutrality of Southeast Asia which, hopefully, will give the people of that area some chance of working out their own destiny.

6. We take this stand because we believe that the United States has the best chance of any nation to exercise a leadership of the free world, a leadership looking to countering forces of international anarchy from whatever source they might stem.

7. During the past ten days many students have expressed their deeply held views about the events here discussed. Many of them demand peace now. It should be clear that dissent is one of the ways in which we have moved our life along. We count upon dissent as a major way to make possible fruitful change. But it should also be clear that when individuals band together to express their dissent in ways which the community regards as immediately threatening its peace and safety or the life and property of individuals, force is likely to be met with counter-force. Regrettably, innocent bystanders may be injured, even killed. There exists a way out of this dilemma other than revolution and violence. That is by the exercise of restraint on the part of all of us. Only in that way can change be both constructive and enduring.

## SIGNATURES

Robert L. Bloom, Lillian S. Jackson, M. S. Moorhead, J. Slaybaugh, Paul Balrd, Conway Scott Williams, Sherman S. Hendrix, William F. Railing, Charles Pineno.

Waldemar Zagars, Charles H. Glatfelter, George H. Fick, Edwin D. Freed, E. B. Martin, Russell S. Rosenberger, Robert Frying, A. W. Butterfield, Joseph R. Scheer.

Bruce W. Bugbee, Guillermo Barriga, Lois G. Bowers, Robert D. Smith, Howard G. Shoemaker, Eugene M. Haas, Robert G. Holton, Gareth Biser, Chas. W. Chronister.

Ray R. Reider, James W. Sauve, Jr., Edmund R. Hill, Richard T. Wescott, Kenneth R. Raessler, William C. Darrah, Robert E. Butler, Neil W. Beach, Louis J. Hammann, Carey A. Moore.

## AN EXPLANATION

### HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. JACOBS. Mr. Speaker, my attendance at a conference on welfare and a conference on the problems of the aging, both held last week in Indianapolis, required my absence from the House during the consideration of the social security amendments of 1970.

Had I been present I would have voted "no" on the adoption of the closed rule. While I would have supported the effort to replace the 5-percent increase with a cost-of-living increase provision, I do support the bill in its final form and would have voted thusly on final passage.

## BLOODY DAY AT KENT

## HON. PAGE BELCHER

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. BELCHER. Mr. Speaker, under leave granted, I insert in the RECORD the following editorial entitled "Bloody Day at Kent" which appeared in the Tulsa Tribune, May 5, 1970:

## BLOODY DAY AT KENT

In one of the last places you would expect it—a moderate-sized state university featuring a beautiful tree-lined campus in a small Ohio town—bloody rioting erupted Monday between demonstrating students and the National Guard.

The troops, defied, struck with rocks and bottles, began shooting back at a mob that had previously set fire to the ROTC building and cut firemen's hoses. As a result, two male students and two coeds are dead. The tragedy at Kent University is unprecedented in the long history of American public education.

But the technique that resulted in the shootings is not new. It is old in the strategy and tactics of communism. And even before communism became a political force in the world it was pretty well polished by revolutionaries of all stripes.

The technique is to gather a crowd which will form anywhere excitement is promised, turn the crowd into an angry mob by impassioned oratory, goad the mob into defying authority, press the authority to react violently, and then use that reaction to complete the radicalization of spectators and neutrals.

All this has been carefully spelled out in the manuals of the SDS, the Black Panthers and others who see in the disintegration of the university communities a fine opportunity to develop a coming revolution.

Seven years ago The Tribune editor, picking up New Left Notes in a bookstore near the University of Wisconsin campus, read the blueprint for turning collegians against their parents and the universities against the state.

From the radical point of view the best thing about the bloody affair at Kent yesterday was the fact that it handed to the authorities an unacceptable dilemma. It gave authority the option of retreating to permit the anarchists to take over, or of not retreating and then being forced to shoot.

Either way, the radicals could hardly lose. For their end purpose was to destroy the university as a teaching institution and to turn it, as many of the South American universities were turned years ago, into a cadre for revolution. They won on both counts—they had their "atrocities" and they got the school closed indefinitely.

The only possible cure for this is a belated understanding by the American people of what is going on. This is not campus hijinks. This is not even a convulsion of youth, distressed at the imperfections of society—although many students think that's what it is.

What is going on is the fruition of careful plans laid years ago—plans that included the gradual takeover of many college newspapers by dedicated Marxists, the conditioning of student attitudes by hyperbole and half-truths, the freezing onto university payrolls in the name of "free speech" avowed revolutionaries like Angela Davis and Professor Marcuse, the progressive cowering of the faculties and the establishment to the principle of amnesty for student rioters, whatever the provocation.

The American people had better understand what this is.

It is not a battle between students and guardsmen.

It is a battle between seasoned professionals and the American democratic tradition.

And it's for real.

## RESOLUTION ON KATYN FOREST MASSACRE

## HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. MADDEN. Mr. Speaker, on Saturday afternoon, Memorial Day, I addressed the convention of the Polish-American Congress of the Eastern District of Pennsylvania and the National Polish Army Veterans Convention at Independence Hall in Philadelphia in commemoration of the 30th anniversary of the Katyn Forest massacre, one of the most infamous international crimes in world history.

In the winter of 1940 approximately 15,000 of the then free Polish leaders and intelligentsia were massacred by the leaders of the Soviet Union in the Katyn Forest area.

In 1952 the House of Representatives passed House Resolution 390 creating a special congressional committee to investigate this international crime. In 1942 after finding the mass graves in the Katyn Forest, where the bodies were buried, the Soviet sent out propaganda over the world that they were not guilty of this infamous crime. In 1952, after holding hearings in this country, England, and the Continent of Europe, the unanimous findings of the special congressional committee placed the guilt on the leaders of the Soviet Union for the commission of this international crime in order to permanently enslave the people of Poland.

Mr. Speaker, I include with my remarks the resolution adopted by the Polish-American Congress of the Eastern District of Pennsylvania and the Polish Army Veterans at their convention last Saturday, Memorial Day 1970.

## SOVIET GUILT

We, the Polish American Congress of the Eastern District of Pennsylvania and the Polish Army Veterans here in convention from the entire free world are gathered here together at Independence Hall in Philadelphia in commemoration of the 30th anniversary of the infamous Katyn Forest massacre on this May 30, a day set aside by the American nation to pay homage to its fallen soldiers do hereby resolve as follows:

Whereas on September 17, 1939, the Soviet Armies under the guise of friendship and assistance crossed the Polish borders and occupied the Eastern part of Poland.

Whereas from September of 1939 through March of 1940, the Soviet forces, now firmly allied with Hitler's Nazi hordes, executed a well organized plan to separate Polish Army Officers and intellectual leaders into three special prison camps in Soviet Russia—Kozielek, Starobelsk and Ostaszew.

Whereas in March of 1940 the Bolshevik Secret Police brutally mutilated and massacred 4243 Polish officers, intellectuals, clergy and students from the Kozielek camp in the Katyn Forest near Smolensk, U.S.S.R.

Whereas on April 13, 1943, this massacre

was announced to the world by the German armies, who had previously been allied with the Soviet Union in their aggression against Poland, when the graves were discovered.

Whereas this horrible and barbaric crime of genocide against humanity and the Polish Nation went unheeded and unpunished until September 18, 1951 when a select committee of the United States Congress was formed to investigate and study the facts, evidence and circumstances of the Katyn Forest massacre.

Whereas after extensive investigation and voluminous testimony it was the unanimous conclusion of this select committee that the Katyn massacre did occur, that the Soviet forces alone were responsible and further that the Soviet forces had also brutally executed those who had been interred at Starobelsk and Ostaszew reaching a grand figure of 15,400 murdered.

Whereas this select Congressional Committee recommended that the President of the United States and the State Department lay this indictment with all the documentary evidence before the United Nations General Assembly and that eventually the case be brought before the International Tribunal in the Hague.

Whereas nothing has been done to implement the recommendations of this Committee to date.

Now therefore, be it resolved so that crimes against humanity shall not go unheeded and that justice be served we implore the President of the United States, the Congress and the State Department to implement the recommendation of the Select Committee of the United States Congress of 1951.

We further resolve that copies of this Resolution be sent to the President of the United States, Secretary of State and Senators from Pennsylvania and appropriate Congressmen.

EDMUND PAWELCZAK

Chairman of Resolution Committee.

HENRY WYSZYNSKI

President, Polish American Congress of the Eastern District of Pennsylvania.

## MARYLAND MAN KILLED IN ACTION

## HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. LONG. Mr. Speaker, Pfc. Darrick Sudler, a fine young man from Maryland, was killed recently in Vietnam. I would like to commend his courage and honor his memory by including the following article in the RECORD:

## MARYLAND MAN KILLED IN ACTION

Pfc. Derrick Sudler, 20, of Cambridge died May 5 in a grenade explosion.

Pfc. Sudler was drafted in October 1969. He graduated from Mace Lane High School in Cambridge with the class of 1967 and attended Maryland State College in Princess Anne for two years.

In high school he had been a member of the glee club and was active in drama production. He was studying vocational education at Maryland State and wanted to become a shop teacher.

He served at Army bases in North Carolina and Alabama before he was sent to Vietnam in mid-March 1970. He was attached to the 1st Cavalry Division there.

Survivors include his father, Sherwood Sudler; his step-mother, Mrs. Hester Conaway, and a sister, Mrs. Ernie Jarman, all of Cambridge; two brothers, Sherwood Jarman, of California and Lemuel Chester, of Cambridge, and his mother Mrs. Sophia Jarman of Wayne, Pa.



# THE ROAD TO KEEP: THE STORY OF PAUL RUSCH IN JAPAN

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. MATSUNAGA. Mr. Speaker, in his essay on self-reliance, Emerson wrote:

An institution is the lengthened shadow of one man.

This could well be said of Dr. Paul Rusch, himself an institution in the Episcopal Church in Japan, whose efforts brought into being KEEP—the Kiyosato Educational Experiment Project.

KEEP, located on 900 acres in the mile-high mountain country of Yamanashi Prefecture in central Japan, is a remarkable illustration of practical Christianity at work in rural Japan. Without a doubt, Paul Rusch's dynamic force has been the single most important factor in the development of this teaching project which is demonstrating to Japan's population of 100 million how food, health, faith, and hope can be achieved by teaching people how to help themselves by doing. By this practical demonstration of democracy at work on a small community level, KEEP has developed as a model for the modernization of agriculture on land high above the rice-growing area. KEEP has also shown the way for the improvement in the quality of life for thousands of villagers in those remote highlands.

The story of Paul Rusch in Japan has been beautifully told in a heartwarming book by Elizabeth Anne Hemphill, entitled "The Road To KEEP," published by John Weatherhill, Inc., of New York and Tokyo.

In the foreword to the book, the Honorable Edwin O. Reischauer took note that the relationship between Japan and the United States was one unique in world history—

Never before have two great countries of East and West had such close, diverse, and manifold contacts.

The former Ambassador to Japan further noted that—

Paul Rusch is one very remarkable individual who has played a large role in this relationship during more than four decades.

What is immediately impressive about "The Road To KEEP" is the rich detail which Mrs. Hemphill has interwoven in her story about this extraordinary man who guided KEEP through hardship and disaster to its present vital and thriving existence. She particularly brought to life the intensely human side of this "reluctant missionary" whose jubilant soul radiates such charm, and whose indefatigable energy, drive, and determination have brought about the realization of a great dream.

I was also impressed by the wide scholarship evidenced in "The Road To KEEP." Mrs. Hemphill revealed many fascinating sidelights on the history and customs of Japan and its people. She also recounted numerous anecdotes about Paul, including his hilarious voyage from

the United States to Japan with that one Jersey bull which was the progenitor of the vast dairy herd now stocked by farmers in the rock-strewn meadows of Yamanashi Prefecture.

The roads traveled by this "spiritual Wizard of Oz" are many, and all are interesting to follow. We lived through and participated in many fateful events since that day in 1925 when he arrived in Japan to help restore the YMCA buildings destroyed by the Great Kanto Earthquake of 1923, and the author treats them all faithfully and objectively.

Paul Rusch recently celebrated his 72d birthday in his mountain home at the end of the road to KEEP. His zeal and enthusiasm remains undiminished, although his mighty heart now needs the aid of a "Chicago installed pace-maker."

A birthday greeting to Dr. Rusch from one of the KEEP children is indicative of the love that flows from and to this vibrant individual who has sought throughout his life to bring about a fairer and fuller life for the people of Japan:

We wish your happy birthday from our heart. We are glad we are able to have a birthday party for you here, like last year. Please continue your wonderful work for people. We still study hard and try to be great people, as you have been. We want to follow your teaching and your spirit. We will carry on your dream and vision with our love to you. With our hands and mind we will show what brotherhood of man means to people, until you and we can see peace on this earth and in our hearts. Paul-sensei, our beloved otosan of KEEP, every one of us, father, mother, and children, even all of the animals hope and pray that you live many more years.

Mr. Speaker, I commend the book, "The Road To KEEP, The Story of Paul Rusch in Japan." It is a rare tribute to a rare individual whose service to mankind has endeared him in the hearts of countless friends in every walk of life in every corner of the world.

To those of us who regard Paul Rusch with such affection, it is good to know that his story, and the story of KEEP, can be shared with others through the pages of this excellent book.

I recommend that my colleagues travel down "The Road to KEEP." They will find it an inspiring and exhilarating experience.

## QUESTIONS ON VIETNAM: II—RELIGIOUS FREEDOM

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. FRASER. Mr. Speaker, some have argued that we are in Vietnam to guarantee democratic freedoms, particularly religious freedom, to the people of Vietnam.

Answers to the following questions posed by the Committee of Concerned Asian Scholars at Cornell University, however, reveal the repressive and brutal policies of our South Vietnamese allies.

The questions and answers follow:

## QUESTIONS ON VIETNAM

3. Hasn't religious freedom been destroyed in North Vietnam? Didn't large numbers of North Vietnamese Catholics have to flee the North in 1954 to escape religious persecution?

The Geneva Agreements of 1954 provided that civilians living in one of the temporary regroupment zones on either side of the 17th parallel could move to the other zone if they wished to do so.

Approximately 700,000 Catholics (3% of the Catholic population of the North) did move from northern Vietnam to southern Vietnam in accordance with this provision. They were urged to do so by the Roman Catholic hierarchy (which may not have fully trusted the Ho government's guarantee of religious freedom) and by an intensive U.S. psychological warfare campaign—which utilized such slogans as "The Virgin Mary has gone to the South."

(The U.S. government provided more than \$70,000,000 for transporting these Catholic refugees and resettling them in the south.)

Also, at that time a Catholic, Ngo Dinh Diem, had been installed as Premier in the south, and many Catholics (particularly those who had been closely identified with the French) believed that their opportunities for high position would be greater in the south than under the strongly nationalist government in the north.

In fact, these Catholic refugees from the north did provide the core of the political support of the Diem regime, and were given highly privileged positions in it.

While it is reported that the freedom of Catholic lay organizations is greatly reduced in the north, Americans and others who visited that area report that Catholic churches are open and Catholic priests are free to carry on their religious activities.

They also report that a number of churches were destroyed during the U.S. bombing of the north.

(See the recently published book by N.Y. Times staff correspondent Harrison E. Salisbury, *Behind the Lines—Hanoi*.)

4. Isn't the United States defending religious freedom in South Vietnam?

Since 1954, the South Vietnamese government has consistently pursued a policy of discrimination and persecution against the Buddhists who constitute 80% of the South Vietnamese population.

From 1954-1963, President Diem, a Catholic, relied on the Catholic minority (10% of the population) to maintain himself in power. Under his regime, the Catholics accumulated power and wealth at the expense of the Buddhists. The Buddhists were relegated to the status of second class citizens. President Diem's oppression drove the Buddhists to revolts which were savagely repressed. To dramatize their plight, a number of Buddhists immolated themselves. In 1963, a group of generals who were antagonized by Diem's suppression of the Buddhists carried out a coup d'etat and overthrew him. But the plight of the Buddhists did not end with Diem's overthrow. Because they demanded a government free of foreign influence, they were looked on with suspicion by the U.S. Embassy in Saigon and the South Vietnamese generals. In 1966, the Buddhists carried out a struggle movement to demand that the generals relinquish their power, that a provisional civilian government be set up to draft a Constitution and conduct free presidential and congressional elections. In response, the Saigon government attacked pagodas, killed and wounded hundreds of Buddhists, arrested thousands more, including a large number of monks. The American military in Vietnam at the time helped the Saigon government by providing transportation and logistical support to the troops of Marshal Ky engaged in the bloody repression of the Buddhists. Since then, many Buddhist

leaders have been arrested and imprisoned without trial, and many others have had to flee the country to escape arrest.

At present, what we have in South Vietnam is a Diemist government without Diem. President Thieu, Premier Tran Thien Khlem, Foreign Minister Tran Van Lam, to cite a few in the government, are all Catholics and were trusted officials of President Diem's. President Thieu has set up a party composed mostly of former members of the Can Lao Party of President Diem. The South Vietnamese Congress is dominated by the same group of Catholics who used to be in power under Diem. The government continues to distrust the Buddhists and discriminates against them because they favor meaningful negotiations with the Communists and restoration of peace. The Buddhists are attacked by government troops when they go into the countryside to work for the welfare of the peasants. Many of them have been wounded and killed in circumstances which clearly implicated the Saigon government. Thieu's oppression of the Buddhists has recently increased. At the end of April, government troops attacked a pagoda in Saigon; a number of nuns and monks were killed, and 50 Buddhist laymen wounded. The Thieu government has rushed 4 battalions of troops into Saigon to suppress any demonstrations by the Buddhists and students, that might break out as a result of this reprisal.

#### IN TRIBUTE TO THE SPEAKER

#### HON. JOE D. WAGGONER, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 26, 1970

Mr. WAGGONER. Mr. Speaker, I am sure that there is no question in the mind of our distinguished Speaker or in the minds of any of my colleagues about my respect for the gentleman from Massachusetts who has served the Nation here in the House these past 41 years. I have expressed that respect and admiration a number of times during the course of deliberations in this body.

I would like now to make it both formal and official on the rather sad occasion of his announcement that he will not be with us next year. I say rather

sad because I have mixed emotions about his retirement as I am sure he, himself, does. If any man has ever earned the rest from duties that he plans to take, it is our beloved Speaker.

This great American has, literally, given his life so far to serving the public. For 51 years, more than 41 of which have been spent here in the House, he has acted as a liaison between the public and their government. He has done so with distinction, with eminent fairness and with a diligence few men in government or private life can equal. To say that he will be missed here in the House is oversimplification. A void will be left that will remain a void. While others may well aspire to follow in his footsteps, they will not be able to fill his shoes.

For his valuable friendship, his counsel, and his guidance, I am much the better man today than when I came to this Chamber 9 years ago. He will always occupy a large part of my conscience as long as I am a Member because he has set a standard all of us would do well to emulate. Well done, Mr. Speaker. Well done.

#### THE SYSTEMS APPROACH

#### HON. JOHN O. MARSH, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 27, 1970

Mr. MARSH. Mr. Speaker, in earlier remarks, I referred to a pilot study of the systems approach to the appropriation process undertaken by a seminar group under direction of Dr. George K. Chacko, professorial lecturer at American University, Washington, D.C.

I now include a further portion of the report of the study group which illustrates the additional steps taken in the techniques, as follows:

4.3 Successive rounds to assign illustrative scores to hierarchies of objectives.

Next comes the question of deciding the gravity of not fulfilling each of the tactical

choices. Consider the tactical choices open to fulfilling the objective of preserving the oxygen source.

4.3.1 Horizontal relationships—One tactical choice to another.

Let it be said that decreasing the lumber demand via a substitute is the least critical choice, and better tree farming is the next least critical choice. In a horizontal comparison of tactical choices—comparing each tactical choice with all the remaining tactical choices—the least critical tactical choice gets a lower score than the most critical choice, say score 8 for decreasing lumber demand via a substitute and score 10 for better tree farming. All the five technical choices may be given illustrative scores, on the basis of successful comparisons, as follows:

Of the five tactical choices:

Decrease lumber demand via substitute is the least critical choice	Score 8
Better tree farming is the next least critical choice	Score 10
Eliminate SO <sub>2</sub> in atmosphere is the next least critical choice	Score 12
Select cutting and reforestation is the next least critical choice	Score 13
Improve fire prevention/fighting techniques is the next least critical choice	Score 15

Total tactical level (8+10+12+13+15=) Score 58

By similar reasoning, one can arrive at the following illustrated tactical scores for preserving and protecting water resources:

Silt dams	Score 10
Selective cutting	Score 15
Reforestation of denuded areas	Score 19
Prevent strip mining	Score 20

Total tactical level (10+15+19+20=) Score 64

In Table 5 at tactical level in Round 2: Improving fire prevention/fighting techniques of Table 3 is given a penalty level of 10, which, when associated with its score of 15, provides a weighted penalty (10×15=) of 150. This tactical choice is a component of the strategic choice: Prevent further loss of trees. Giving a penalty level of 10<sup>2</sup> to the strategic choice, it is found that the weighted penalty is (10<sup>2</sup>×100=) 10,000.

Associating a penalty level of 10<sup>3</sup> to the organismic level of preserving the oxygen source, the weighted penalty is (10<sup>3</sup>×300=) 300,000.

TABLE 5.—ELEMENT 1. FOREST PROTECTION AND UTILIZATION  
PENALTY VALUES FOR NONFULFILLMENT

Round	Hierarchy	Penalty	Choice	Score	Weighted penalty
2	Tactical	10	Improve fire prevention/fighting techniques	15	10×15=150
	Strategic	10 <sup>2</sup>	Prevent further loss of trees	100	10 <sup>2</sup> ×100=10,000
	Organismic	10 <sup>3</sup>	Preserve oxygen source	300	10 <sup>3</sup> ×300=300,000
1	Tactical	10 <sup>2</sup>	do	300	10 <sup>2</sup> ×300=30,000
	Strategic	10 <sup>3</sup>	Avert national ecological disaster	1,000	10 <sup>3</sup> ×1,000=1,000,000
	Organismic	10 <sup>4</sup>	Avert international ecological disaster	10,000	10 <sup>4</sup> ×10,000=100,000,000

All these weighted penalty figures relate to Round 2 of Table 4.

The preservation of the oxygen source, which is the organismic choice in Round 2, becomes the tactical choice in Round 1 in Table 2. The tactical choice of preserving the oxygen source has a penalty level of 10<sup>2</sup>; therefore its next higher level of strategic objective is given a penalty level of 10<sup>3</sup>. The strategic choice of averting national ecological disaster gets a weighted penalty of (10<sup>3</sup>×1,000=) 1,000,000,000. The corresponding organismic objective of averting international ecological disaster gets a weighted penalty of (10<sup>4</sup>×10,000=) 100,000,000,000.

No effort has been made to make the total tactical choice scores to reach 100 or 50 or 10,

or any other predetermined level. The only rule followed was that the less critical tactical choices receive the lower scores.

4.3.2 Vertical relationships—One tactical choice to organismic objective.

The five tactical choices corresponding to the preservation of oxygen sources listed in Table 3 and the four tactical choices corresponding to the preservation and protection of water resources relate to two strategic choices.

These tactical choices have to be related up-ward. The first five related to the strategic choices of preventing the further loss of trees. That is one of the three strategic choices, all of which are alternative means of fulfilling the preservation of the oxygen source.

To relate the choices up-ward, it is necessary to establish penalty levels by hierarchy. These penalty levels will modify the scores assigned to the tactical, strategic and organic choices, so that each tactical choice will be related to the overall objective of averting ecological disaster.

4.3.4 Relative allocation of resources.

Now, the tactical objective of improving fire prevention/fighting techniques can be related to the overall organismic objective of averting national ecological disaster by the ratio of their weighted penalties: 150:1,000,000,000.

Considering another technical choice at the same level, viz., selective cutting and reforestation, the allocation would be at the



ratio: 130:1,000,000,000. In other words, if one billion dollars were spent to avert national ecological disaster, \$130 would be allocated to selective cutting and reforesta-

tion, and \$150 to improving fire prevention/fighting techniques.

5.0 Organismic allocation of interior budget—tactical level.

A similar systematic process of reasoning was applied to the other five elements of the study. The penalty value tables are shown in Tables 6, 7, 8 and 9.

TABLE 6.—ELEMENT 2, ACQUISITION OF LAND  
PENALTY VALUES FOR NONFULFILLMENT

Round	Hierarchy	Penalty	Choice	Score	Weighted penalty
3	Tactical	10	Create new cities in semiwild forests	5	$10 \times 5 = 50$
	Strategic	10 <sup>2</sup>	Create new cities in forests	9	$10^2 \times 9 = 900$
	Organismic	10 <sup>3</sup>	Create new surface cities	25	$10^3 \times 25 = 25,000$
2	Tactical	10 <sup>2</sup>	do	25	$10^2 \times 25 = 2,500$
	Strategic	10 <sup>4</sup>	Create new environment	90	$10^4 \times 90 = 900,000$
	Organismic	10 <sup>5</sup>	Improve conditions	200	$10^5 \times 200 = 20,000,000$
1	Tactical	10 <sup>3</sup>	do	200	$10^3 \times 200 = 20,000,000$
	Strategic	10 <sup>4</sup>	Ameliorate urban irritants	500	$10^4 \times 500 = 5,000,000,000$
	Organismic	10 <sup>7</sup>	Avert ecological disaster	800	$10^7 \times 800 = 8,000,000,000$

TABLE 7.—ELEMENT 3, NATIONAL PARK SERVICE  
PENALTY VALUES FOR NONFULFILLMENT

Round	Hierarchy	Penalty	Choice	Score	Weighted penalty
2	Tactical	10	Improve routes to more distant areas	30	$10 \times 30 = 300$
	Strategic	10 <sup>2</sup>	Maximum 1-day round trip from metro areas	70	$10^2 \times 70 = 7,000$
	Organismic	10 <sup>3</sup>	Recreation	600	$10^3 \times 600 = 60,000,000$
1	Tactical	10 <sup>2</sup>	do	600	$10^2 \times 600 = 60,000,000$
	Strategic	10 <sup>4</sup>	National Park Service	4,000	$10^4 \times 4,000 = 4,000,000,000$
	Organismic	10 <sup>7</sup>	Improve the environment	5,000	$10^7 \times 5,000 = 50,000,000,000$

TABLE 8.—ELEMENT 4, LAND MANAGEMENT  
PENALTY VALUES FOR NONFULFILLMENT

Round	Hierarchy	Penalty	Choice	Score	Weighted penalty
1	Tactical	10	Preserve trees by better farming	9	$10 \times 9 = 90$
	Strategic	10 <sup>2</sup>	Conserve land	40	$10^2 \times 40 = 4,000$
	Organismic	10 <sup>3</sup>	Prevent land depletion	90	$10^3 \times 90 = 9,000,000$
	Tactical	10 <sup>2</sup>	do	90	$10^2 \times 90 = 9,000,000$
	Strategic	10 <sup>4</sup>	Prevent further depletion of land and minerals	200	$10^4 \times 200 = 200,000,000$
	Organismic	10 <sup>7</sup>	Avert ecological disaster	1,000	$10^7 \times 1,000 = 10,000,000,000$

TABLE 9.—ELEMENT 5, OUTDOOR RECREATION  
PENALTY VALUES FOR NONFULFILLMENT

Round	Hierarchy	Penalty	Choice	Score	Weighted penalty
3	Tactical	10	State assistance for law acquisition	2	$10 \times 2 = 20$
	Strategic	10 <sup>2</sup>	Federal acquisition of land	4	$10^2 \times 4 = 400$
	Organismic	10 <sup>3</sup>	Acquire recreational land	20	$10^3 \times 20 = 20,000$
2	Tactical	10 <sup>2</sup>	do	20	$10^2 \times 20 = 2,000$
	Strategic	10 <sup>4</sup>	Improve recreational land	100	$10^4 \times 100 = 1,000,000$
	Organismic	10 <sup>5</sup>	Improve land	100	$10^5 \times 100 = 10,000,000$
1	Tactical	10 <sup>3</sup>	do	100	$10^3 \times 100 = 10,000,000$
	Strategic	10 <sup>6</sup>	Improve environment	500	$10^6 \times 500 = 500,000,000$
	Organismic	10 <sup>7</sup>	Avert ecological disaster	1,200	$10^7 \times 1,200 = 12,000,000,000$

## THE REDS ARE RUNNING SCARED

HON. ALBERT W. JOHNSON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. JOHNSON of Pennsylvania. Mr. Speaker, in the interest of getting various cross sections of public opinion throughout the Nation on the Cambodian issue, I am pleased to present the following editorial, which appeared in the Bradford, Pa., Era, of Saturday, May 16, 1970:

### THE REDS ARE RUNNING SCARED

Behind the violence, both physical and rhetorical, of the past few days lies an essential question. Behind that question is a basic fact.

The fact: The Communists are scared to death.

They are frightened because President Nixon has shown forthrightness and determination in Vietnam. They are frightened

because he has dared to violate the arbitrary "rules of war" which the Reds laid down—rules which favor the Communist side, of course—and has sent men in to clean out the Red rats' nests in Cambodia.

They are frightened because they have been unable to trap Mr. Nixon into the fatal piecemeal escalation of the war which brought Lyndon Baines Johnson to catastrophe. Mr. Johnson ignored, to his sorrow, the dictum of Napoleon that "to commit troops piecemeal is to be defeated in detail." It was a lesson which no less a soldier than Robert E. Lee learned at Malvern Hill; so, Mr. Johnson can at least find cold comfort in good company.

Mr. Nixon moved swiftly and decisively. The results have so far been gratifying—another fact which the general public may have overlooked.

As of this writing, it appears the Communist command post for Cambodia has been located and is being destroyed. Some 2,000 of the enemy have been slain, but more important than that, millions—perhaps billions—of dollars worth of arms and ammunition and food have been located and captured. In the plain, hard terms of Asian war, this material is more important than the men who use it. There are plenty of

bodies in Vietnam to clothe as soldiers. There are not so many guns and bullets.

In addition, while Hanoi can supply men—even if it must draft nine-year-olds—it can not so easily reequip itself, having little native industry and relying, perforce, upon the charity of China and Russia; a charity by no means certain, since both those nations would quickly feed North Vietnam to the dogs if it suited a shift in purpose.

These are the reasons why and these are the reasons the Communists are frightened.

Their only answer is to launch an offensive in America—which is what they have done.

The Reds have been quick to take advantage of the unfortunate events at Kent State University. And they also have been able to take advantage of those sincere and thoughtful people who oppose the war and who do not fully understand just exactly what is taking place in Indochina.

What it boils down to is this: Mr. Nixon and his advisers obviously believe we can still win in Indochina. There are many in this country who believe likewise—and there are those, of course, who do not.

It behooves the more thoughtful people to search their consciences thoroughly before reacting to this latest development.

Their reaction should be an intellectual rather than an emotional one. Heaven knows there has been enough emotion over this war. It is one of the reasons why we are where we are.

The best hope of the Communists remains in the American body politic. If it can be sufficiently confused and divided, they have a chance yet to win.

But Mr. Nixon's thrust into Cambodia has seriously handicapped the Communists in Indochina. The captures of material and rice have limited the Reds' ability to make war.

In effect, what the thrust has done is to clear the flanks of Vietnam so that, as the President noted, Vietnamization of the war can proceed in an orderly fashion.

The Reds hope to stir up enough dissension within America to force Mr. Nixon to do what Mr. Johnson did; in effect, to abdicate. But Nixon is a different breed of cat and he has, we believe, a wider and deeper base of support than Mr. Johnson achieved.

If Americans hang together in this crisis and use their powers to reason before reacting, they may well see that Mr. Nixon was not so wrong. It's easy to second-guess the White House, but the real judge of any action taken by a President at any given moment is history.

#### AGNEW UNMUZZLED

### HON. ALLARD K. LOWENSTEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. LOWENSTEIN. Mr. Speaker, the Washington Star ran a good editorial the other day on the most curious political phenomenon of our time. I am inserting it in the RECORD for those who may have missed it:

#### AGNEW UNMUZZLED

There was something inconsistent about Vice President Agnew's latest attack on journalists who criticize him and the Nixon administration. True, he expressed outrage about the opinions he quoted from various newspaper editorials and columns. But he had a different purpose in assembling the journalistic chamber of horrors for the enlightenment of Texas Republicans willing to pay \$500 for dinner. He was justifying his own determination to be louder and more intemperate than the critics, so he can be "heard above the din" now shattering American political life.

Well, that is Agnew's right, and the nation's ear doctors will welcome the extra business. Editorialists and columnists who are of a mind to criticize will not be cowed.

While the press is well able to withstand the vice president's offensive, the never-to-be-muzzled Agnew does pose some problems for a nation sated with florid rhetoric. The office of the vice presidency, always useless while the top man is in good health, is being degraded further as the incumbent finds nothing better to do than to quarrel with newspaper columnists. It may be necessary to create a separate job of vice president for verbal excess, a post Agnew could hold for life. The real vice president then would have time for more useful tasks, while waiting in patient dignity pending any necessity for him to assume the Presidency.

The more serious problem is that Agnew has the undoubted ability to arouse the tempers and fears of many who hear or read his statements. He helps some people to hate—without helping them to understand—the forces that are dividing the country. He contributes to worsening these divisions. And

though he deeply resents the implications, this helps bring on the bloody confrontations that have rocked the country in recent weeks.

So amid the laughter that the vice president provokes whether on the speaker's platform or the tennis court, a few tears also should be shed.

#### ADDRESS BY MSGR. HUGH J. PHILLIPS

### HON. J. GLENN BEALL, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. BEALL of Maryland. Mr. Speaker, Mount Saint Mary's College, located in Emmitsburg, Md., is one of our Nation's most distinguished institutions for higher education.

Recently a parents' day convocation was held on this campus, and a most significant address was delivered by the president of this college, Msgr. Hugh J. Phillips.

Monsignor Phillips' message is particularly applicable today and, I think, provides for young people the basis for a better understanding of the wonderful opportunities that exist for them in our country. I include herein the text of Monsignor Phillips' fine address:

#### ADDRESS BY MSGR. HUGH J. PHILLIPS

Let me extend to each of you my personal welcome and that of the entire college community, to our campus on this Parents Day. Parents Day is an occasion in which the Mount expresses its gratitude to the parents of our students and to the parents of prospective students for directing their sons to Mount Saint Mary's for their higher education. It is also another occasion for our staff and faculty to share with you and yours our care and concern for the intellectual, spiritual and social development of your sons. We share in your pride in their accomplishments in these and other collegiate endeavors.

Presidents of colleges usually take advantage of a day like this to tell the older generation how bright their sons are—how the world is waiting for them to renew and transform society—in short that they are the hope of mankind. I would like to reverse that process. I would ask the members of the student body to take a good look at you, the older generation, as you walk around, on the campus enjoying your visit with us and I would like to re-introduce you to your sons as representatives of some of the most remarkable people ever to walk the earth. People they might want to thank on this day as well as graduation day. You are the people your sons already know—parents and grandparents. I think your sons, the younger generation, will agree that you are indeed a remarkable people.

Not long ago Bergen Evans, a radio performer and also a Northwestern University educator, got together some facts about the older generation—your parents and grandparents. Let me share some of these facts with you.

And you are members of the older generation—according to the standards of the younger generation if you are over 30 years of age.

You parents and grandparents—are the people who within five decades—1920-1970—have by your work increased the life expectancy of your children by approximately 50%—who while cutting the working day by a third, have more than doubled per capita output. You are the people who have given the younger generation a healthier world

than you found. And because of this they need no longer have to fear epidemics of flu, typhus, diphtheria, smallpox, scarlet fever, measles and mumps that you knew in your youth. And the dreaded polio is no longer a medical factor, while TB is almost unheard of.

Let me remind your sons and their generation that you remarkable people lived through history's greatest depression and survived it without tearing the nation apart. Many of you know what it is to be poor, what it is to be hungry and cold. Almost daily you had to forego the use of the family car and use public transportation. Often your homes were not as warm as you might have wanted them to be because of the shortage of fuel and because of this, you were determined that it would not happen to your children, you were determined that they would have a better life, better food to eat, milk to drink, vitamins to nourish them, provide them with a warm home, better schools and greater opportunities to succeed than you had.

Because you gave your children the best, they are the tallest, healthiest, brightest and probably best generation to inhabit the land.

And because you were industrious your children will work fewer hours, learn more, have more leisure time, travel to more distant places, and have more of a chance to follow their life's ambition.

You, the older generation, are also the people who fought man's greatest war. You are the people who defeated the tyranny of Hitler in his attempt to conquer the world and, as he prophesied, "to rule it for a thousand years." Twelve million men of your generation fought in the deserts of Africa where the Nazis were, in Italy where the Nazis were, in France where the Nazis were, in Belgium and Holland where the Nazis were and on the high seas where the Nazis were—and you didn't cry "Stop, you're going to get hurt!" because you knew that unless such aggression was successfully defeated America would either be a tiny, unsafe fortress in a Nazi world or a pliant tool of Nazi dictatorship, and who when it was all over you had the vision and compassion and the enlightened generosity to spend \$16 billions of dollars to help your former enemies rebuild their homelands. The Soviets were invited to join but refused. And you are the people who had the sense to begin the United Nations. And it was your generation that created NATO as a collective shield against future aggression.

Your generation helped to defeat aggression against Greece, Turkey and South Korea and they are free nations today.

Your generation didn't find that the "system" stood in the way of doing these things. You used the "system" and made it work.

It was representatives of your generation, who through the highest court of the land, fought racial discrimination at every turn to begin a new era in civil rights.

It was representatives of your generation who in Congress passed the most far-reaching voting rights law.

Parents, it was your generation that built thousands of high schools, trained and hired tens of thousands of better teachers, and at the same time made higher education a very real possibility for millions of youngsters—where once it was only the dream of a wealthy few.

And you made a start—albeit a late one—in healing the scars of the earth and in fighting pollution and the destruction of our natural environment. You set into motion new laws giving conservation new meaning, and setting aside land for yourselves and your children to enjoy for generations to come.

You also hold the dubious record for paying taxes—albeit your children will probably exceed you in this.



It was your generation that successfully took man to the moon. It was also this same generation that radioed back to earth that they too had problems on the flight of Apollo 13, and, as the whole world was watching... very serious problems. But the courageous trio of Astronauts turned what appeared to be a tragic failure into a tremendous and beautiful triumph. Once again Americans proved their ability to cope with critical problems and proved again the American capacity for accomplishment under stress: *you can do it if you have to*. That was the primary accomplishment... and the triumph... of Apollo 13.

While you parents and your generation have done all these things, and more, you have had some failures. Your generation has not yet found an alternative for war nor for racial religious hatred. Perhaps the younger generation, members of our student body, will perfect the social mechanisms by which all men may follow their ambitions without the threat of force—so that the earth will no longer need police to enforce the laws, nor armies to prevent some from trespassing against others. But you, parents, and your generation—made more progress by the sweat of your brows than in any previous era, don't you forget it. And, if the younger generation can make as much progress in as many areas as you have, they should be able to solve a good many of the world's remaining ills.

It is your country too. You and your generation have fought for it, bled for it, dreamed for it, and we love it. It is time to reclaim it.

It is my hope, and I know the hope of you parents and your generation, that the younger generation finds the answers to many of the problems that still plague mankind.

But it won't be easy for you of the younger generation. And you won't do it by negative thoughts, nor by tearing down or belittling. You may and can do it by hard work, humility, hope, prayer, and above all—faith in God and in mankind.

## BEHIND ENEMY LINES: A REPORTER'S STORY

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mrs. GRIFFITHS. Mr. Speaker, Robert S. Boyd is one of the most competent reporters in the business. He heads the Washington News Bureau of the Knight Newspapers and recently has been in North Vietnam. I am sure that all of you will be interested in his series on the war, which appear in the Detroit Free Press:

BEHIND ENEMY LINES: A REPORTER'S STORY  
(By Robert S. Boyd)

Just about sundown on April 24, a potbellied, 25-year-old Boeing 307, dodging thunderheads high over the Indochinese peninsula, crossed the invisible line between Laos and North Vietnam.

Peering down at the jungled mountain ridges, I could not tell exactly when we had passed the "Bamboo Curtain" into enemy territory.

But I knew I had embarked on the most fascinating and challenging reporting assignment in my 17 years as a newspaperman. In the next two weeks, I was going to try to see and learn and understand as much as I could about this stubborn, remote little country that had fought the United States to a standstill.

Only three other American journalists and two television correspondents have made it to North Vietnam since full-scale war began five years ago.

I was aware that Hanoi permitted all of us—the Associated Press, the New York Times, CBS, the Knight Newspapers—to visit North Vietnam in the belief that these reputable organizations would explain its side of the story in the United States.

I realized there were many limitations on what even an experienced reporter could learn in a two-week guided tour through a strange, tightly controlled land.

I knew all this before I left Washington and was determined not to be swept off my feet by a communist hard-sell. I had read every word my predecessors wrote, and was thoroughly briefed by Nixon administration officials—at the State Department, in Paris and in Laos.

I had advised the White House of my destination, and had my passport especially validated for travel to North Vietnam—one of the handful of countries on the State Department's "forbidden" list.

The visa for Hanoi was waiting for me behind a curtain of lacquered beads at the North Vietnamese embassy in Vientiane, the dusty little capital of Laos.

Pham Tam, the smiling first secretary who gave me the visa, asked if I wanted it stamped in my passport—or clipped loosely, to avoid later embarrassment. Stamp it in, I said. I'd like the souvenir.

For almost all westerners, Vientiane is the only gateway to North Vietnam.

The International Control Commission, which is supposed to be supervising the 1954 Geneva agreements on Indochina, operates a once-a-week shuttle flight to Hanoi.

My fellow passengers on the ICC plane were a mixed lot: A couple of Eastern European diplomats, a North Vietnamese official, Indian, Polish and Canadian ICC officials, and four young American pacifists who were going to try to explain the U.S. anti-war movement to the North Vietnamese.

There were also a couple of shapely French stewardesses, who passed out candy and cotton to make the two-hour flight in the noisy, unpressurized cabin more comfortable.

The flights are always timed to reach Hanoi after dark, when the danger of aerial attack is presumably less.

We landed at 7:15 and taxied up to the blacked-out terminal. I confess I was a bit up-tight. How were they going to treat me? What would it be like for an American "behind enemy lines?"

Actually, the first five minutes in North Vietnam provided the only bit of James Bond-ish drama in the two weeks.

Four grim-faced border guards in gray uniforms entered the cabin. All the lights were turned out. A spotlight in the rear flashed on, shining in our faces as we shuffled one by one down the aisle.

With a flashlight, the guards suspiciously scanned my face and the picture in my passport. I hoped they matched. Apparently they did, since I was gruffly waved out the door and down the steps.

Things got friendlier as soon as I reached the terminal. A shadowy figure detached itself from the gloom and introduced himself as Tran My, my escort from the Vietnamese Journalists Association.

He led me into a side room and presented Truong Nhan, who was to be my interpreter.

Along with a driver, these two men were to accompany me as long as I was in their country.

My, a thin, tense and solicitous man, was responsible for lining up my appointments, arranging my schedule, negotiating with local officials, telling me what I could or could not photograph, and generally keeping me in the channel prescribed for foreign newspapermen.

Nhan, a friendly, round-faced scholarly

type, carried both a dictionary and a thesaurus with him, which he studied constantly to improve his English. He taught me about 100 words of Vietnamese, and I explained the fine shadings of meaning between English words.

In overall charge of my visit was Ngo Dien, the director of the press department at the foreign ministry, a courteous and polished spokesman for his government.

With few exceptions (bridges, beaches, ferries) I was allowed to photograph what I wanted. Foreigners' film is supposed to be developed before they leave the country, but at the last minute they waived this rule in my case.

The four stories I cabled from Hanoi were not censored, strictly speaking, but Ngo Dien or one of his assistants saw a copy of each before they were dispatched. They suggested a number of minor changes, mostly to clear up awkward-sounding quotes, but never tried to change the substance of a story.

By insisting on an advance copy, the officials probably felt reasonably sure I would not attempt to file anything particularly offensive to them while I was still in Hanoi.

They had no control, of course, of anything I wrote after leaving the country, but they asked me to send them clippings of my stories.

While we were waiting in the airport for my baggage to be checked—out of sight in another room—My offered bottles of lemonade and Hanoi beer. I tried the beer—a mild, light local brew, not unlike Miller's High Life.

There were custom forms to fill out, listing watches, weapons, radios, cameras, films, drugs and money. The questions were more detailed than required by most countries I've been in, except the Soviet Union—but the authorities were smiling and quick.

In less than 30 minutes, we got into the black Russian-made "Volga" sedan assigned to me. There are no private cars or taxis in North Vietnam, so a foreigner either walks or calls for his driver and car.

Except for a single armed soldier at a checkpoint outside the airport, the half-hour drive into Hanoi was almost a letdown. Nhan chattered away in the front seat, saying he'd never interpreted for a newspaperman before. "I hope I do a good job," he said earnestly.

The two-lane road was lined with trees, their trunks painted white for better visibility. A steady stream of pedestrians and cyclists flowed along both sides. The narrow, mile-long bridge over the Red River was clogged with traffic. The streets of Hanoi were wide, tree-lined, brightly lit.

The hotel where foreigners stay used to be known as the Metropole in French colonial days. Now it's the Thong Nhat, which means "reunification" in Vietnamese.

Four stories high, with a pleasant walled garden in back, its stucco walls could use a fresh coat of paint. But inside it is immaculately clean, smelling faintly of antiseptic.

I checked in at the desk, where all arrangements had been made by my hosts. I was assigned an enormous suite, at \$6 a day, which I later changed to a large single room and bath, at \$3.50 a day.

(All my expenses, incidentally, were billed to me through the hotel, including \$60 for the interpreter and \$260 for the car and driver in the city and a 700-mile trip in the countryside. The total cost of two weeks in North Vietnam, not counting air fares, came to \$431, which Knight Newspapers paid.)

In the rooms, the ceilings were high, the furniture heavy. There was no air-conditioning, but big electric fans stirred the muggy air and made it comfortable even under the mosquito netting on the bed.

My room had plenty of hot water, soap and toilet paper, things often lacking in communist bathrooms. There was also a perpetual thermos of scalding water to make tea.

Downstairs the lobby was lined with two rows of heavy wooden arm chairs with brown plastic seats, where the little foreign colony sat under the whirling fans, swapping rumors and impressions.

Either in the lounge or at the tiny high bar, sipping Russian vodka or Hanoi beer, there were usually half a dozen homesick Czech or Hungarian technicians; members of a Polish trade delegation baffled at the ways of the canny Vietnamese; an East German goodwill mission, pale and flabby; the four young American pacifists, intent on their notes and charts of the anti-war movement.

The hotel also contained foreign correspondents from the French, Italian and Japanese communist press, an East German TV crew making a documentary, and later on, a weary, rumpled man from the New York Daily Worker.

The working day begins early in Hanoi. At 5 a.m., I could hear militia units drilling in the park beneath my window. At 6, the street loudspeakers began blaring news and patriotic songs.

Some days my first appointment began at 7 a.m., and my last ended after 9 p.m.

But blessedly, the North Vietnamese work a two- to three-hour midday siesta into the schedule.

At that time or in the evening—in fact, any time I had a free hour or so—I was able to wander on foot alone and unrestricted throughout the city.

As far as I know, I was not followed, but of course a blond-haired Westerner sticks out like a sore thumb among the short dark Vietnamese. And with the language barrier, there was nothing I could see or do by myself that could be damaging.

Out in the country, I was always accompanied by my interpreter or escort or both.

The people, I found, were universally polite, often warm and friendly. Sometimes I got a hard, level stare, but it could have been curiosity, not hostility. A couple of citizens greeted me in Russian, assuming I was from the Soviet Union or Eastern Europe. Little boys flocked after me, grinning and teasing for souvenirs.

The morning after my arrival, I had my first official appointment, with an official of the foreign ministry who was to work out my schedule.

I gave him a list of requests I had prepared. Some of them he approved, such as a trip south, as close to the Demilitarized Zone as possible. Some he rejected, such as a visit to Dienbien Phu. On others, such as a trip to the port of Haiphong, he said he would see what could be done. As it turned out, there wasn't time.

Interviews were arranged with a number of high officials, including Foreign Minister Nguyen Duy Trinh, Minister of Culture, Hoang Minh Giam, Editor-in-Chief, Hoang Tung of Nhan Dan, the official Communist Party newspaper, Secretary-General Luu Quy Ky of the journalists association, a representative of the Provisional Revolutionary Government of South Vietnam and others.

I asked almost every day to see one of more of the captured American pilots. They never said no, but they never said yes. On the last day, My told me he was sorry but a meeting had been impossible to arrange. "Why not?" I asked. "There wasn't time," I was told.

The early days were mostly taken up with visits to historical museums. It's how the North Vietnamese impress on visitors their view that the war is simply the latest incident in a long series of struggles against foreign invaders.

They didn't seem to be at all shy about admitting that their ancient enemy and most frequent unwanted guest was China, their giant neighbor to the north.

I was even told a couple of anti-Chinese jokes, including this one about the Vietnamese ambassador at the Chinese court:

The emperor, in order to humiliate the ambassador, asked if all Vietnamese were as short as he. The ambassador replied:

"Oh, no, your majesty. We have tall people, middle-sized people and short people. We send middle-sized ambassadors to middle-sized countries and short ambassadors to little countries like yours."

(While passing this story along to me, my interpreter learned a new English phrase: One-upmanship.)

One of the most interesting museum exhibits was a huge room-sized electrified floor model of the battle of Dienbienphu. An hour-long tape-recording in English explained the famous 1954 victory over the French, with red flashing arrows marking the communist advance, and green blinking lights the shrinking French positions.

Another fascinating item was Ho Chi Minh's little wicker suitcase, sandals and portable typewriter. I was told that this is all the gear the communist leader carried with him in his mountain hideout during the nine-year war against the French. He was even more elusive than COSVN, the hard-to-find communist "headquarters" in Cambodia, my hosts noted with grins.

On the third day I was invited to an unusual press conference. It was held in an ornate, carved wooden hall, open to the air on all four sides.

About 50 Vietnamese and foreign reporters sat in chairs around the hall. In the center was a table for the guest of honor, Hoang Quoc Viet, an old ally of Ho Chi Minh's.

He was just back from an "Indochinese peoples summit conference" in China and wanted to tell the world press about it.

As Viet entered, most of the journalists stood up and applauded. He read a statement and the official declaration of the conference. Then he took questions, five at a time, and disposed of them in batches. At the end, he was applauded again.

Ron Ziegler, President Nixon's press secretary, never gets that kind of treatment.

At 7 a.m. on the fourth day, My, Nhan and the driver called for me in a sturdy, gray-green Russian jeep. We were off on a six-day, 700-mile journey through the countryside, and the soft-sprung "Volga" would never make it over North Vietnam's battered highways.

They were taking me down Route One, the famed "street without joy," which runs from Hanoi to Saigon and beyond. We would go within 25 miles of the DMZ, but my request to visit the border zone itself was turned down. "Too busy," I was told.

As the main communications link between Hanoi and the south, Route One was a favorite target of the U.S. Air Force and Navy during the four-year bombing raids.

The devastation along the route is incredible. I'd seen parts of Poland after World War II, when both the German and the Russian armies had worked it over, and it wasn't as bad as this.

Of course, the North Vietnamese are aware of the impact of a trip through the bombed-out zone. No doubt that's why they take foreign reporters there.

Nevertheless, the evidence of immense destruction to civilian as well as military targets is overwhelming.

The first 100 miles south of Hanoi weren't badly damaged. The road compares with a poorly maintained two-lane secondary highway back home.

Out of the industrial suburbs, vehicular traffic thinned out. We passed Russian- and Chinese-made trucks lumbering south with loads of petroleum, rice and ammunition for the battlefields.

There were truckloads of pipe for an oil line

the North Vietnamese are constructing in southern Laos. There were steel I-beams and pontoons for bridges along the Ho Chi Minh Trail.

Besides being the national thoroughfare, Route One is also North Vietnam's Main Street. Pedestrians, bicyclists and ox-carts were almost as thick as in the city, moving from village to village strung out along the road.

The driver's thumb rarely left his horn. With a blare of sound he plowed a path through the river of humanity that parted before our jeep and closed again behind.

The road runs like a causeway across the rice fields, rippling emerald-green as far as the distant mountains. Every 10 feet, a foxhole has been dug on one side of the road or the other, in case American bombers appear.

One afternoon, when a jet that looked like an F-4 Phantom fighter-bomber buzzed our jeep, I started keeping an anxious eye on the nearest foxhole.

As we got further south, the occasional bomb craters along the roadside multiplied and grew closer together. Near the ends of bridges they pitted the face of the earth like acne.

Every bridge but one was knocked out, and we crossed rivers and irrigation ditches on rocky fords, makeshift plank bridges, pontoons or ferries.

Even so, the road was much better than last year, my driver said. It used to take five days to make the 310-mile run from Hanoi to Dong Hoi, capital of the southernmost province of Quang Binh. We made it in two days, with an overnight stop in a guest house recently built amid the ruins of the provincial city of Vinh.

There is nothing left of Dong Hoi, once a city of 14,000, but a mile-long field of craters and rubble, a cathedral minus its roof and a water tower with three shell holes in it.

They put me up for three nights in one of the temporary villages where the population has been relocated outside the city.

My "motel" was a dirt-floored, thatched-roofed but very clean two-room cottage with a palm thatch privy out back.

From there I was taken on tours of Dong Hoi and three neighboring villages. In each, local officials displayed actual and photographed evidence of bomb damage, and told how the people survived, by digging underground or scattering into the mountains.

It was in one of those villages, on the morning of May 1, that I watched American planes fly over North Vietnam and drop load after load of explosives on a valley hidden by low hills about 10 miles away.

Since the area was only 18 miles north of the DMZ, I presumed that some of the three divisions of North Vietnamese troops reportedly stationed near the border were there.

In answer to my questions, however, my escorts insisted there were no military targets, only farming communities. When I asked to be taken to the bomb site to see for myself, I was told it was too dangerous.

This is one of the few times I felt my hosts may have been somewhat deceptive with me. Otherwise, their efforts at "managing the news" consisted mostly of careful selection of what they showed me, a procedure employed routinely by all governments and corporate public relations departments.

Some answers to my questions, however, were disturbingly vague.

For example, when asked about American fears that there would be a bloodbath in South Vietnam if the communists took over, officials simply assured me they had a tradition of treating their enemies with leniency.

They passed over Ho Chi Minh's purge of his non-communist allies in 1946, the kill-



ings of landlords and rich peasants in 1956 and the apparent massacre of several hundred citizens of Hue during Tet, 1968.

Furthermore, they constantly complained about the activities of U.S. troops in Laos or Cambodia, but never conceded the presence of their own forces there.

In my conversations with the North Vietnamese, I told them I was a reporter, not an advocate for one side or another.

I told them I would write what I saw and learned in their country, balancing it against what I knew from other sources.

After I left Hanoi, I was going to Saigon, I said, to listen to the other side.

And that is how the series of articles beginning today in this newspaper came to be written.

#### EXCLUSIVE: HOW WAR LOOKS FROM INSIDE NORTH VIETNAM: MORALE SEEMS HIGH DESPITE BOMB DAMAGE

(By Robert S. Boyd)

High on a bomb-scarred hill about 100 miles south of Hanoi, white stones spell out a huge slogan, like a "Beat Navy" sign at West Point.

"Quyet Thang," it reads in Vietnamese. "Determined to win."

More than anything else I saw in two weeks in North Vietnam, those words summed up the present state of mind "behind enemy lines."

Mentally, they seemed "determined to win." Materially, they looked as if they are prepared to carry on until they do.

Even before I left Washington, I was sure that the North Vietnamese would try to persuade me of their unshakable resolve.

It's an essential psychological tactic in their war strategy against a more powerful enemy, and they use it vigorously.

But even allowing for this hard sell, everything I saw or heard or read in the two weeks, including a six-day trip through 700 miles of countryside, led me to the conclusion that it's not just a bluff.

Five years of bitter war against the United States appear to have left North Vietnam: Battered but unbeaten.

Proud, confident, even gay.

Profoundly convinced that she can outwait or outmaneuver the United States and achieve the goal her leaders have sought for 40 years, a united, independent, and communist Vietnam.

"If we don't do it in our generation, the next generation will," one official said.

The very poverty, simplicity and hardship of life in North Vietnam provide perhaps her greatest strength in the war of wills.

As long as she continues to receive the unstinting help of Russia and China, there is little the United States can do to hurt her more than it already has.

For this is no workers' and peasants' paradise. Even communist diplomats can't wait to get away from Hanoi on leave. Westerners say it like coming up from underwater.

Wasted by 25 years of constant warfare, primitive in agriculture, almost totally lacking in industry, North Vietnam is terribly poor.

The average wage of 80 dong a month (less than \$30 at the official exchange rate) is enough to cover the necessities, which are cheap, but there are no luxuries.

Communist control is like iron. There have been recent crackdowns on intellectuals on party cadres feathering their own nest, on small craftsmen trying to make a nickel by repairing bikes or mending clothes on the side, on teenage "hooligans."

Monotonously repeated official slogans and the heavy-handed party line simply bore the ordinary Vietnamese, according to longtime foreign residents.

Except at times of great battles, like Tet in 1968 or the Cambodian excursion, people pay little attention to the canned news they are fed.

There is said to be a certain letdown that the Tet offensive did not bring the promised final victory, and that the leaders can only promise "protracted war."

Unlike South Vietnam, Laos and Cambodia, where open fighting rages, North Vietnam is suspended between war and peace.

They feel they have won the air war against the U.S. in the North, but the ground war elsewhere drags on.

"It's a half-won war," my interpreter said. "Half war, half peace," another official put it.

In Hanoi, the rundown French colonial capital, most of the scattered bomb damage has been repaired. Only a few heaps of ruins are left as a reminder.

Walking alone through the city during my free hours, I watched little boys play a Vietnamese version of marbles in the dust beside the famed one-man air raid shelters that line the city streets. The shelters are neglected and half-filled with trash, but could be cleaned out in an hour.

A soldier and his girl cuddled on a bench beside the lovely Lake of the Restored Sword in downtown Hanoi.

Peasant women, their teeth stained red from chewing the narcotic betel nut, squatted in the market, offering bright peppers, cucumbers, spinach, chicken, geese and even turkeys.

Sidewalk entrepreneurs did a brisk business running parking lots for bicycles—Hanoi's principal means of transport.

Ox carts plodded through the graceful, tree-lined avenues, oblivious of the occasional modern Russian-made sedan, Chinese truck or Czech bus passing them.

Loudspeakers in the trees blared patriotic songs and news of the latest American "atrocities."

There were soldiers everywhere, but few were armed.

The children have mostly been brought back from the countryside, where they were dispersed during the bombing.

Their games and laughter made the war seem very remote—and then a sonic boom rattled the windows. A U.S. reconnaissance plane had just made a pass high overhead, my escort told me.

In the countryside, to the south, the war was closer and more visible.

The scars of battle grew thicker the nearer I came to the demilitarized zone 350 miles south of Hanoi.

Rusting hulks of abandoned railroad cars, grotesquely twisted by bombs, lay along the tracks.

The main north-south highway, Route One, was nothing but dirt and rocks for miles. Entire cities have been reduced to rubble.

But life goes on in the country, too. Peasants were toiling knee deep in the rice-paddies. Production is higher than before the bombing, North Vietnam officials said.

Fishermen dried their nets and built new boats to replace those sunk, they say, by the U.S. Navy.

At twilight one evening, near Dong Hoi, I watched a group of little girls play a game like "jacks," using bamboo sticks, while artillery muttered in the distance along the DMZ.

Three men in the ruins of Dong Hoi reminisced how it used to be in the old days, drinking beer and watching the sunset over the western mountains.

The roads were being repaired slowly, mostly by teen-age girls working with hammers and shovels. Some of the smashed bridges were being replaced.

Small houses of mud-brick or wattle have gone up in new "suburbs" scattered around the fringes of ruined cities.

An occasional bombed-out brick factory or municipal building has been put back in service.

But in the countryside, most of the devastation caused by the air war from February,

1965, to November, 1968, has been left untouched—in part for fear it simply would be wrecked again.

"One doesn't build in order to be bombed," an official explained.

Despite the destruction, North Vietnam looks to an outsider like a relatively smooth-running, effective and orderly society.

Unlike so much of Asia, it seems to work.

The communist government is in firm control. People obey instructions. Appointments are kept. Supplies arrive. Streets and hotels are clean. Telephones function. Schools operate.

Discounting for propaganda, and based on just what I observed, it certainly did not seem to me to be a nation reeling on the brink of defeat or collapse.

There are great numbers of men of military age on the streets of Hanoi, and along the roads in the country. Some are in uniform; some not. Speculation in the West that the war has bled white a whole generation of North Vietnamese males appeared to me to be ill-founded.

People look well-fed and healthy. There are no beggars. No one looks malnourished.

Last year the basic rice ration was increased, officials said, to 35 pounds a month per person—up six pounds. About 40 percent of that is in flour or other rice-substitutes, but it is still an ample diet by Asian standards. (In Saigon, the average rice consumption is the same.)

Fruits and vegetables are plentiful. Meat is scarcer and costly, but most families, even in the city, raise chickens for eggs and meat.

Clothing, though simple, is adequate: green or tan cotton pants and shirts, sandals and a pith helmet for most men. Black pajama pants, a white, pink or blue blouse, sandals and a conical straw hat for the women.

Unlike the drab, padded Chinese, the girls of North Vietnam make the best of their natural beauty. They wear bras, fix their rich black hair in pigtail down to their waist, and use lipstick and eyeshadow when they can get it.

Through propaganda, slogans, movies, songs and stories the North Vietnamese are encouraged to think of themselves as living in a new "Heroic Age."

The deeds of resistance fighters are compared to the feats of ancient heroes from their country's 2,000 years of struggle against Chinese, Mongols, French and now Americans.

The nine-year-old boy who grabbed a smoking pellet bomb and hurled it away from his schoolmates; the 18-year-old girl who manned a shore battery that sank a U.S. ship; the 74-year-old woman who helped tote ammunition to anti-aircraft crews—these are the sports stars, beauty queens and rock idols of North Vietnam.

A heady sense of having stood off the mightiest military power in the history of the world exhilarates people and makes their poverty and sacrifice easier to bear.

They feel they have taken the worst the United States can shell out. Even a renewed bombing or outright invasion of the north does not terrify them, they say.

They feel they can survive and endure.

And by patiently enduring, they seem confident that in the long run they will win the victory they desire.

#### HOW BOMBINGS BATTERED NORTH VIETNAM (By Robert S. Boyd)

American bombs have turned the southern part of Northern Vietnam into a ghastly moonscape.

Countless craters pock the land—some small, some as big as 100 feet across and 30 feet deep. Huge gouges have been blasted out of hillsides.

For 200 miles north of the demilitarized zone, only a handful of substantial buildings

still stand, and they are battered and scarred.

The provincial capitals of the four southern provinces (Quang Binh, Ha Tinh, Nghe An, and Thanh Hoa) are little more than mounds of rubble, partly covered by grass and creepers.

It's as if the principal cities in four states, Florida, Georgia, South Carolina and North Carolina, had been leveled and left that way.

Of course, the four North Vietnamese cities were hardly more than small towns by U.S. standards—15,000 to 20,000 people apiece. But still the only urban centers in the entire southern part of the country have been destroyed.

Route 1, the historic colonial highway from Hanoi to Saigon, is a nightmare of bomb pits, mud, rocks, detours, pontoon bridges and ferries.

It took two numbing days of jolting and jouncing in a Russian jeep to travel the 310 miles from Hanoi to Dong Hoi, the mile-long field of ruins which used to be the capital of Quang Binh province.

On all that way, I counted only one bridge which had not been destroyed. Even little 15-foot spans across irrigation canals had been knocked out.

The devastation is total, awesome, surrealistic. This is the zone, south of the 19th parallel, where bombing began first, in February, 1965.

It bore the concentrated fury of the U.S. Air Force and Navy between the partial bomb halt of March 31, 1968, and the full cessation ordered Nov. 1, 1968.

It is the "panhandle" of North Vietnam, the narrow funnel through which most of the men and supplies were channeled to the battlefield in the south.

It is the target area where former Defense Secretary Clark Clifford said U.S. bombings missions exceeded 10,000 a month.

Naturally, it is "Exhibit A" for North Vietnamese officials eager to impress visitors with the enormity of U.S. war "crimes."

"Why do you bother to send your astronauts to the moon?" Hoang Minh Giam, North Vietnamese minister of culture, asked wryly. "You can send them here and they will see the same thing."

Even for a reporter aware that he is being shown the worst damage in all North Vietnam, the evidence is over-whelming that devastation on a major scale occurred here.

If this was the "surgical" bombing aimed "with precision" at strictly military targets that the Pentagon described, with only a few unfortunate and unintended civilian casualties, I'll eat my portable typewriter.

Many of the bombs, of course, did hit military targets, like the blasted roads, bridges, trucks, railroad tracks and rolling stock which I saw and photographed on my trip.

Although I was not shown any military bases or supply dumps, SAM missile sites or major anti-aircraft installations, no doubt they were hit, too.

Some of the explosions from the one U.S. bombing raid I witnessed were so tremendous that I presume they may have struck an ammunition or petroleum dump.

Nevertheless, in the process, schools, hospitals, churches, pagodas and countless ordinary homes were also pulverized. I saw and photographed them, too.

The total of civilian casualties, like military ones, is treated as an official secret in Hanoi.

But in my visit I saw a number of women and children who had been seriously burned or scarred in air attacks. I talked to some of them and photographed them.

I was shown photographs, charred scraps of clothing, bullet-ridden school books, torn and twisted cooking pots, damaged hoes, shovels, bicycles, furniture.

Village authorities showed me notebooks filled with detailed lists and statistics on numbers and dates of attacks, types and

quantities of aircraft and weaponry, numbers and names of casualties, medical diagrams of wounds, village museums displayed fragments of bombs and shot-down planes, equipment and clothing of captured U.S. pilots.

Although the displays are carefully collected and designed to impress visitors, so much evidence cannot have been invented.

There is no doubt in my mind that mass destruction of property and widespread killing of civilians occurred.

Whatever the intentions of the Pentagon planners, or of the young American pilots high up in the blue, North Vietnamese said they are convinced that the United States conducted a deliberate "war of extermination" against their people.

Communist officials said the four-year air war was designed to "break our will" and "force us to surrender."

As evidence, they cited the repeated use of napalm, phosphorus and steel-pellet "cluster bombs," which are only of use against living flesh, not steel or concrete.

The cluster bombs seemed to stir the most bitterness. About four feet long and 10 inches thick, they scatter over a field several hundred orange colored bomblets like small baseballs. Each bomblet bursts open on impact and sprays out about 250 steel pellets, about a tenth of an inch in diameter. Anything caught in this hail of metal is doomed.

The Pentagon says the cluster bombs are intended for use against anti-aircraft crews aiming at American planes.

And since every village in the southern part of North Vietnam seems to have its own homeguard trained to shoot at enemy aircraft overhead—sometimes only with rifles—the Pentagon can always take the position that a raid was "protective reaction."

Literally thousands of cluster bomb casings litter the countryside. They are used as decorations, as fence posts, as road signs, as footbridges across a ditch.

Most are painted with sarcastic slogans, such as President Nixon's name, or "America will surely lose; we will surely win."

Many bear loading dates only a couple of months before they were dropped.

One I saw had its manufacturer's nameplate, "Aerojet-General Downey, Calif." still neatly clamped to its shell.

Based on what I could see, there is no doubt in my mind that the U.S. attacks have continued long after the supposed bombing halt 19 months ago.

While I was taking pictures of our bombers striking Quang Binh province on May 1, North Vietnamese bicycling on the road continued to pedal along, hardly bothering to look at the distant pillars of fire and smoke.

The local official I was talking to seemed irritated that I was wasting time watching the bombers instead of inspecting his collection of trophies. This indifference seemed to substantiate the North Vietnamese claim that air raids are still a routine occurrence.

Officials showed me photographs, medical reports and physical evidence (a shattered cooking pot, burned rice and clothing) of a raid they said occurred April 19 on the village of Trung Hoa, Quang Binh province.

Three people were killed and 17 wounded in that all-day attack, along with 44 buffaloes and four pigs, they said.

While there was no way I could verify the date of the raid, their photograph of a U.S. cluster bomb casing clearly showed the loading date: 12-69. That was 13 months after the official end of the bombing.

Another post-halt raid, on Feb. 5, 1969, killed two children in a village six miles west of Dong Hoi and badly burned their mother, Mrs. Nguyen Thi Minh, 31, she said. I photographed her outside her damaged house.

Quang Binh province, the southernmost in North Vietnam, has been the heaviest vic-

tim of the raids. I spent 2½ days there, visiting nearby villages and living in a thatched-roof, dirt-floor cottage five miles west of Dong Hoi.

At night, artillery could be heard rumbling along the DMZ, 35 miles away, and flares lit up the southwestern sky.

The chief of the provincial "Commission for Investigation of U.S. War Crimes" displayed a notebook in which he said were records of 72 air raids in the last two months of 1968; 160 raids in 1969, and 32 raids in the first four months of 1970. These figures do not count reconnaissance flights, which are almost a daily occurrence and run into thousands, he said.

It was impossible to determine the accuracy of these statistics. They seemed high to me, but then so do official U.S. Claims of "enemy kills" in Vietnam, which are also impossible to verify.

At any rate, North Vietnamese seem to accept the figures. Everyone I talked to insisted that the United States is willing to kill civilians in order to achieve its aims.

"The attacks only made our will to resist stronger," said Mrs. Nguyen Thi Duyen, mayor of Dong Hoi city.

"My people acquired a deep hatred of the enemy during the raids," said Nguyen Ngai, president of Vo Ninh village south of Dong Hoi. "But their spirit is not shaken. They are more determined to fight back."

The irony is that the raids, for all their destructiveness, apparently never achieved their principal objective—inhibiting the flow of men and supplies to the south.

North Vietnamese boast how quickly they were able to patch up the road, rig temporary bridges, keep rail traffic moving steadily if slowly.

Spare tracks, ties and ballast are stacked all along the roadside right of way, ready for instant repairs.

I was shown a stretch of Route 1 in Vo Ninh, only about 25 miles from the DMZ. It had been bombed repeatedly and intensively. Enormous craters mark the surrounding fields.

But by using bricks from their homes, stones from the hills and clay from the rice paddies, the villagers had kept the road open. "It was never blocked longer than an hour," village president Ngai said.

A leading Quang Binh provincial official, Dang Gia Tat, displayed a sense of humor about the raids that laid waste to his province.

"The more you attacked us, the more we laughed," said Tat.

"You gave us handkerchiefs made out of nylon parachutes, cups from the shells of pellet bomblets, plowshares from the bomb casings, and aluminum cooking utensils from the metal of your planes which we shot down."

"You said you would bomb us back to the stone age," Tat grinned. "But instead, you brought us to the age of aluminum."

**DON'T DILUTE THE HONOR OWED  
TO OUR WAR DEAD**

**HON. EDWARD J. DERWINSKI**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. DERWINSKI. Mr. Speaker, as we return to Washington after the brief Memorial Day recess, I hope that most Members share my observation that the public very properly and effectively commemorated the traditional Memorial Day holiday by paying proper respect to the men that had fought and died so that our land may remain the citadel of



freedom. This fact was emphasized to the readers of the Chicago Suburban Economist prior to Memorial Day in an editorial Wednesday, May 27. The editorial follows:

**DON'T DILUTE THE HONOR OWED TO OUR WAR DEAD**

With the nation badly split over Viet Nam war policies, it is likely that the real meaning and purpose of Memorial day will be lost this year amidst the fiery orations of speakers and demonstrators representing the several points of view.

Let us remember, then, that the purpose of Memorial day is to decorate the graves and honor the memory of men who have given their lives in armed conflicts for their country.

Actually, of course, the observance was originated by an Illinois native, Gen. John A. Logan, commander of the Grand Army of the Republic, when 102 years ago—May 30, 1868—he proclaimed this day to decorate the graves of Union soldiers who died in the Civil war.

Since then the day has come to be observed as a time to honor the dead of all wars. Many families, too, have adopted this custom of visiting and caring for the graves of all their loved ones, whether or not they died in the service of their country.

The point is that on this day we should direct our sentiments toward the sacrifices made by the gallant men in all branches of our armed services who answered their country's call and made the supreme sacrifice.

To spend Memorial day debating the political aspects of the Viet Nam or any other war—though this will be done on a wide scale, no doubt—is to detract from the valor of our fighting men the day is intended to honor.

This is not to say war in general or the Viet Nam war in particular should not be debated. It is to say that on this day we should unite to salute the individuals who have displayed the highest degree of bravery and patriotism.

Despite the widening gulf among all segments of our society, the country is worth saving. Indeed, it is the best on earth. Without the sacrifices made by the men we honor on Memorial day it would not be so. Let us not forget that as we fly the flag, march in parades and decorate graves.

As it is often said, they "gave their last full ounce of devotion." Let us give an ounce of respect on one day of the year to them. They deserve it.

**RESOLUTIONS TO THE ACCOUNTING CRISIS IN MERGERS**

**HON. JAMES HARVEY**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. HARVEY. Mr. Speaker, recently an article appeared in the Commercial and Financial Chronicle, May 14, 1970, entitled "Solutions to the Accounting Crisis in Mergers." This article has particular impact because of the current interest over the Accounting Principles Board's exposure draft concerning accounting treatment of mergers.

Prof. Jules Backman, author of the article, takes strong issue with the draft's approach to the pooling of interest treatment of mergers. He points out that the use of the devices involved in the draft

"would make a shambles out of earning reports." The article further states:

The changes designed to eliminate accounting methods which act to inflate earnings are constructive. However, the proposed shift to purchase accounting would create such unfortunate economic effects that it is an undesirable substitute for pooling.

The article suggests a number of methods for dealing with the practices with which the draft attempts to deal, without creating the problems which apparently would come from the adoption of the draft.

This presentation is certainly a most interesting and informative one in approaching an accounting decision whose impact will reach far beyond the accounting profession. Consequently, I include the entire article in the RECORD at this point:

**SOLUTION TO THE ACCOUNTING CRISIS IN MERGERS**

(By Jules Blackman\*)

In recent years, accounting conventions have played a significant role in determining the magnitude of reported corporate earnings. The changes in methods of reporting earnings for franchise companies and the requirement to report per share earnings on a diluted basis to reflect outstanding convertible securities and warrants are good cause in point.

"Generally accepted accounting principles" often cover a broad range of alternatives, thus making it possible to select those which will be most favorable from a tax point of view in terms of reported earnings. The various alternatives available for depreciation and for costing of inventories are familiar illustrations.

The name of the game in Wall Street during the past decade has been growth. High price-earnings ratio have been established for growth stocks. "Instant growth" in size could be achieved by merger and "instant earnings growth" by the methods used to record acquisitions. Loopholes have been developed within the framework of "generally accepted accounting principles" to achieve the latter objective. To close these loopholes and to eliminate abuses, the Accounting Principles Board recently has issued an Exposure Draft of proposed guidelines which is now being actively debated.

Combinations either have been recorded on a pooling of interests basis or by purchase accounting. Pooling of interests preserves a continuity of earnings by combining the records of the two companies for earlier years and requiring no special charges against earnings. On the other hand, purchase accounting requires a recording of the "fair value" at the time of the purchase and may result in the creation of goodwill or other increases in asset values which provide a new cost basis and act to reduce reported earnings if they must be written off.

Most mergers have involved an exchange of common stock and have been recorded as a pooling of interests. The proposed new rules of the game would mean that purchase accounting would be used for most mergers with a mandatory amortization of goodwill over a period not to exceed forty years. The net result would be a reduction in reported earnings and hence a reduction in the attractiveness of many mergers.

**ABUSES AND REMEDIES**

I believe that the more significant methods of inflating of earnings under present practices could be eliminated without the

severe restriction proposed on pooling of interests. Let me summarize briefly the abuses and possible remedies.

(1) Creating "instant earnings" by including in the financial report for a given year the financial results of companies acquired after the close of the year but before the financial reports are issued. The Exposure Draft properly seeks to stop this practice by providing for the combination "to be recorded as of the date (it) is consummated." Appropriate notes to the financial statements should "disclose . . . the effects of the combination on reported financial position and results of operations." (par. 59, 62)

(2) Some companies have reported an increase in earnings by recording the latest year on a pooled basis and earlier years on an unpooled basis. This practice, which has been criticized by the SEC, would be stopped requiring a restatement of financial information for earlier years on a combined basis.

(3) Earnings have been escalated by reporting an acquisition in part as pooling and in part as a purchase. This could be stopped by requiring a company to use one method or the other for acquisition even though it was completed in two or more steps.

(4) "Instant Earnings" have been created when, under pooling, the acquired company's assets are placed on an acquiring company's books at the book value of the former and then sold at a higher price. The Exposure Draft provides that where a company "intends or plans" to sell off part of the acquired assets within two years it could not use pooling of interests. However, if there is no intent or plan to sell, pooling could be used and then if a sale is made within two years it would be permissible to report it as an "extraordinary item" (par. 58). This dichotomy of treatment would lend itself to new abuses. Companies could be careful not to commit to paper any evidence of intent or plan to sell off assets and then after the merger is completed "suddenly" discover reasons why assets should be sold. It would be better to forget about the two-year rule and to provide that all such earnings be classified as extraordinary and be fully explained.

These four methods of increasing earnings could all be eliminated within the framework of pooling. They could be corrected without throwing the baby out with the alleged "dirty pool."

(5) Since common stock must be used in an acquisition to qualify for pooling some companies have bought their own stock in the market for cash and then exchanged such treasury stock for stock of the acquired company. This loophole can be closed by confining the use of pooling only to situations where unissued stock is used.

(6) The Exposure Draft proposes to limit the use of pooling only to acquisitions where the smaller company is at least one-third as large as the larger company in a combination. It is often conceded that there is no real basis for the size test but one should be imposed anyway. Thus, Andrew Barr, Chief Accountant of the SEC, has stated:

"Deterioration of the relative size test for qualifying for pooling accounting has received severe criticism. While it is my personal opinion that this test is not a sound basis for an accounting rule, as a practical matter the reimposition of a substantial size test appears to be desirable at this time."

If pooling is conceptually sound—as it appears to be—on what basis can one select one-third or any other ratio<sup>2</sup> and then say that at a lower ratio it is not a satisfactory accounting method.

The economic implications of the proposed one-third rule also must be considered. It

Footnotes at end of article.

will hurt smaller companies which seek to merge because it will reduce significantly the number of potential merger partners. The marketability of smaller companies would be much reduced. This, in turn, will lessen the incentive to start new companies and hence reduce the extent of competition in the affected industries. I do not see any economic merit in the proposed size test, the main effect of which is to place a major hurdle in the way of large mergers.

(7) The Exposure Draft proposes that pooling could be used only where "90 per cent or more" of the exchange is accounted for by common stock (par. 46b). It does not appear that convertible preferred stock can be counted to meet the 90 per cent minimum. If such stock has voting privileges and is convertible into common at the holder's option, why shouldn't it be included in the 90 per cent total? The ability to issue such convertible preferred stock adds to flexibility in fashioning mergers. While such stockholders have a preferred position for dividends, in other respects they are similar to common stockholders. This is recognized under APB Opinion No. 9 since companies must now report earnings on a fully diluted basis—that is on the assumption that such preferred stock as well as other convertible securities and warrants are converted into common stock.

It should also be noted that the SEC has stated that "Only unissued common stock or convertible preferred stock which meets the test of being a common stock equivalent at issuance and which has voting rights equivalent to the common shares to be received on conversion should be issued in exchange for the common shares or the net assets of the company be acquired."<sup>3</sup> This is a more realistic interpretation of the role of convertible preferred stock than its exclusion from the 90 per cent rule in the Exposure Draft.

#### VALUING ACQUIRED ASSETS

Under the purchase method of accounting, the value of the net assets of the acquired company is changed to conform to the price paid by the acquiring company. Where the consideration is cash, the determination of the cost is relatively simple. But where the acquisition is made through the issuance of common stock or convertible preferred stock, almost insuperable problems are met in determining the "fair value" of these securities. When the purchase price exceeds the book cost of the acquired company, the difference is allocated to each of the assets where warranted with the amount not so allocated designated as goodwill.

#### MARKET PRICES OF STOCK DO NOT REPRESENT "FAIR VALUE" OF ASSETS

The Exposure Draft states that "The quoted market price of an equity security issued to effect a business combination may be used to approximate the fair value of an acquired company if that market value represents fair value." (par. 71) It notes that "the reliability of the quoted market price of stock . . . as an indicator of fair value (may be) in doubt" if "a market price may not be available," or if "The number of shares issued is relatively large, the market for the security is thin, the stock price is volatile, or other uncertainties influence the quoted price" or in "the absence of registration." (par. 71, 24) In such circumstances "an estimate of the consideration received is required even though measuring directly the fair values of assets received is difficult." (par. 71) Nevertheless, Catlett and Olson have stated that "When stock is issued for the business and assets of a going concern, the value of the business and assets will

ordinarily be measured by the market price of the stock issued (when a market exists), modified for fluctuations resulting from investors' appraisal of advantages arising out of the combination."<sup>4</sup>

For companies listed on the New York Stock Exchange, most of the limiting factors would not apply and hence the probability that the market price of the issuing company's stock would be used to determine the value of the acquisition is very great.

Stock prices provide a very unsatisfactory basis for the valuation of assets. Stock prices fluctuate widely because of factors that have little or no relationship to a company's books of account. Security values are affected by speculative trading (as in 1968), technical factors (short position), the death of a president (Kennedy), population problems (use of the pill), the illness of a president (Eisenhower), popularity (leasing companies in 1967-68), unpopularity (leasing companies in 1970), war (Vietnam), regulation (railroads, airlines), anticipation of earnings (growth stocks), changes in taxes (surtax in 1968), interest rates (building supplies, utilities), general inflation (since 1965), general deflation (1930's) and other factors. The difficulty of determining even approximate values of securities is shown by the problems experienced by investment bankers in pricing new issues, some of which sell at considerable premiums (hot issues) while others sell at a discount soon after issuance.

#### MISLEADING MARKET VALUATION

In effect, those advocating the use of market values of stocks as the basis for determining the "cost of an acquisition" to be recorded on the books, appear to be saying that the newly issued stock is equivalent to cash. But this is not always true. While a well established large company may be able to sell some stock at close to the prevailing market price, the discount from the market price becomes increasingly larger as the relative volume of shares to be sold increases. This is well illustrated when a company offers rights to its stockholders to subscribe to new stock. The stock may decline when the new offering is announced and then the stock is offered to stockholders at a price below the new market price.<sup>5</sup> For example, when Standard Oil of New Jersey announced it would sell a new stock issue on January 29, 1970, the stock was selling at \$56½. When the terms of the new offering were announced on February 16, 1970, the stock was selling at 50½<sup>6</sup> and stockholders were given the right to subscribe at \$45 per share on more than 10 per cent below the latest price. This experience is fairly typical.<sup>7</sup>

During the 1960's when many relatively unknown companies were growing very rapidly through acquisitions by issuing stock, it is questionable whether many of them could have sold the large quantities of stock and convertible debentures they issued at anywhere near the prevailing market prices or even at discounts of 10 per cent or 15 per cent. The assumption that the stocks these companies issued in acquisitions were "equivalent cash" is a highly questionable one. And the transfer of those values to the acquiring company's books would have resulted in misleading values.

In these situations, a built-in inflation develops. It has been pointed out by Professor Knipke that sellers accept these "overpriced" shares "only because they are obtaining a high price for their own assets, when so measured. Thus, the trade is measured in inflated currency, and the inflated amount is no fair measure of the assets acquired."<sup>8</sup>

The degrees of inflation in asset values is compounded if the seller receives investment stock which cannot be sold until an SEC registration is made effective at a later date. To sell such stock privately, it usually is

necessary to take a discount of 25 per cent to 50 percent below the market price. In such instances, the market value of freely traded stock provides no measure of the value of the acquired assets.

#### CONGLOMERATES

In recent years, market prices and in turn goodwill also would have reflected to a large extent the speculative binge which pushed many securities up to unsustainable levels. The collapse in prices of many conglomerates which accounted for many acquisitions provides a good case in point. The use of stock prices reached in 1968, a year with a record volume of mergers, to determine the value of the assets of companies acquired at that time would have meant large amounts for goodwill it purchase methods of accounting had been used. What would happen to this "goodwill" now that the securities of these conglomerates have fallen out of bed? A few illustrations which indicate the magnitude of the declines are shown in Table 1.

The data are interesting because they show the wide swings which have taken place in the prices of these securities. By April 9, 1970, the steady erosion in prices had brought the market prices of stocks of each of these companies to levels ranging from 50 per cent to 85 per cent below the highs prevailing in 1968. Clearly, the "values" derived during the speculative frenzy of 1968 proved to be ephemeral and have disappeared in the subsequent collapse. Should companies now be burdened by the amortization of the unrealistic amounts of goodwill that would have been placed on the books in 1968 if purchase and accounting had been used? With such wide fluctuations in market prices, the level at any point in time or even the average for a year provide no basis for asset valuation. It will be noted that for seven of the ten stocks in Table 1, the prices in April 1970 were 35 per cent to 75 per cent below the lows in 1968.

The selection of the date or time period to use creates a special problem particularly where months elapse between the date the negotiations are started and their final conclusion. Significantly different values would be obtained depending on the date used. This is illustrated by a study made of the value of General Telephone and Electronics common stock issued in connection with the acquisition of the Gary properties in 1955.<sup>9</sup>

Millions	
August 1954, beginning of negotiations	\$63.5
August 24, 1955, public announcement	117.7
September 29, 1955	110.5
GT & E Stockholders approval, Oct. 31, 1955, effective date of merger	100.9

Other dates or a six months or 12 months average would have yielded other totals.

In the hectic markets of the late 1960's even wider fluctuations took place in security prices in short periods of time. Clearly, the residual for goodwill would vary widely depending upon the date or dates selected to determine "fair value." And it must be kept in mind that security prices may fluctuate during merger negotiations for many reasons which have no relationship to the proposed merger; sometimes these changes influence the terms of merger.

Clearly, the timing of a merger rather than basic values would influence the amount of goodwill recorded.<sup>10</sup> And since mergers and acquisitions tend to be more frequent during periods of great speculation with accompanying inflated stock prices, corporate assets including goodwill would be written up to unrealistic levels if their values were imputed from such stock prices. Unfortunately, at such times there is a general unwillingness to recognize these inflated values as investors move in a state of euphoria in their

Footnotes at end of article.



dreams of "instant wealth". As the months go by, the unsustainable values are increasingly viewed as being permanent—until the collapse comes.

The factors to which weight is given by investors at such times often bear little relationship to the real values, including actual earning power, that would be considered if each type of asset were given a value by skilled appraisers.

Andrew Barr, Chief Accountant of the SEC, has appropriately observed:

"In periods of high market price levels purchase accounting tends to introduce inflationary values into the balance sheet when the assets and intangibles of the acquired companies are valued at the market price of the stock issued. These amounts usually cannot reasonably be expected to be recovered from the earnings of the acquired companies."<sup>11</sup>

#### PUBLIC UTILITY EXPERIENCE

This is not a new problem. There has been some experience with the difficulty of using market prices of securities to determine asset values in the public utility industries where asset valuation is of critical importance in rate making. In connection with public utility rate making, the Supreme Court in *Smyth v. Ames* (1898) stated that to ascertain the "fair value of the property being used," one of the factors to be considered was "the amount and market value of its bonds and stock." However, the Public Utility Commissions and the Courts never have been able to implement this recognition.

It is instructive that in the public utility area, where there is more experience in the valuation of assets than in any other part of the economy, it has not been possible to use market value of securities as a basis for asset valuation. The factors which have prevented the use of market values in the utility field also are applicable to industrial companies.

It seems obvious that the use of market prices of securities to determine values entered on the books of account must yield results that would make those accounts meaningless and would result in significant distortions of reported earnings. Within a short period of time, changing market prices would make the values used obsolete—and often by substantial amounts. This is not surprising because widely fluctuating market values reflecting anticipations, emotions, and speculation are used to determine asset values which by their nature tend to be more stable.

#### THE MAGNITUDE OF THE PROBLEM: SOME ILLUSTRATIONS

Several analyses have been made of the magnitude of mandatory amortization that would have been required and the impact on earnings if certain companies had been acquired and market values had been used to determine goodwill. These illustrations probably exaggerate the problem over time because they are largely based on the high prices prevailing in 1968 and 1969. Nevertheless, they are instructive concerning the nature of the problem created by mandatory amortization of goodwill.

Knortz has shown that the use of this procedure for:

"...A composite of five companies (National Cash Register, Kellogg, Carrier, Clark Equipment, Cluett-Peabody) indicates that, if a 20 per cent premium over market price was paid to acquire that package, the reportable earnings for 1968, assuming a 40-year amortization of goodwill, would have declined by over 40 per cent from the reported earnings and would show a similar decline in each year for 40 years. Stated

another way, a company that met the size test for 'pooling' would report earnings of \$148 million and a company that paid the same price but was too big to meet the size test would report only \$87 million. Furthermore, if a 10-year amortization requirement was found necessary, the second group would have been asked to report a loss of \$73 million. As an investor, one might properly ask whether reportable earnings should shift by \$221 million depending upon which buyer makes the deal!"<sup>12</sup>

A study of Polaroid Corporation showed that if that company had been acquired at the stock market values prevailing in 1968, the estimated goodwill would have been so large that if all earnings at the 1968 level were used, it would take 44 to 69 years to amortize it.<sup>13</sup>

#### FLUCTUATING GOODWILL

Singer and Tanzola have studied the market prices of three important companies and showed how widely goodwill would have fluctuated in a relatively short period of time if they had been acquired.<sup>14</sup> For two of the companies there would have been a shift to negative goodwill when their market prices fell below book value.<sup>15</sup>

"If Standard Oil of Ohio were acquired by another company at its 1968 market high, the excess paid over its book net worth would have been approximately \$465 million: at its 1969 high the excess would have been approximately \$1 billion; and at current market values the excess would be a little over \$700 million. Likewise, the excess for United Airlines would have approximated \$672 million at its 1968 high market price, but it would then have dropped to \$342 million at its 1969 high, and at current prices, this excess would have disappeared entirely in that United's stock is now trading for less than book value. Also, B. F. Goodrich's excess would have been \$160 million at its 1968 high, \$360 million at its 1969 high, and now, just a few months later, the \$360 million excess has tobogganed down \$460 million to a \$100 million bargain purchase...."

Singer and Tanzola also made estimates of the extent to which 1969 earnings would have been reduced if goodwill had been determined by the high market price reached in 1969. The most dramatic impact would have been on IBM whose entire 1968 earnings would have been wiped out because the market premium over book value was so great.

Professors Copeland and Wojdak made a study to determine how much goodwill would have had to be recorded by 26 companies if they had used purchase accounting instead of pooling of interests for 169 acquisitions between July 1, 1966 and June 30, 1967. Unrecorded goodwill was estimated at \$1,605 million or about 2½ times the total book value of \$653 million for the acquired firms.<sup>16</sup> It must be recognized that the amount recorded as goodwill would have been smaller to the extent that other assets would have been revalued upward and if some discount from market price had been used. Moreover, the acquisition terms might have been less generous if the purchase method of accounting had been used.

If it is assumed that the Copeland-Wojdak estimates are typical and that unrecorded goodwill would be about two and a half times book value, the overall impact on earnings of mandatory amortization may be estimated. In the following estimate it is assumed that the tax on profits is 50 per cent, the margin on sales is 6 per cent, and that sales are 2.3 times as large as net worth.<sup>17</sup>

#### NON-POOL PROFITS

While these estimates admittedly are rough since they probably overstate the amount of goodwill to be recorded, it nevertheless is clear that the use of the purchase method of accounting would have resulted in a decimation of profits whether the write off period

were 10, 20, or 40 years. Are we to believe that as a result of acquisitions, corporate profits would be so drastically reduced from their level before such acquisitions?

If we were to make the extreme assumption that half of the manufacturing companies were acquired through common stock issuance by the other half, on the basis of these data total profits in manufacturing would be reduced by 45.3 per cent with 10 year write-offs, 22.7 per cent on 20 year write-offs and 11.3 per cent on the 40 year basis. Would such drastic declines in profits take place because of a change in ownership? This would seem to be a far cry from economic reality. It underlines dramatically, the distorted earnings picture that would result if goodwill were created on the basis of market values of securities and then written off mandatorily as is proposed.

The restatement of assets required under purchase accounting usually has an adverse impact on the reported earnings of the acquired company. To the extent that fixed assets are increased and a new basis for depreciation is established, those charges are increased. If goodwill is set up on the books and mandatorily amortized as is proposed in the Exposure Draft (par. 106), reported earnings are further reduced.

These reductions in reported earnings take place even though the acquired company continues to produce the same products or services with the same plant and equipment, the same personnel, the same working capital, and the same management. Moreover, it has been noted that although reported earnings are reduced while goodwill is being amortized, when the amortization is completed "the earnings are miraculously restored."<sup>18</sup> Actually, real earning power had never been impaired throughout the writeoff period and to report them at lower amounts is inaccurate and misleading.

The economic reality is unchanged. The combination does not change the trend of production in the industries affected, it does not change gross national product, it does not change prices, to the extent goodwill is written off it does not change the cash flow—only reported earnings are reduced. Thus, the more that is paid for a company, the less would be earned under purchase accounting. This is unrealistic and indicates that the mandatory amortization of artificially created goodwill doesn't make much economic sense. Actually, under purchasing accounting less would be paid for acquired companies in order to minimize the adverse impact on earnings. The problem would be reduced in size as would the price received by the acquired company's stockholders.

#### SUMMARY AND CONCLUSIONS

The use of security values to determine "fair values" combined with mandatory amortization of the resulting goodwill would make a shambles out of earnings reports. Security prices provide a completely unsatisfactory basis for determining "fair values" for the books of account because they are affected by forces which are significantly different from those determining asset values. The timing of a merger rather than the basic values would determine the amount of goodwill recorded. A company could carry a burden of heavy amortization for up to 40 years because of bad timing of a merger. This may be good accounting—although I doubt it—but it is very bad economics.

The sharp reductions in reported profits under purchase accounting would be highly unrealistic and would create problems in connection with profit sharing plans, costs in government contracts, and other areas. The changes designed to eliminate accounting methods which act to inflate earnings are constructive. However, the proposed shift to purchase accounting would create such unfortunate economic effects that it is an undesirable substitute for pooling.

Footnotes at end of article.

TABLE 1.—PERCENT DECLINE IN STOCK PRICES OF 10 SELECTED CONGLOMERATES FROM HIGH AND LOW IN 1968 TO APR. 9, 1970

	1968		April 9, 1970	Percent decline to Apr. 9, 1970 from—	
	High	Low		1968 high	1968 low
AMK.....	58½	28½	25½	55.9	9.6
Avnet.....	43½	20½	9½	77.6	52.4
City Investing.....	40½	18½	20½	50.5	+7.3
Glen Alden.....	20½	12½	7½	62.3	35.1
Gulf & Western.....	66½	38½	15½	76.6	60.1
Kidde (Walter).....	87	53½	38	56.3	29.0
Ling-Temco-Vought.....	135½	80	20½	85.1	74.7
Litton.....	104½	62	22½	78.4	63.5
Teledyne.....	71½	45½	22½	68.7	50.1
Textron.....	57½	40	24½	58.3	39.7

Sources: Standard and Poor, Security Owner's Stock Guide, December 1969, pp. 22, 28, 52, 94, 100, 122, 130, 208, 210 and the New York Times, Apr. 10, 1970, pp. 58, 60, 64.

	Amount	Percent reduction in profits
Net worth.....	\$1,000.00	
Sales.....	2,300.00	
Profit before taxes.....	276.00	
Profit after taxes.....	138.00	
Goodwill 2½ times net worth.....	2,500.00	
10-year writeoff.....	250.00	
Profit before taxes becomes.....	26.00	90.6
Profit after taxes becomes.....	13.00	
20-year writeoff.....	125.00	
Profit before taxes becomes.....	151.00	45.3
Profit after taxes becomes.....	75.50	
40-year writeoff.....	62.50	
Profit before taxes becomes.....	213.50	22.6
Profit after taxes becomes.....	106.75	

## FOOTNOTES

\*An address by Dr. Backman before the New York University Men in Finance, May 1, 1970, The Lawyers Club, New York City.

<sup>1</sup> Letter to Mr. Reed K. Storey, SEC Comment No. 40, March 19, 1969, p. 5.

<sup>2</sup> Knortz has suggested setting a size test at "the lower of 25 per cent of the combined common stock equity or \$5 million of exchange price." Herbert C. Knortz, "Economic Realism and Business Combinations," an address before the New York Society of Security Analysts, January 29, 1970, p. 14.

<sup>3</sup> "SEC Comment No. 40," op. cit., p. 4.

<sup>4</sup> George R. Catlett and Norman O. Olson, "Accounting for Goodwill," Accounting Research Study No. 10, American Institute of Certified Public Accountants, New York, 1968, p. 64.

<sup>5</sup> Homer Kripke has pointed out that rights offerings are priced 10 per cent to 15 per cent below the market. "Moreover, the market price tends to go down while a stock is being registered for cash sale in expectation of an increase in the supply. Finally, the expense of registration and underwriting spread on a common stock issue are not insubstantial." Comments to Accounting Research Study No. 10, in The Business Lawyer, November 1968, p. 110.

<sup>6</sup> All of this decline was not due to the rights offering. During that period, oil stocks generally were declining.

<sup>7</sup> Motorola was selling at around \$146 in November 1969 when shareholders were given the right to subscribe to new shares at \$125 per share, or a discount of about 15 per cent. Similarly, Kimberly-Clark was selling at about \$61 in June 1969 and stockholders were given the right to subscribe at \$56.50 a share, or a discount of about 7 per cent.

<sup>8</sup> Kripke, op. cit., p. 111.

<sup>9</sup> Public Utilities Commission of the State of California, Decision No. 75 873, July 1, 1969, p. 63.

<sup>10</sup> During periods of depressed security prices the amount of goodwill would create less of a problem.

<sup>11</sup> "SEC Comment No. 40," op. cit., p. 2.

<sup>12</sup> Knortz, op. cit., p. 13.

<sup>13</sup> Robert G. Ellis, "Accounting for Goodwill," an address before the 22nd Annual Conference of the Financial Analysts Federation, May 14, 1969.

<sup>14</sup> These are not academic theorizing since Goodrich was subject to an attempted takeover that failed.

<sup>15</sup> Alvin M. Singer and Frank J. Tanzola, "Entity Accounting For Business Combinations Serves Investors," U.S. Industries, Inc., November 1969, pp. 4-5.

<sup>16</sup> Ronald M. Copeland and Joseph F. Wodjak, "Valuation of Unrecorded Goodwill In Merger-Minded Firms," Financial Analysts Journal, September-October 1969, p. 60.

<sup>17</sup> In 1968, the margin on sales was 5.7 per cent for leading manufacturing companies and sales were 2.3 times net worth. Derived from First National City Bank, Monthly Economic Letter, April 1969, p. 41.

<sup>18</sup> Leonard Spacek, "The Merger Accounting Dilemma—Proposed Solutions," before The American Bar Association National Institute, New York, October 23, 1969, p. 21.

## WCAS AWARDS

## HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. PHILBIN. Mr. Speaker, in neighboring Cambridge there is a radio station which is widely heard in many communities in my district largely because of its intensive local and area news coverage.

This is a most commendable effort for any radio or television station, but with respect to radio station WCAS in Cambridge, Mass., these fine activities have brought the station deserved recognition and awards from the news reporting fraternity.

In fact, earlier this year station WCAS was honored by the noted United Press International for its news and election coverage. The station won the highly coveted Tom Phillips Award for best news story in the small radio station category in New England. In addition, station WCAS received a special citation for election coverage.

A running account and description of events at Harvard University's administration building was judged the top news story by a panel of judges at Syracuse University School of Journalism. This 13-minute on-the-scene coverage was performed by dedicated newsmen and

WCAS general manager, Donald S. Shaw, Jr., for which he was awarded the Tom Phillips Trophy.

This is the second Tom Phillips Award for radio station WCAS in its 3 years of existence, an outstanding accomplishment in the news reporting field and truly indicative of the enterprise, zeal and effectiveness of the WCAS news gathering organization. The station won its first Phillips trophy for its coverage of the Vietnam referendum in Cambridge.

The station's coverage of the Somerville mayoral election won the UPI special citation for election coverage in competition with stations from all over New England, largely as the result of the effective work of the news manager, John Callarman, and staffers, Bill O'Neill and Meg Colton.

To my knowledge, radio station WCAS is the first small station to have earned so many awards and citations during the beginning years of operation and I am pleased to bring these commendable efforts to the attention of my colleagues in the House.

I salute radio station WCAS, Cambridge, its owners and operators, Kaiser-Globe Broadcasting, and its dedicated staff.

SPEAKER JOHN W. MCCORMACK

## HON. ELIGIO de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 26, 1970

Mr. DE LA GARZA. Mr. Speaker, I shall now proceed to flout an adage well known in New England and, I am sure, familiar to the gentleman from Massachusetts. I refer to the saying that "Praise to the face is an open disgrace." That does not apply in this House and on this occasion.

Men possessed of eloquence that could never be mine have spoken of the long and honorable public service career of Speaker JOHN W. MCCORMACK. I will not attempt to outdo them. I would like it to be taken for granted that I join wholeheartedly in every tribute paid him. He is a great American and a tremendous human being.

Since I came to Congress 5½ years ago, the Speaker has been my mentor and my friend. No freshman Member could ever have received more kindly treatment or greater consideration than has been accorded me by our Speaker. He has guided and assisted me in hundreds of ways.

It is a matter of deep regret to me that I could not be present at the House reception for the Speaker or the Democratic dinner at which he was guest of honor. At the time of the reception it was necessary for me to be in my district, one section of which had been hit by a devastating tornado. I know that under similar circumstances the Speaker, a man of deep compassion and a man always concerned with the well-being of the people he represents, would have wanted to be with his home folks. On the evening of the Democratic dinner, I was making a commencement address



to a high school graduating class which included some of my nephews.

In fulfilling these duties of my office, I felt that in a very real way I was doing honor to the Speaker, who has done so much to train me in the way I go.

I am sad that our Speaker will not be with us after this Congress. I, like so many others, have been strengthened and made a better man by his friendship and trust. My warm wishes are with him and Mrs. McCormack. As I have sometimes said to the Speaker, "We Irishmen have to stick together." He has always stuck with me, and I hope I have not failed him.

## RACE MIXING—FRUSTRATIONS AND FAILURES

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. RARICK. Mr. Speaker, as the present administration announces continued programs to pacify the fanatical race mixers by further compulsory destruction of public schools in the South, I feel it most appropriate to examine another race mixing failure in the North—Gary, Ind. I say another, because all America is familiar with the tragic exhibition of race mixing in our Nation's Capital.

The story of what happened to Horace Mann School in Gary, Ind., reemphasizes the failure of forced integration and the tremendous waste of funds and efforts.

Apparently, the social theorists and egalitarians who day by day see their plans proven erroneous refuse to accept the truth. Race mixing was never intended to work nor to be peaceful. It was devised and intended but to provoke agitation and disruption of patterns of living and to alienate human relationships. We of the South have for years tried to explain to our liberal and moderate northern friends that education is a local matter and now find in our areas a vast abandonment of the public schools and a reestablishment of many small community schools, independent of any Federal interference, funds, or control. This is freedom in action by responsible and concerned parents who are far more alert to the crisis provoked by race mixing than the bureaucrats in Government who feel that if their theories have not yet caught on they can by more "force" laws, and large appropriations of taxpayers' money, either whip or buy the parents into submission.

I insert a story on the Gary, Ind., school situation, a newsclipping, and a letter from a schoolteacher in my district, following my remarks:

[From U.S. News & World Report, Apr. 27, 1970]

#### WHAT HAPPENED TO ONE "MODEL" HIGH SCHOOL: CLOSE-UP OF DESEGREGATION

GARY, IND.—Horace Mann School looks peaceful enough—a trim, three-story brick building sprawling along a slope fronting on Garfield Street in what once was Gary's prestigious West Side.

But inside, as in thousands of other schools around the country, there is trouble. Some of the symptoms are these:

Academic achievement is declining steadily.

Tension and violence are on the increase. Faculty morale is shaky.

Students speak of a loss of loyalty to the school.

The background for these troubles: The neighborhood is changing its racial base from white to black. Some say the change, while difficult, is good. Others view it as nothing short of disaster.

For nearly 40 years, Horace Mann has been the prestige school in Gary, a grimy and hard-working city of steel mills perched on the southern shore of Lake Michigan. Gary has about 180,000 people.

If parents in Gary wanted their child to get the best public-school education available, they maneuvered to enroll him in Horace Mann. Other schools may have excelled in football or basketball, but Horace Mann always meant brains.

In the old days, nearly all the pupils were white. They came from large brick homes and quietly expensive apartment buildings. Their parents were doctors, lawyers, factory executives and store owners.

#### FIRST, BUSING

In 1964, some black children were bused in for classes in the seventh grade, lowest at the six-year school. Within three years, it was no longer necessary to use buses, because the neighborhood around the school was changing anyway.

Some of the white families shifted to the expensive Miller section in Gary's northeast corner, as Negroes moved into the West Side. Others have fled to Crown Point, Merrillville and other suburbs. The neighborhood around Horace Mann is heavily sprinkled with "For Sale" signs posted by white residents who have not yet left who intend to move at the first opportunity.

A business area nearby is pock-marked with abandoned stores and restaurants, empty and forlorn. Some citizens, both whites and blacks, say they are afraid to venture outdoors after dark for fear of being robbed or beaten.

The movement has been swift. Two years ago, Negroes comprised 21 per cent of Horace Mann's enrollment. A year ago, blacks formed 24 per cent of the student body. This year, Horace Mann is 33 per cent black and 27 per cent of Mexican or Puerto Rican descent. On a citywide basis, 63 per cent of the public-school pupils in Gary are Negroes—one of the largest proportions of blacks of any city in the nation.

Local educators agree that within a few years, the enrollment at Horace Mann will be nearly all black.

#### FACTORS OTHER THAN RACE

Some of the people connected with the school accept today's troubles as part of the price society must pay for racial neglect and discrimination. And they argue there are other factors—Vietnam, narcotics, inflation, the youth rebellion—which are at least partly responsible for problems in practically every school regardless of its racial makeup.

But the foremost difficulty at Horace Mann, nearly everyone concedes, is how to cope with a student population whose racial composition is rapidly changing.

Lawrence Gehring, Jr., a former Iowan who took over as principal last autumn, said he welcomes the chance to work with children who need help. "In Iowa we just talked about problems of race, but we were not really involved," said Mr. Gehring, who is white. "I'm here because I want to be here."

Horace Mann, its principal added, is "a successful, integrated school." By that, Mr. Gehring explained, he means they have had no major disorder with racial overtones, most

teachers are dedicated to nondiscrimination and efforts are being made to upgrade academic performance.

But Mr. Gehring also sees racial barriers among his pupils hardening. He is coming, reluctantly, to believe that black pupils would do better with black teachers than with white instructors if the racial turnover neared 100 per cent.

Some whites, the principal said, refuse to cheer the school's all-black basketball team. No Negroes take part in varsity swimming, golf or tennis. Some Negroes recently wanted to form a black student union, but Mr. Gehring refused permission unless anyone was admitted, regardless of race.

#### LOWER SCORES

Most of the worries, however, lie in the classroom. Until three years ago, Horace Mann pupils consistently ranked above not only those in other schools in Gary, but above the national student average in basic academic skills. It was not uncommon for the school, as a whole, to score better than 75 per cent of the schools in the country on tests of mental aptitude, reading, chemistry, algebra and U.S. history.

Now the trend is downward. Tests on the intelligence quotient of eighth-grade pupils showed Horace Mann students scored an average of 95—normal is 100—in 1967. This term it dropped to 90.1. Composite scores of basic-skill tests given last autumn rated Mann's eighth-grade pupils at a shade under the seventh-grade level. The latest mean verbal-I.Q. scores for Gary's eighth-graders citywide are below the national average, and scores for pupils at Horace Mann are slightly under the citywide average.

Many of the black pupils, Mr. Gehring noted, have been shuttled from one school to another for their entire academic careers. They have never had a chance, he said, to adjust to any one of those schools or to any single group of teachers.

Mrs. Dorothy Goldman, a white teacher who has been at the school for 14 years, recalled that five years ago she had at least 40 pupils in her accelerated course in sophomore English for fast learners.

This year, she had 25 and she said all but four or five of them would have been rated only average students a few years ago. She reported: "Some of them read with understanding at a sixth-grade level—I have to practically translate every sentence in our textbook."

When she came to Horace Mann in 1956, the gray-haired teacher said, she had her eighth-grade pupils reading "Tale of Two Cities" and "A Midsummer Night's Dream." This year those books are too tough for her tenth-graders to tackle.

#### ADJUSTING TO THE SYSTEM

David Williams, a Negro and teacher of mathematics at Horace Mann for seven years, expressed a different viewpoint. The school always has had some slow learners and some fast ones, with most pupils rated average, he said.

And while the general achievement level of the school is dropping, said Mr. Williams, statistics alone are not the sole objective. He predicted that the learning rate will pick up again as children adjust to the system. He added:

"When I first came here we had a good school, and I feel we still do have a good school. A teacher who feels there is no hope is in bad shape."

But some teachers at Horace Mann feel just that way: that there is no hope. Turnover of faculty members once was three or four a year. Last year 27 of the nearly 100 teachers left, and others admit they are looking for work elsewhere.

One teacher said she will take early retirement, even though it will reduce her pension considerably. She explained she simply

cannot handle the pupils any longer and feels frustrated in trying to help them.

"You find yourself waking up in the middle of the night, wondering how to reach these kids," she sighed. "I haven't found a way."

#### MAINTAINING ORDER

Discipline is a problem at Horace Mann, as it is in many schools, although there have been no major outbreaks. The school system hires two off-duty policemen to cruise around the building all day in an unmarked car to keep outsiders from entering and disrupting classes.

"Without those policemen," admitted one faculty member, "we couldn't operate."

Police also were hired this year to keep out gate crashers at school dances after a series of incidents. This winter, a student drew an air pistol on a teacher, and another pupil was shot to death at a private party. Several times guns have been taken away from students. Visitors' automobiles at night meetings and dances frequently are damaged and robbed. The Holiday Ball, for 30 years the school's big social event of the Christmas season, was canceled last year for lack of interest and fear of violence.

"Discipline is a dirty word, I guess," shuddered one teacher. "Order in the halls is very bad. Students just defy us to correct them in any way."

She said of black pupils:

"They seem to feel when I'm correcting them that I wouldn't do it to a white child. They distrust me. But if you punish a white child, at least you don't have the NAACP (National Association for the Advancement of Colored People) and the Urban League coming down on you."

Another white faculty member commented:

"Most of the kids would rather drop dead than open a door for you. A few years ago, if you told a kid to pick up a piece of paper, he'd say 'Yes ma'am' and pick it up. Now he says 'Go to hell.'"

David O. Dickson, a white who has taught English at Horace Mann for eight years contended a defiant attitude on the part of black pupils is only a symptom of the Negro's attaining self-respect as a person. Teachers make a mistake if they take it as a personal insult he said.

Mr. Dickson mentioned a Negro girl who lives in Gary's central district where narcotics and prostitution are widespread. The girl told him the teacher recalled that she senses a feeling of revulsion on the part of some students and teachers—solely because of where she lives. "I've never done anything wrong" said the girl "but they look at me like I'm a piece of dirt."

Said Mr. Dickson:

"I feel these kids are my kids—black, white or whatever. It's our function to take every student from wherever he is and bring him up as high as he can go. Sure, our school is a different school than it was before. And maybe it's a better school, because we're helping people who need help more than the former students did."

John P. Friel, a white who has taught social studies in the school for 13 years, agreed with others that Horace Mann probably will be an all-black school in a few years.

"The only integrated schools are schools in transition, and that's regrettable," Mr. Friel said. "Integration by and large is a failure. We never have developed a unified social system."

The real losers at Horace Mann, he added, may be the more than 500 pupils from Spanish-speaking families. Less bold than Negroes who have been buoyed by recent progress in civil rights, these students tend to sit quietly at the back of the classroom. Mr. Friel said they cause little trouble, but often, because of language problems and other rea-

sons, they do not really comprehend what is going on.

#### LOSS OF INTEREST

Jane Gaebe, a 17-year-old white junior, said she intends to stay at Horace Mann although most of her close friends have transferred to predominantly white suburban schools. She's staying, she explained, only because of her devotion to the school choral club. She added:

"Interest in student affairs is just gone. My best friend is a cheerleader and she is really disgusted. At the basketball games, the faculty outnumber the students."

Another pupil added:

"Nobody really cares about school any more. It's a place where you come to spend a few hours a day, and that's it."

Jane's father, mother and brother all are Horace Mann graduates. She recalled that only six years ago, when her brother played in the school band, the concerts were jammed with spectators. Now, she said, hardly anyone shows up.

Eight white families have moved out of her block since last September, Jane said, and her family probably will move, too, if they can find a place.

"I'm not for forced integration," said the girl. "They [the Negroes] didn't want to come, and we didn't want them."

#### HOPEFUL SIGNS

Not all the pupils feel that way. Howard Bernstein, a white senior, admitted:

"It has been a very tense atmosphere around here for the last couple of years. It's been hell, but I think it's benefited everybody."

Howard said he lives only three blocks from the school, and his family has no intention of moving.

"This is my school, regardless of what it is," the youth said. "Everybody complains that the neighborhood is changing. Well, it wouldn't change if people didn't move out."

During the 1968 election campaign, he recalled, a Negro family moved into his block. A white resident immediately posted two signs in his front yard—one backing George Wallace for President and the other offering the house for sale. The house did not sell, and eventually both signs were taken down.

"They don't go out to dinner together," he said of the black family and the white family. "But they don't shoot at each other, either."

Howard remembers how it was when he was in the seventh grade, and Negro pupils were brought into Horace Mann. He said:

"Everybody was afraid of everybody else. It was weird. My friends didn't want the 'niggers' in. But now it's changed. They're not 'niggers.' They're our friends."

Dennis Roberts was one of those Negroes who entered Howard Bernstein's seventh-grade class. Now Dennis, 17, is president of the student council. He regards integration as part of the learning process, although he feels it would be more effective if applied to housing rather than limited to education.

"It's sad that Americans can be so rich and still be so stupid," he said. "They see a Negro family moving into the neighborhood, and right away they're afraid all the grass is going to die."

About 56 per cent of Gary's citizens are nonwhites. Three years ago, Richard G. Hatcher became the first Negro to be elected mayor. Mayor Hatcher said part of the answer to situations like Horace Mann is to stop "block-busting," in which real estate agents stimulate panic sales of white-owned houses by spreading rumors that Negroes are moving into the area. "If all neighborhoods and surrounding suburban areas were completely open to anyone who wants to and can afford to live there," the mayor said, "there would be no place to run."

#### THE PROBLEM: JUST POVERTY?

Dr. Gordon L. McAndrew, 43, has been Gary school superintendent for nearly two years. The decline in Horace Mann's classroom performance, he said, is not caused by race but by plain poverty. Dr. McAndrew explained that the child from a poor family often is not encouraged at home to excel in his studies—and frequently he doesn't. The further such a child goes in school, he said, the wider grows the performance gap between him and a middle-class youngster. The answer, said the superintendent, is to catch children from the poverty areas as young as possible and provide the educational foundation on which to build.

Gary now is engaged in a federal program which enrolls all 4-year-olds of poor families in preschool classes. Preliminary tests, authorities report, are encouraging and indicate that the trend of declining academic achievement can be reversed. Said Dr. McAndrew:

"The big question is: Can we retain that growth through high school? I have no doubt that the kids can learn. I do worry sometimes how close we are to midnight. Do we have enough time to help these kids?"

Dr. McAndrew admitted he is concerned about whites' abandoning the city to the Negroes, and the increasing polarization of the races. Compounding the problem is the fact that Gary schools, like many others, are operating on the brink of bankruptcy. Local property taxes are at what many consider to be their limit, and obtaining more State aid is becoming more and more difficult.

"But I think the city has a fighting chance," said the superintendent. "That's why some of us are here. If I didn't think so, I would jump off a bridge."

"If Gary can't make it, society can't make it."

[From the Washington Post, May 30, 1970]

#### UNITED STATES FIRM ON DEADLINE FOR SOUTH'S INTEGRATION

(By Peter Millius)

The Nixon administration is holding firmly to its announced intention of virtually completing Southern school desegregation by this fall.

If it enforces the deadlines it is laying down, in September the administration will preside over the desegregation of the school districts that have both the heaviest black enrollments and the longest records of white resistance in the Deep South.

In an interview this week, Assistant Attorney General Jerris Leonard said, "I think everybody realizes the law is going to be enforced. This is it."

He predicted that, by September, at least 95 per cent of the 1,509 school districts in the 10 Southern states east of Texas will be under court orders or written agreements to run legally unitary systems.

If these agreements and orders are reached and obeyed, more than 550 districts will be desegregating three months from now.

Some have already gone part way. Others have almost the entire process to go through.

"They're talking about the whole hard core in one gulp," says Paul M. Rilling, who was director of the Health, Education and Welfare Department regional civil rights office in Atlanta until he resigned in March in protest over the administration's desegregation stance.

"If we have the change that's scheduled," he acknowledges, "you'll have to go back to 1955 and 1956 to find anything of the same proportions."

In those years, Rilling recalls, "you had massive change in places like Maryland, Kentucky, and Missouri, tremendous changes statistically, whole districts overnight in response to Brown," the 1954 Supreme Court decree.



"But those were the easier areas, and there's been nothing like it since."

#### PRESSURE ON DEEP SOUTH

The pressure now is on the Deep South. South Carolina has 93 school districts. According to a Justice Department compilation, 80 still have part or the whole way to go.

In Georgia, 127 of 168 districts have yet to reach a unitary status.

In Alabama it is 86 of 119, in Florida, 32 of 67, in Louisiana, 32 out of 66.

In Mississippi, according to the Justice list, 84 of 148 districts still have steps to take. And civil rights lawyers say that others, not among the 84, neglected this year to take steps they were ordered to or agreed to.

The administration indicated as much as a year ago that, in general, it would hold the South to a September, 1970, desegregation deadline. But at the same time it allowed and sought delays past September, 1969.

It tightened its position in the wake of the Supreme Court's impatient October desegregation-at-once decree, a decree it had sought to ward off.

Last December, while still urging the Supreme Court not to require desegregation in the middle of the school year, the Justice Department pledged to "focus its resources toward making (a September, 1970) deadline a reality."

In March, President Nixon told the South that "deliberate racial segregation of pupils by official action is unlawful . . . and . . . must be eliminated at once."

Several days later, Leonard, chief of the Justice Department's Civil Rights Division, said the administration would make one last overture to holdout districts in the South, then file suits.

Where there were enough segregated districts left in any state to warrant it, the suits would be statewide, he said, like one the department filed in Georgia last year.

#### TALKS CONDUCTED

In the weeks since, administration representatives—Leonard, Robert C. Mardian, staff director for Vice President Agnew's Cabinet committee on desegregation, and others—have gone into five states to talk terms with holdout school boards.

In one state, Arkansas, 23 of 32 such districts have since submitted acceptable desegregation plans, according to HEW officials. Fewer districts have come forward so far in South Carolina, Mississippi, Florida and North Carolina.

Leonard said decisions about whether to file statewide suits or take some other tack will be made next week.

The threatened statewide suits would apply to districts that have not been taken to court and have refused to come to terms with HEW. Among these are the districts that have had their federal funds cut off by HEW and have still balked at compliance.

In addition, the Justice Department must deal with some districts that are under court orders that don't require complete desegregation by this fall. Leonard said this week simply that they, too, would be dealt with. He did not elaborate.

The administration's firmness in recent weeks has brought grudging praise from some desegregation advocates, and caused consternation among some Southerners still hopeful of reprieves.

Leonard made a stir on his trip to South Carolina when he said publicly that the September, 1970, deadline was firm and freedom-of-choice was out.

Rilling, the HEW enforcer who quit, is still somewhat skeptical, but he remarks: "It's late in the year, and they're still talking tough. I don't see the political deals I saw last year. They deserve some credit."

Some doubts remain, however.

The main unanswered question is what the Justice Department will do about its threatened statewide and other suits.

Though Leonard disputes it, some critics say there is too little time left to bring successful suits, work out desegregation plans for all the remaining districts and put the plans into effect by September.

#### POLITICAL PRESSURE

They note, too, that there are strong political pressures against statewide suits. In South Carolina, where Rep. Albert W. Watson is running for governor, a statewide desegregation suit by his own Republican administration would be an embarrassment.

Leonard notes that "there is a lot of psychology to everybody having to do it (desegregate) at the same time."

His critics agree, and are fearful that a letup anywhere would do harm all across the South.

Leon E. Panetta, ousted in February as director of HEW's Office for Civil Rights because of his outspokenness on the desegregation issue, agrees that "there's no question there's going to be a lot of districts coming in this fall."

"But it's not all locked up," he says. "In the end, it's whether Leonard is prepared to bring the suits in these other districts."

"You could have a massive compliance. And you could also have a massive cave-in."

Leonard is predicting compliance. It will be, he says, "a pretty massive transformation . . . brought about in spite of a lot of rhetoric problems we've had."

"They'll be some sporadic problems here and there, but I don't think in a violence sense. I think it will settle down."

BATON ROUGE, La.,

May 11, 1970.

DEAR CONGRESSMAN RARICK: I am writing to you because I feel that it is my duty as an American citizen to express myself, and since you are my Representative, I feel that you are the one to whom I should talk.

I realize that there are citizens in this country that are entitled to "their rights." My question to you is this, in order for these people to get their rights, must my rights be taken away from me? You don't understand what I am saying. Well, you see, Mr. Rarick, I am a teacher in the parish of East Baton Rouge. I teach at Glen Oaks Junior High. The other day I was called into the main office to sign my transfer form that I didn't want to sign. They even gave me a choice of three schools I could be transferred to. The only bad part about this was that they all had to be black schools. Oh! Yes! They gave me a choice, either say I would go or I would lose my job next year. Some choice, huh? So this is America? Is this what our forefathers fought England for? Undoubtedly, everything I taught my kids in American history were lies!

The Federal Government—let me restate that—the Supreme Court—says that there has to be 65% white teachers and 35% black teachers! Why? That's what I want to know. Why? So these 65% white Supreme Court judges and 35% blacks? When is the Supreme Court going to rule that Congress has to be 65%-35%?

You know, Mr. Rarick, I have stood back and I have watched and I have listened. Now, I am sick! In 1954 that colored lady said, "I was tired and I didn't feel like going to the back of the bus!" Well, Congressman Rarick, I am tired and I don't want to go to a school that I am forced to go to. Do I have any legal rights that I can stand on. If so, please write and let me know. I feel I am being discriminated against.

Now I have another point I want to bring up. My kids and I (American History classes) figured that it takes around 535 men to make a law in this country. We also figured that

all it takes to make this law unconstitutional is "5" men. How in the world can this be?

Then my kids say, "Mr. Messina why do the kids in the South have to be moved and the kids in the North don't? Was I right in saying that there is not one Southern judge on the Supreme Court and that the Supreme Court is prejudiced? Why aren't they going to bus 100,000 Negro children out of Harlem? Why isn't Los Angeles, California being required to transfer teachers and students? Is it because the South is a "Scape Goat?" Does the Supreme Court say, "Let's try it on the South first. They are nothing!" My kids ask me these questions all the time; And I just quite don't know how to answer them. This will surprise you, but, my colored kids want to know why also!

Congressman Rarick you may think after you read this letter than I am a psychotic, but I promise you I am not. I also promise you that I am serious when I ask you, what rights do I have in regards to my transfer. Can they force me to go where I don't want to go? Could I bring this to Court?

My students asked me when the Civil War ended and I told them that it hadn't; I told them that it was still being fought in Congress and that the South was still getting beat.

But I told them that some day the people are going to wake up before it is too late.

I would appreciate it if you would answer my letter because I am greatly concerned about my future.

Thank you,

WAYNE N. MESSINA.

P.S.—I am 23 years old. I graduated from Nicholls State College in Thibodaux, La. I have lived in Baton Rouge all my life. I am also a registered voter. My major in college was American History and my minor is Speech. I have also been accepted for graduate school at Nicholls.

Q1C. FRANCIS LoPICCOLO—SHIP-MATE TO 5,000 VIETNAMESE

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. RIVERS. Mr. Speaker, I am indebted to my good friend, Robert W. Nolan, the national executive secretary of the Fleet Reserve Association, for bringing to my attention the outstanding contribution to the pacification program in South Vietnam made by Q1C. Francis LoPiccolo.

This young Navy man has, almost singlehandedly, enabled over 5,000 Vietnamese to overcome the constant fear of the Vietcong and establish relatively normal lives. He has been responsible for the construction of two new towns in what was once nothing but Mekong Delta swampland. Through his efforts, the towns of Tran Hung Dao I and II now have permanent and semipermanent homes, businesses, medical facilities, and a stability never before present in this area of South Vietnam.

The results have been beneficial to both the local populace and the Vietnamese and U.S. Governments. The people of this area are now over 98 percent anti-Vietcong and have a sense of gratitude and respect for the country which can produce such outstanding individuals as Petty Officer LoPiccolo.

Petty Officer LoPiccolo's story is an example of what one man can do for his country and for the people of South Vietnam.

The Navy term "shipmate" not only denotes personnel serving together, but also a spirit of mutual responsibility and interdependence. It is a term utilized with the highest respect for a man upon whom his shipmates can rely for aid, comfort, and protection in times of crises. In this respect, Petty Officer LoPiccolo can be termed a shipmate to the Vietnamese people in the Mekong Delta villages.

Petty Officer LoPiccolo is from Water-  
loo, N.Y.

#### RESPONSIBLE ENFORCEMENT OF LAW IS NOT REPRESSION

#### HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. WYMAN. Mr. Speaker, if our system is going to stand the stress and strain of polarization—of extreme differences in view, opinion, conviction, and dedication between citizens—it must devote itself anew to the principle of majority rule. This principle is simple—the majority vote results in rules and regulations that are to be adhered to by both majority and minority and until and unless changed—also by vote in the democratic process, and not by violence or anarchy.

Somewhere along the line and the sooner the better, it must be realized in this country that responsible enforcement of the rules and regulations of society is not repression. You just do not—and may not—go around in this country breaking down doors, throwing rocks, destroying property, forcibly breaking up the democratic processes of government, forcibly taking over the offices of Cabinet Secretaries or throwing pies at Commissioners. Those who do this willfully and deliberately must be penalized. It is the continuing obligation of the Department of Justice—of the various U.S. district attorneys around the country—and of local prosecuting officials at the State level to take judicial notice of this conduct and to file the necessary complaints forthwith on their own initiative.

It is also the continuing obligation of various public officers whose prerogatives have been so outrageously violated by patent punks not to take such things lying down. It is not a good public example. In this connection I recommend reading the distinguished Columnist James J. Kilpatrick's recent column in the Washington Star entitled "Eat the Tossed Pie . . . and Be Sure to Tip":

EAT THE TOSSED PIE . . . AND BE SURE TO TIP  
(By James J. Kilpatrick)

A couple of years back—perhaps it was more than that—Bill Buckley wrote a delightful little essay in which he rued our lost capacity for outrage. I am not feeling so delightful just now, but I mark his remonstrance anyhow.

My erudite friend noted, for example, the reluctance of the humblest diner in the

humblest hash-house to complain of bad service: The food arrives both cold and tough; the waitress slops it down with a sneer; the customer says not one word, and he leaves the usual tip. The commuter train is 15 degrees too hot or 10 degrees too cold; the cowed passengers sweat or shiver, depending on the season, but they are inhibited from speaking out.

All of us know what Mr. Buckley meant. All of us have experienced the rude clerk, the insolent mechanic, the reckless driver of a cab; and we are their captives. We will not make a scene. We are prisoners, if you please, of manners. We are patsies.

Reading the Washington papers, a few nights ago, one recalled the Buckley reproach. It is just as he said; but the captivity grows worse.

There in the papers was a report of the visit of Kingman Brewster, president of Yale. Mr. Brewster's message to the Congress, ever so slightly simplified, was this: Surrender. Quit. Give in. If we fall to give the hard-core students everything they demand, he appeared to be saying, the brutes will burn the country down. Can we let a thing like that happen? No. So sign here. And leave a tip.

I was in Kansas City on Thursday, and picked up the morning Times. There was an article over the byline of Arnold Toynbee, explaining the villainy of the United States of America. We are everywhere feared and hated, he said. Let me quote:

"Would I rather be a Vietnamese who was being 'saved' by the American army, or be a Czech who was being 'saved' by the Russian army? Of course I would rather be the Czech."

Of course, Mr. Toynbee, in the awful alternative, would rather be Red than dead. He would surrender his freedoms before he would defend them. If his statement means anything, that is precisely what it means: Don't talk back to the waiter. Tip him. It is ungentlemanly—it might soil one's coat—to fight for so small a thing as freedom. Tyranny is no more than inferior gravy. Mr. Toynbee would rather be the Czech. Of course.

The distinguished historian is not alone. I fly back to Washington Thursday night, dump the dirty shirts, and pick up the papers. A gang of insolent bums, it appears have occupied the office of Welfare Secretary Finch. They broke in without notice or invitation, ousted him from his chair, put their feet on his desk, and proceeded to belabor him with three hours of abuse.

How did Mr. Finch react? He was calm. He never raised his voice. His visitors were shouting obscenities at him. He took a chair to one side; he attempted to reason with the intruders. As any child might have imagined, the intruders refused to be reasoned with. They cursed him until they wearied of the fun; they sat there all day, and finally, late in the afternoon, they negotiated the terms of cheap arrest and swaggered into paddy wagons belatedly summoned to the scene.

Meanwhile, the Federal Commission on Obscenity and Pornography had been holding a public hearing. A 28-year-old witness by the name of Thomas K. Forcade, coordinator of the obscene Underground Press Syndicate, turned up, spouting obscenities, and concluded his testimony by hurling a whipped cream pie into the face of one of the commission members. Two policemen watched, uncertain, paralyzed, wondering what to do. The commission member, Dr. Otto N. Larsen, professor of sociology at the University of Washington, apologized for being in front of the pie. He made no move to have Forcade arrested. He ate the pie off his vest; and he tipped.

There are times, honest to Pete, when some of us long for George Wallace: "The next pointed-headed demonstrator," he said, "who lies down in front of my car . . ."

When a cabinet secretary and a federal commission member quiver like so much lemon Jello before outrageous insolence, they do not achieve communication or promote reconciliation. They invite further outrage. Lord, I am minded to pray, forgive us our dishmops; they know not what they do.

#### FORMER SECRETARY OF DEFENSE ADVOCATES SETTING A DEFINITE DATE FOR VIETNAM WITH- DRAWAL

#### HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. FRASER. Mr. Speaker, there have been many good arguments made for an immediate withdrawal from Vietnam ending by a definite time. These have come not only from experts on Southeast Asia in our great universities but also from men who have a very strong contact with the actual functioning of our policy in Vietnam.

One of these men who has worked most intimately with the problem is Clark Clifford. Mr. Clifford has had much to do with the new policy of deescalation and withdrawal which began under President Johnson.

A year ago Mr. Clifford created quite a stir when he advocated beginning withdrawal from Vietnam. At that time President Nixon said he hoped to better the timetable set by Mr. Clifford.

Mr. Clifford argues in Life magazine that the only solution to Vietnam is to set a withdrawal date and get out. I include it here as a document which everyone should read:

#### SET A DATE IN VIETNAM: STICK TO IT— GET OUT

(By Clark Clifford)

On the evening of April 30, I heard President Nixon inform the American people that in order to "avoid a wider war" and "keep the casualties of our brave men in Vietnam at an absolute minimum," he had ordered American troops to invade Cambodia.

My mind went back to a day in April 1961 when I received a telephone call from President Kennedy. He asked me to come to the White House to discuss the Bay of Pigs disaster which had just occurred. He was agitated and deadly serious.

I shall never forget his words: "I have made a tragic mistake. Not only were our facts in error, but our policy was wrong because the premises on which it was built were wrong."

These words of President Kennedy apply with startling accuracy to President Nixon's decision to invade Cambodia. Unfortunately, it is clear that President Nixon's action is an infinitely greater mistake than President Kennedy's, because more than 400,000 American boys remain involved in Vietnam, and far greater damage has already been done to our nation, both at home and abroad.

Like most Americans, I welcomed President Nixon's promises to end the Vietnam war and bring our boys home. Like most Americans, I applauded the President's action in withdrawing 115,000 of our troops so far, and have noted his intention, with some qualifications, to withdraw 150,000 more in the next 12 months. Like most Americans, my sincere inclination is to support our President in times of crisis.

However, I cannot remain silent in the face



of his reckless decision to send troops to Cambodia, continuing a course of action which I believe to be dangerous to the welfare of our nation. It is my opinion that President Nixon is taking our nation down a road that is leading us more deeply into Vietnam rather than taking us out.

George Santayana once said: "Those who cannot remember the past are condemned to repeat it." In my personal experience with the war in Vietnam, I have learned certain basic and important lessons. It has been my hope that the present administration would study the past and determine not to repeat certain actions previously taken.

However, I must express the deepest concern that it is now apparent that President Nixon has not grasped these vital lessons which seem so blazingly clear as we look back at the last five years of our substantial participation in the Vietnam conflict.

#### DOMINO THEORY FALLS

I have learned three fundamental lessons from my personal experience with Vietnam and I shall present them in this article. I shall then discuss how these lessons apply to the Cambodian situation. Finally, I will suggest a specific plan for our extrication from Vietnam.

*The national security of the United States is not involved in Vietnam, nor does our national interest in the area warrant our continued military presence there.*

The basis of our original participation in the conflict in Vietnam was the general acceptance of the so-called "domino theory." If South Vietnam were permitted to fall, then other nations of Southeast Asia, and possibly even in the Asian subcontinent, might topple, one after the other. If this occurred, it was alleged, the national security of the United States would be adversely affected. At one time, I accepted the reasonableness of this theory, but my own personal experience has led me to the conclusion that it is now unsound.

One of the major reasons for the change in my own thinking has been the attitude, evidenced over the last five years, of the nations in Asia that would be most seriously affected if the domino theory were applicable. These nations are infinitely better acquainted with the political, military and diplomatic facts of life in that part of the world, for they have lived with them for hundreds of years. As one looks at the map of the area, it is interesting to fan out from South Vietnam and ascertain the number of troops that these countries have sent to help South Vietnam because, in the final analysis, that is the most accurate test of the degree of their concern.

Burma, Laos and Cambodia, to the west, have sent no troops to South Vietnam. Singapore and Malaysia have sent no troops, while Thailand has sent only token forces.

The Philippines have sent no combat troops. The personnel of the engineering units and hospital corps it did send have been largely withdrawn. Indonesia, India and Pakistan have sent no troops.

These are the closest dominoes, and should be the first to fall.

As far as Laos and Cambodia are concerned, their behavior hardly justifies any sacrifice of American lives or treasure on their behalf. The situation existing in these countries is incredibly sleazy, and should be known and understood by all Americans.

Most of the men and materiel of war used to fight against American forces in South Vietnam come down the Ho Chi Minh Trail through Laos. Is Laos prepared to make any sacrifice to prevent the use of the trail? Certainly not! In fact, the exact opposite is the case. On March 6, 1970, Souvanna Phouma, prime minister of Laos, had a press conference and said:

"I told the ambassador from North Vietnam last year that we will accept the use of

the trail by North Vietnamese troops with the condition that those troops withdraw from the important regions of Laos."

While American pilots, on a sharply escalated basis, are fighting and dying in support of Laotian forces engaged with Communist troops, the ruler of Laos suggests a deal that would permit the North Vietnamese free use of the trail through Laos to transport troops, guns and ammunition to kill Americans in South Vietnam.

In Cambodia, for years, enemy supplies have come into the port of Sihanoukville and have been transported across Cambodia into South Vietnam, to be used against American forces.

Laos and Cambodia have not been prepared to jeopardize their own interests to prevent North Vietnam from conquering the South. In fact, at least until Sihanouk's recent fall, both countries have been helping the North Vietnamese, and maneuvering to make their own deals. The United States has become involved in the age-old intrigue and chicanery that are traditional in the area.

I feel strongly that we have met, many times over, any obligation or commitment that we had in that part of the world, and I believe that the developments of the last five years should persuade us that the time has come to disengage in Southeast Asia and bring our men home.

I believe most Americans agree, but from what he says and does, President Nixon continues grossly to exaggerate Vietnam's importance to our national security.

#### NIXON AND VIETNAM

In giving thought and study to this enigma, I have reached the conclusion that President Nixon has a curious obsession about Vietnam and Southeast Asia. Back in 1954, in a speech to the American Society of Newspaper Editors in the East Room of the White House, then Vice President Nixon said: "If in order to avoid further Communist expansion in Asia and particularly in Indochina, if in order to avoid it we must take the risk now of putting American boys in . . . I personally would support such a decision." This is particularly startling because Mr. Nixon was recommending that we send American troops into Indochina to help the French who were engaged in war there to retain their colonial territories.

In 1965, President Nixon, then a private citizen, wrote a letter to the *New York Times*. In that letter, he declared that "victory for the Vietcong . . . would mean ultimately the destruction of freedom of speech for all men for all time, not only in Asia, but in the United States as well." In his speech of Nov. 3, 1969 he referred to the "great stakes involved in Vietnam," and asserted that they were no less than the maintenance of the peace "in the Middle East, in Berlin, eventually even in the Western Hemisphere."

I want very much for the President of the United States to be wise, mature and to exercise good judgment, but a statement of this kind shakes my confidence to its very core. I cannot remain silent when President Nixon acts as though he believes that a certain political result in a small underdeveloped country of 18 million persons in Southeast Asia is somehow crucial to "the future of peace and freedom in America and in the world."

I have learned these past years that the war in Vietnam is a local war arising out of the particular political conditions existing in Southeast Asia. I consider it a delusion to suggest that the war in Vietnam is part of a worldwide program of Communist aggression.

President Nixon continually argues that we must fight in Vietnam now to avoid "a bigger war or surrender later." But it is clear to me that the only real danger of a "bigger war" would come from the continued escala-

tion of the rapidly widening conflict in Indochina.

*We cannot win a military victory in South Vietnam, and we must, therefore, cease trying to do so.*

The goal of winning a military victory in South Vietnam has proved to be a will-o'-the-wisp that has led us from one military adventure to another. I have reached the clear conclusion that we are not winning such a victory, nor can we win it in the future.

Certain restraints have been placed upon our military activity by the political realities that exist. We have been unwilling to invade North Vietnam, or to engage in indiscriminate bombing or mining of its harbors. As a result, we have been occupied in the most difficult type of guerilla war and probably what is the most difficult terrain in which to fight. Our enormous firepower and our airpower are seriously limited and restricted by the fact that most of the fighting takes place in the deepest jungles in Southeast Asia.

In warfare, a nation has three major goals. The first is to kill as many of the enemy as possible on the field of battle. The second is to destroy the enemy's war-making potential, and the third is to seize and hold enemy territory. In the present conflict, a substantial number of the enemy have been killed but the troops from the North continue to come down in an uninterrupted flow. The enemy is well armed, well equipped and well trained, and is expert in guerrilla warfare. And Hanoi has made clear beyond any reasonable doubt its willingness and ability to accept substantial casualties for as long as necessary.

As to the second goal, we have been unsuccessful because we are wholly unable to destroy the enemy's war-making potential. The factories turning out guns, rockets, mortars and the materiel of war are not located in North Vietnam, but in Red China and the Soviet Union. We cannot destroy the factories in those countries. We attempted instead to impede the flow of weapons into South Vietnam by a bombing campaign in the North. In my opinion, the results did not warrant the enormous cost to us.

We have been no more successful in pursuing the third goal of seizing and holding territory. The enemy does not operate along a battle line; his objective is not to hold territory. When we attack, the enemy yields, but he returns when we move out.

In the pursuit of these goals, we have lost the lives of close to 45,000 Americans, had more than 275,000 wounded, spent over \$125 billion, lost close to 7,000 planes, and we have dropped more tonnage of bombs in this conflict than we did in World War II and the Korean War combined.

Our problem in Vietnam is due not only to our inability to attain the military goals, despite our great effort, but to the fact that the struggle is basically a political one. The enemy continues to symbolize the forces of nationalism. The regime which we support is a narrowly based military dictatorship.

President Nixon has repeatedly asserted that the only alternative to his Vietnamization program is the "defeat and humiliation" of the United States. He has announced his determination not to accept this "first defeat" in our nation's history. The President's view constitutes, in my opinion, a complete misreading of the nature of the conflict in South Vietnam, of our role and purpose there and of the American national interest. The alternatives in Vietnam are not military victory on the one hand, or defeat and humiliation on the other. We did not intervene to conquer North Vietnam, but solely to extend a shield for South Vietnam. We did not intervene to impose any particular government on South Vietnam. The interests of the South Vietnamese people will be served and our objectives will be achieved by a realistic political settlement. A program for orderly disengagement will create the

conditions in which productive negotiations become possible. Such a program is the only way to peace, and peace in Southeast Asia is the only victory that we should seek.

One of the deepest concerns I have about our present policy in Vietnam is that President Nixon, while he proclaims his dedication to a political settlement, by his actions still seeks to gain the military victory that cannot be won.

*We cannot continue to fight the war in Vietnam without doing serious and irreparable injury to our own country.*

The effect of the war on the young people in the United States is a virulent one. They feel especially affected by the war because they are the ones who have to fight it. Many of them do not believe in it and they are at a loss to understand why they must fight and die in a remote corner of Southeast Asia when they know their country is in no peril whatsoever. One of the poisonous effects of the conflict is the disunity and bitterness, and in some instances violence, it has brought about in our country.

The war has confused many Americans and has caused a continuing loss of confidence because the institutions of our government have not dealt with the pressing problem of national priorities. Every domestic problem we have, including poverty, inadequate housing, crime, educational deficiencies, hunger and pollution is affected adversely by our participation in the Vietnam war, and I do not believe these problems will be brought under control until we have disengaged from that conflict.

The war is a major contributor to the inflation that is hurting every citizen in our nation. We are also in the midst of a serious setback as far as business is concerned. The effect of the war on our economy is dramatic. Almost immediately after our foolhardy entry into Cambodia, the Dow-Jones industrial average declined over 19 points.

What troubles me is that President Nixon continues to give priority to policy in Indochina and to ignore its consequences at home. His actions are dividing the nation when we need desperately to be united and to devote our energies to our critical domestic problems.

#### CAMBODIA WILL LENGTHEN THE WAR

The Cambodian invasion ignores these three lessons. The President ordered up to 20,000 American troops into Cambodia, and has now promised to have them out by July 1. I know already, in my own mind, that the operation will achieve little. The enemy will fade into the jungles of Cambodia, which are just as impassable and impenetrable as those in Vietnam. Any military gains will be temporary and inconsequential.

This is not an idle prognostication upon my part but is an opinion derived from past experience. Time and again in South Vietnam, the recommendation was made that a sweep be conducted through the Ashau Valley on the grounds that a vital blow could be struck against enemy forces. Time and again, thousands of American troops would sweep through the valley and find practically no enemy soldiers. The same will happen in Cambodia.

Also, there is a curious psychology I cannot understand that attaches importance to capturing territory even though it is held for a temporary period. A perfect illustration is Hamburger Hill. We drove the enemy off Hamburger Hill at great loss of life to our troops, and then later on withdrew. As soon as we pulled out, the enemy reoccupied Hamburger Hill and we went back and repeated the process. I do not know who holds the hill today. I am sure it doesn't matter.

After the adventure is concluded and our troops have been pulled back to South Vietnam, I predict the enemy will quickly reoccupy the areas that we have cleared. Even if the decision were made to remain in Cam-

bodia, then I predict the enemy will develop new bases and staging areas just outside the perimeter of the area we occupy in Cambodia. In either event, the military effect is negligible and not worth the effort.

President Nixon, in his address to the nation of April 30, informed the American people that the invasion of Cambodia is indispensable to the withdrawal of our troops from South Vietnam, that it will serve the purpose of ending the war in Vietnam, that it will keep our casualties at a minimum, and that it will win a just peace.

These contentions violate every lesson that we have learned in the last five years in Vietnam. The bitter experience of those years demonstrates clearly to me that our incursion into Cambodia will delay the withdrawal of our troops from South Vietnam because it spreads the war and intensifies it. This decision will not end the war, but will lengthen it because of the reactions of the enemy to this new development. It will not keep our casualties down but will increase them, not only because of the men killed in Cambodia but because of the increased level of combat which I predict will be the other side's response in Vietnam. It will not achieve peace but will postpone it or destroy entirely the chances of obtaining it. Even though we pull out, the damage has been done, and the bankruptcy of our present Vietnamization program has been exposed.

The thrust of President Nixon's position in his speech of April 30 was that if we escalated our efforts into Cambodia, it would aid our program of Vietnamization.

How unfortunate it is that President Nixon did not heed the congressional testimony of Secretary of State William P. Rogers when he testified on April 23, just one week before the President spoke. Secretary Rogers said:

*"We have no incentive to escalate. Our whole incentive is to de-escalate. We recognize that if we escalate and get involved in Cambodia with our ground troops, that our whole program [Vietnamization] is defeated."*

I anticipate that in the period of the next few weeks glowing reports will flow back from Vietnam regarding the outstanding success of the drive into Cambodia. Figures will be proudly presented showing the number of tons of rice captured, bunkers and staging areas destroyed, substantial numbers of weapons and quantities of ammunition found. A determined effort will be made to portray the entire adventure as a success, even though no major engagements will have taken place and the number of enemy casualties will be woefully small. This has happened time and time again, and our hopes have been raised only to be dashed by new enemy offensives. The capture of supplies and equipment, in the past, has been met by an increase in the supply of such equipment by the Soviet Union and China, with resulting increased flow down the pipeline from North Vietnam.

A further worry I have is that this ill-advised move into Cambodia could create a whole new set of problems. The open violation of Cambodian neutrality on the part of our troops could well constitute an open invitation to the North Vietnamese to expand their efforts further over Indochina on the pretext of defending independence. Our march into Cambodia now jeopardizes the ancient capitals of Phnom Penh and Vietiane. I do not have the presence to visualize what may take place in this regard, but I know that we have greatly expanded the danger of the conflict spreading throughout Cambodia and Laos, and even further.

Although I consider the attack on Cambodia to be fraught with the most serious military consequences, I attach even greater danger to the diplomatic results that will flow from it.

Many of our friends around the world are shocked at this imprudent expansion of the conflict. They had hoped that they would see a contraction of the area of conflict and instead they learn, with deep apprehension, that it is being widened. The Cambodian adventure ignored the request of Foreign Minister Malik of Indonesia that no action be taken to extend arms support to Cambodia pending a regional conference to find ways of preserving that country's neutrality.

The decision appears to have been made so precipitately that the proper consideration was not given to the effect of the action on Communist China. The action was taken right after the recent conference of Communist representatives from China, Cambodia, Laos and North Vietnam. This conference ended with an agreement of mutual support and cooperation in combating American and other enemy forces in Indochina.

The predictable Soviet reaction was also apparently discounted. Premier Kosygin, on May 4, called a special news conference to warn of the worsening in Soviet-American relations. Mr. Kosygin stated that the Cambodian move raised serious doubts about President Nixon's sincerity in seeking an "era of negotiation." Mr. Kosygin went so far as to suggest that President Nixon's statements could not be trusted. This does not mean that either China or Russia will intervene directly, but it does mean that they will give North Vietnam all the aid it needs to neutralize our action.

Another unfortunate result of our action is to imperil the success of the strategic arms talks now being held in Vietnam. Mr. Kosygin stated that our actions put the Soviet Union on guard and decrease their confidence, without which it is difficult to conduct negotiations.

Domestically, the re-escalation of the war has gravely increased the disaffection of young Americans, and the disruption of our society.

The active invasion dramatizes another facet of President Nixon's statements on the war which has caused me the deepest concern. In his speech of April 30, President Nixon again warned the North Vietnamese that, if they accelerated the fighting, he would take stern action in response. He has done this on at least four or five occasions and, in each instance, the enemy has responded by some type of military action. I suggest that this is the road to utter chaos. While announcing the withdrawal of a limited number of troops on the one hand, the President keeps threatening the enemy by assuring him that we are perfectly willing to raise the level of combat. This is not the path to peace. It is the path that will lead to more and more fighting and more and more dying.

#### THREE POINTS TO VIETNAMESE THE PEACE

*It is time now to end our participation in the war. We must begin the rapid, orderly, complete, and scheduled withdrawal of United States forces from Indochina.*

President Nixon has described his program of Vietnamization as a plan for peace. I believe, however, that it can never bring peace in Southeast Asia, and that it is, in fact, a formula for perpetual war.

This war can only be ended by a political settlement. Nothing that the Administration is now doing holds any promise of bringing one about. And our present program for indefinite military presence in Vietnam makes such political settlement impossible. So long as our withdrawals are conditioned on the ability of the South Vietnamese to assume the combat burden, Hanoi cannot be expected to believe that we are genuinely interested in, or would even accept, the kind of political compromise that a peaceful settlement would require. The present Saigon government, on the other hand, will never make the necessary accommodations so long as it is secure in the belief that American forces



will remain in sufficient numbers to keep it in power.

It seems clear that the Administration believes it has proposed in Paris a genuine basis for compromise. In my opinion, however, these proposals are not realistic, nor will they lead to any progress.

Accordingly, what we need is a program that will Vietnamize the peace rather than prolong the war. In July 1969, in an article in the magazine *Foreign Affairs*, I recommended the definite, scheduled withdrawal of our ground combat forces from Vietnam by the end of 1970. I now propose to go further, and set a final date for our complete disengagement. Such final date might even be advanced if certain agreements are reached. The following is my specific three-point plan:

1. Announce publicly that all U.S. forces are to be removed from any combat role anywhere in Southeast Asia no later than Dec. 31, 1970, and that all U.S. military personnel will be out of Indochina by the end of 1971, at the latest, provided only that arrangements have been made for the release of all U.S. prisoners of war.

2. Move promptly to end B-52 attacks, all search-and-destroy missions, and all other offensive operations, except as necessary to protect the security of U.S. forces, as disengagement proceeds.

3. Inform Hanoi and Saigon that we are prepared to negotiate an even more rapid withdrawal if the safety of our forces is assured by a cease-fire or other arrangement in South Vietnam, and if there is an understanding regarding the cessation of military pressures in Laos and Cambodia.

President Nixon has maintained that, were he to announce a withdrawal schedule, Hanoi would lose all incentive to negotiate a settlement. It is abundantly clear, however, that Hanoi feels no incentive to negotiate at the present time. The President has also asserted that North Vietnam would then simply wait until our troops have been reduced in number and launch attacks. But this potential exists whether a withdrawal program is announced in advance, or simply in installments. A third objection has been that the South Vietnamese forces may not be ready to assume the full combat burden and that a military conquest and bloodbath may ensue. But our objective should be to establish the conditions that will lead, not to the continued necessity for combat capability, but rather to a political compromise that will bring peace and stability to that troubled land.

#### BLOODBATH

On a number of occasions, President Nixon, in arguing that it would be improper for us to leave Vietnam now, has used the so-called "bloodbath" argument. He has suggested that the massacre of many South Vietnamese, including a million and a half Catholics who fled from the North, would occur when our forces withdrew.

I find this position difficult to understand. In the first place, the figure of one million and a half Catholics who fled to the South, referred to by President Nixon in his speech of Nov. 3, 1969, is incorrect. A study of this subject, published in 1956, by the South Vietnam Department of Education and the National Commission for UNESCO, discloses that the number is not 1.5 million but 754,710. This is significant because the President overlooked the fact that there are still living in North Vietnam today approximately 800,000 Catholics. There are also Catholics among the leadership of the National Liberation Front in South Vietnam.

The President bases his claim of "bloodbath" on his charge that when the Communists took over North Vietnam in 1954, they slaughtered thousands upon thousands of North Vietnamese. In fact, the records of the International Control Commission dis-

close that, in the two years following the armistice of 1954, only 19 complaints were filed covering political reprisals in all of North Vietnam. Later, in 1955 and 1956, a peasant revolt was harshly repressed and the best estimate is that 10,000 to 15,000 may have died.

It is my firm belief that, when it becomes apparent that the Americans are in fact leaving, all parties seeking power in South Vietnam will have a strong incentive to negotiate a compromise settlement. All will recognize that compromise is their one assurance of a share in political power. The contending factions must now be aware that, in the absence of compromise, they can look forward only to continued conflict and disruption. The need for peace must now be apparent to all but the very few whose power and profit depend on war. We should not forget that, in South Vietnam's election of 1967, and under circumstances that could hardly be described as favorable, a candidate advocating accommodation for the purpose of peace secured 17% of the votes counted, while the winning military ticket fell far short of a majority.

The North Vietnamese negotiators have indicated their willingness to talk seriously if the United States declares the total and unconditional withdrawal of its troops from South Vietnam. Their suggestion of a six-month period for such withdrawal need not be accepted, but their acceptance of the principle should not be ignored.

#### ADVANTAGES OF THE PLAN

The obvious advantage of the three-point plan proposed herein is that it will specifically and unequivocally have all U.S. forces out of Indochina by the end of 1971 at the latest. It also frees the President from military pressure to slow or stop the withdrawal process. The plan takes account of the plight of the Americans now held captive and gives them and their families the hope of early release. No such hope can exist while the war continues and even intensifies. It offers also an immediate reduction in the level of violence throughout Vietnam. The ending of B-52 raids and search-and-destroy missions, so long as the other side does not act to jeopardize the security of our troops, will lower casualties and create a climate far more hospitable to the process of political settlement. This approach could serve to get negotiations started again, and as they progress, this diminution in hostilities can develop into a complete cease-fire.

The time has come for us to grasp the initiative in making the necessary and vital decisions. President Nixon's policy of making our withdrawal dependent on his three criteria is a grievous error. These criteria are: 1) the level of enemy activity; 2) progress at the peace talks in Paris, and 3) the speed with which the South Vietnamese take over the fighting. Even a cursory study discloses that items one and two are controlled by Hanoi, while item three is controlled by Saigon.

We should no longer allow our own perception of our own interests to be distorted or deflected by our apprehensions as to what may occur politically in Saigon. American national interests require American disengagement from South Vietnam. I am convinced that, as presently enunciated, the Nixon program will not bring this about.

We should, instead, decide now to get out of Vietnam on a scheduled and orderly basis no later than the end of 1971. We should, at the same time, make known our readiness to negotiate a much earlier withdrawal and we should move now to scale down the level of violence. Only in this way can we achieve the peace that all Americans want, and that American military might can never win.

The present policy must be changed. The only effective method to accomplish this is sustained pressure from the public. The

enormous upswing in antiwar sentiment, following the Cambodian transgression, must be maintained and strengthened and continuously brought to the attention of our country's leaders.

The solution is within our hands—if we will but use it.

#### CONGRESSIONAL REPORT TO NINTH DISTRICT RESIDENTS

#### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

WASHINGTON REPORT BY CONGRESSMAN LEE H. HAMILTON

The nation's housing industry is in recession. This acknowledgement comes from no less a source than the chairman of the President's Council of Economic Advisers. Other observers in the Capital are more pessimistic. They prefer words such as "crisis" and even "disaster" when describing the situation.

In 1968, the Congress established a national goal of 25 million homes and apartments over the following 10 years. We have failed to meet that goal by nearly half. In fact, we are shy by more than a million dwellings of keeping up with our population growth, and with housing losses from fire, nature and deterioration.

Most Americans have a tendency to think of the housing crisis primarily as a big city problem. That is not entirely true. About half the substandard homes in this country are in rural areas where only about 30 percent of the population now resides. In Indiana, for example, an average of 50,000 new housing starts are needed each year to keep pace with the need. We have been averaging about 35,000 new starts, with about 20,000 in private homes.

During the last two years, the price of new homes has risen almost twice as fast (at a rate of 7 percent) as the overall cost of living. The average new home now sells for \$26,000, as compared to \$20,000 four years ago. By another measurement, in 1953, a monthly mortgage payment of \$98 would buy \$20,000 worth of new housing. Today, that payment will buy only \$12,800 worth of new housing.

Obviously, inflation and tight money are major factors in the current housing dilemma. Long-term interest rates from commercial institutions and from the FHA and VA have increased dramatically in recent years, and are not expected to come down in the very near future. Home mortgage funds from savings and loan institutions, mutual savings banks, life insurance companies and commercial banks have been cut back sharply. Consequently, homebuilders are making fewer commitments for spring and summer work.

Other factors are contributing to the problem, too. The housing industry faces a hodge-podge of building codes (some 8,300 of them across the country) which make cost-cutting procedures such as in-place wiring and plumbing virtually impossible. Zoning and land-use plans also add to the problem by restricting low and middle-cost homes, or by prohibiting apartments and home clusters in which savings on utilities could be realized.

Land costs now account for 20 percent of new home costs, as compared to 10 percent in 1949. Increasing property taxes also contribute to rising home costs, as do expensive and outdated closing cost procedures.

This nation's commitment to build 26 million new housing units, and to replace some 11 million substandard homes, needs renewed emphasis. Housing now accounts for 3.5 percent of the gross national product. Appropriate allocation of resources could allow that share to be increased to 4.5 percent, at least.

The demand for scarce money also must be dampened and more funds must be channeled into the housing market. The Fed could be authorized to purchase Federally-guaranteed mortgages to bring down interest rates. Steps also could be taken to increase investments in residential mortgages by various private pension funds. Action of this sort would help bring back the funds which have been diverted into shorter-term, higher yielding investments.

The federal government could put more money into housing programs. State and local governments should reform property tax systems to provide incentives for home improvements, and zoning requirements to facilitate, rather than impair, construction of medium and low cost homes and high-density housing. National standards to supersede local building codes may have to be considered to affect cost savings.

As the cost of home construction has increased, factory homebuilders have been increasing their output. Prefabricated homes this year should account for nearly a third of all single-family dwellings built. Many money-saving procedures have been introduced by this industry, and these innovations should be expanded. The mobile home industry—a growing one in Indiana—has helped pioneer the modular dwelling concept, where pre-built apartment units are stacked into place at the building site.

The housing problem is one of the most serious facing this country. Over the next 30 years, we will have to build nearly as many homes as already exist, just to keep up.

#### NATIONAL ASSOCIATION LEGIONS OF HONOR

##### HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. MILLER of California. Mr. Speaker, on May 29, 1970, the National Association Legions of Honor elected John M. Gabel of Oakland, Calif., as their national commander for the year 1970-71.

The unanimous selection of Mr. Gabel is a tribute to his active participation and dedicated service during the 20 years of his membership in the Legion of Honor. He has been the recipient of many awards for his outstanding civic contributions, including two citations of honor from the Legion of Honor, and a citation from the Veterans of Foreign Wars. He also holds dual Masonic membership and is a Master Mason in the Free and Accepted Masons in Marysville, Calif.

Mr. Gabel served with distinction in World War II. He received the Bronze Star for Valor and the Purple Heart.

I am happy to join with other Californians in congratulating Mr. John Gabel for his outstanding achievements in the past, and to wish him every success in his new position of national commander of the National Association Legions of Honor.

#### GENERAL DUCKETT NAMED PRESIDENT OF THE CITADEL

##### HON. ALBERT W. WATSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. WATSON. Mr. Speaker, one of the most outstanding academic and military leaders of the Nation, Maj. Gen. James W. Duckett, has been named the new president of The Citadel, the Military College of South Carolina. General Duckett is richly deserving of this high honor as his great example of leadership has served as an inspiration to thousands of young men privileged to attend The Citadel. South Carolinians are justifiably proud of the tremendous role that The Citadel has played in the history of our country, and it is reassuring to know that General Duckett will now be at the helm of this famous institution.

Mr. Speaker, because of the very high esteem with which General Duckett is held, as a part of my remarks I include two articles and an editorial from the Charleston, S.C., News and Courier about his appointment, as follows:

#### GENERAL DUCKETT NAMED CITADEL PRESIDENT (By Betty Walker)

Maj. Gen. James W. Duckett has been named new president of The Citadel, the Military College of South Carolina, effective Sept. 1.

Duckett will succeed Gen. Hugh P. Harris, who has served as president since 1965.

Col. John M. J. Holliday, chairman of The Citadel Board of Visitors, made the announcement after a board meeting late Thursday.

Duckett will be the first Citadel president to hold an earned doctoral degree. He was a 1932 honor graduate of The Citadel and earned his masters at the University of Georgia and doctorate at the University of North Carolina.

The president-elect joined the faculty of The Citadel in 1934 in the chemistry department. He remained until 1941 when he went on active duty with the Army Chemical Corps, returning to The Citadel in 1946 as professor of organic chemistry.

Since 1954, Duckett has served as head of the education department registrar, dean of admissions, administrative dean, dean of the college and vice president of The Citadel.

Duckett is a member of the committee on accreditation of the commission on colleges of the Southern Assn. of Colleges and Schools. He has worked closely with S. C. Commissioner on Higher Education Dr. James A. Morris in developing a consortium of higher education institutions in the Lowcountry.

He has served on the board of trustees for Porter-Gaud, as president of the S. C. Assn. of Collegiate Registrars and Admissions Officers, as secretary-treasurer of the Assn. of Citadel Men.

Duckett is also closely associated with Citadel athletics, and served as captain of the tennis team when he was a cadet.

He is a past president of the Charleston Lions Club and past warden of Grace Episcopal Church.

U.S. Rep. L. Mendel Rivers, who learned Thursday in Washington of Duckett's selection, congratulated the board on its choice and called Duckett "a great South Carolinian and a great American."

"One of my most cherished possessions is

an honorary degree from The Citadel," Rivers said, "I have more than a passing interest in the school's welfare and this certainly delights me. Jim Duckett will keep up the momentum begun under Gen. Clark and continued under Gen. Harris. I pledge him my vigorous assistance if he should ever need it. He will be a great one."

Duckett is listed in Who's Who in America and in several regional Who's Who publications. He is a member of the American Chemical Society, S. C. Academy of Science, several honorary research and scientific fraternities and the German Friendly Society.

He earned the Legion of Merit and the Army Commendation Medal for his service in World War II, holding command and staff positions here and overseas. He left active duty as a lieutenant colonel and was promoted to colonel while in the Army Reserve.

As faculty member of The Citadel, he is a member of the South Carolina Militia. He was promoted to brigadier general in the militia in 1963 and to major general in 1966.

Duckett, a Greenwood, S.C., native, is married to the former Gertrude Hass of Charleston. The Ducketts have two married daughters, and a son, James W. Duckett, Jr., who is a sophomore at West Point.

Harris, the current president of The Citadel, was praised by board chairman Holliday for his contributions to the college in his five years' service. Harris had indicated his desire to serve for five years at the time he accepted the post, and more than two years ago, recommended a long range plan be devised to smooth transition for his successor.

Harris had set a deadline of July, 1972 for his retirement.

Harris said: "I think Gen. Duckett, with all the years he has given The Citadel, has earned every honor he can ever be given by the Board of Visitors."

"I am pleased he was named president. He has always had my support and he knows it."

Harris said he will be devoting more time to other interests as he leaves The Citadel.

"I will have a little more time to think, study, travel, work in civic activities, education and conservation. I am not going to retire in the sense most people think of retirement," he said. "We plan to stay in this area."

Harris said he and his wife hope to spend some time this summer at their lodge in Newfoundland and, when they return, will be sharing their time between a home on Lake Moultrie and their town house.

#### NEW CITADEL PRESIDENT WORKED "TOWARD THE TOP"

(By William L. Walker, Jr.)

The telephone jingled constantly in the home of Maj. Gen. James W. Duckett as friends and associates called to congratulate the 1932 Citadel graduate on his appointment to the presidency of the military college.

As Mrs. Duckett handled the myriad calls and occasional visitors, Gen. Duckett sat quietly in his living room and talked briefly with a reporter.

"Being president of The Citadel has been one of my ambitions," he said. "There is no doubt about it."

"Anything I do, I work toward the top." His record will attest to that point.

He holds masters and doctors degrees; he owns medals for distinguished service in World War II; he has served as educator and administrator and has been a leader in civic and religious activities.

Gen. Duckett said Thursday he does not doubt his ability to run The Citadel, and apparently those who have worked with him feel the same way.



A member of the administrative staff who has known Gen. Duckett for 11 years summed up his abilities in one sentence.

"His principal attributes are a keen insight into people, the ability to appraise their capabilities and to lead in bringing them to bear on accomplishing a goal."

The president-elect said one of his goals is to expand the college's program of military education.

"We have one of the finest Army and Air ROTC units at The Citadel, and one of my ambitions is to have an all-military establishment which will include Navy ROTC," he said.

He indicated he would seek the assistance of Rep. L. Mendel Rivers and Sens. Strom Thurmond and Ernest F. Hollings in achieving this goal.

He spoke with pride of the college's academic program, especially the science facilities, and said he expects The Citadel to work closely with other local colleges in the future.

With college strife so commonplace today, Gen. Duckett was asked if he could foresee similar turmoil for The Citadel in the years ahead.

He answered with a story about a meeting of university officials which he recently attended at the University of Virginia.

The dean of students at the University of Georgia was called back to Georgia to cope with campus disruption.

"What do you do about this sort of thing at The Citadel?" the Georgia administrator asked Gen. Duckett.

"We have a riot every Friday afternoon at 4:30," Gen. Duckett replied. "Our boys shoot their guns and cannons and get the rioting out of their systems for a week."

On a more serious note, Gen. Duckett said Thursday he feels The Citadel will never experience rioting "as long as we have the proper perspective for the military institution."

#### CITADEL PRESIDENCY

Appointment of Maj. Gen. James W. Duckett, vice president of The Citadel, to succeed Gen. Hugh P. Harris as president next fall assures continuity at a cherished South Carolina educational institution. Gen. Duckett joined The Citadel faculty in 1934 and has served there continuously except while on active duty with the U.S. Army during World War II.

Some time ago, Gen. Harris notified The Citadel Board of Visitors that he would retire as soon as a successor was selected. While we are confident that Gen. Duckett will carry on in a highly successful fashion, we also regret the departure of Gen. Harris from a post in which he has served with distinction since 1965. Gen. Harris' splendid record as a general officer well qualified him for his post at The Citadel. He is a distinguished soldier and real leader and will be greatly missed. We also want to pay tribute to Mrs. Harris whose charm and friendliness have been important assets to The Citadel. We wish both Gen. and Mrs. Harris much happiness after they end their tour at The Citadel.

Gen. Duckett will take charge of an institution he knows very well. It is doing a first-class job in shaping the minds and character of the young men enrolled. The college also is providing educational opportunities for veterans and students in evening classes. The heart of The Citadel, however, is the Cadet Corps. This Corps is schooled in the same virtues as the Corps at West Point, namely in duty, honor, and courage. The country, especially in these confused times, very much needs the special training given to Citadel cadets. We believe that the military education offered at The Citadel is a vital part of South Carolina's overall educational program. We congratulate Gen. Duckett and wish him well in carrying on an important and useful educational task.

#### NEW DRUG LEGISLATION

### HON. EMILIO Q. DADDARIO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. DADDARIO. Mr. Speaker, it is a privilege to join with my colleague, Mr. Wilson of California, in cosponsoring a critical piece of legislation. The Federal Drug Abuse and Drug Dependence Prevention, Treatment, and Rehabilitation Act of 1970 is an effort to attack, in a positive fashion, one of the most urgent problems in the Nation.

The magnitude of the problem is no longer contested. President Nixon has reported that—

Between the years of 1960 and 1967, juvenile arrests involving the use of drugs rose by almost 800 percent; half of those now being arrested for the illicit use of narcotics are under 21 years of age. New York City alone has records of some 40,000 heroin addicts, and the number rises between 7,000 and 9,000 a year. These statistics are only the tip of an iceberg whose dimensions we can only surmise.

The dimension of the problem is also reflected by Government health authorities who estimate that there are 100,000 to 125,000 active narcotic abusers in the United States.

And we are paying a steep price for this problem. The relationship between drugs and serious crime is direct. In the Washington Metropolitan area alone one-half to three-quarters of the serious crime is drug-related. This crime costs the citizen of the area nearly \$30,000,000 a year.

But the cost of crime is only part of the cost. It is estimated that the total of involuntary social costs of narcotic drug abuse alone amounts to \$541 million per year.

Recognizing these costs, we can be nothing but horrified at the greatest cost of all—the millions of human lives which are reduced to only marginal levels by this sickness.

If we are to arrest drug addiction in America we must do more than appropriate huge amounts for the punishment of the abuser. We must recognize the root of the problem and make maximum efforts to not only punish, but to prevent and cure also. H.R. 16386 moves us a long way toward those objectives. The Federal Drug Abuse and Drug Dependency Prevention, Treatment, and Rehabilitation Act of 1970 is a very comprehensive piece of legislation. There are, however, three particular provisions which I think do much to address and correct the present situations.

First, there would be established within HEW a Drug Abuse Prevention, Treatment, and Rehabilitation Administration. They would be responsible for the many problems facing the abuser. Second, the present laws would be replaced with stronger, more enforceable legislation. This would also allow a greater number of people to use the preventive and rehabilitative services and would define more firmly the Federal Government's obligations to implement the policy. Finally, this legislation would re-

quire the establishment of preventive and rehabilitative services for Federal Employees, members of the armed services, and veterans.

I believe that this legislation will significantly improve our ability to cope with this problem. This is entirely appropriate in light of the drastic need for assistance.

#### CHARLES COATES DEVOTES HALF CENTURY TO PITTSBURGH'S BANKING NEEDS

### HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. MOORHEAD. Mr. Speaker, engaging in any activity for 50 years is a feat, but the performance is even more amazing when the field of activity is the demanding world of finance.

A well-known Pittsburgher, Mr. Charles E. Coates, has just completed his 50th year in the Pittsburgh banking community and he is starting on his 51st with no sign of a slowdown.

As an article, which I will introduce into the Record, states, Mr. Coates welcomes the keen competition and new techniques inherent in modern banking. And he echoes a belief of mine when he declares his faith in today's young people.

"They are good kids," Charlie Coates said, "and our future is in good hands."

If today's young people serve Pittsburgh and the Nation as well as Charles Coates has, we all will be fortunate.

The Pittsburgh Press of Tuesday, May 26, ran an article about Mr. Coates. I would like to put this article into the Record and at the same time offer my congratulations to Mr. Coates for his 50 years of public-minded effort in the banking industry.

Fifty years on Wood St.—That capsulizes the career of Charles E. Coates, vice president of the Commercial Division of Pittsburgh National Bank (PNB).

It all started in 1920 on a street in Coates' home town of Carnegie. The president of the old Colonial Trust Co. asked his mother, "What's Charles going to do when he finishes high school?"

When Mrs. Coates advised the banker that "Charles didn't know," the banker told her to send him downtown and "we'll put him to work."

Coates has been on Wood St. ever since and the gleam in his eye suggests he wouldn't have had it any other way. He saw Colonial merge with Fidelity Trust Co. and later become part of PNB, but all the while he remained on Wood, although he's now doing business at the One Oliver Plaza office.

Would Charlie do it over again?

You better bank on it. He's hung up on the people-to-people aspect of banking.

Is it hard to say "no" to somebody asking for a loan.

"There's a way to say 'no.' Counsel a person properly and he'll thank you later," Coates replied.

What are some of the big changes in commercial banking?

One of them is the swing to consumer lending which Coates said he helped pioneer at Colonial in the late '30s.

Another is branch banking which he be-

lieves provides smaller communities with more banking services than they would have otherwise.

But the most exciting development, according to Coates, is the accent on youth in bank management. "They're good kids," he enthused. "Our future's in good hands."

Coates is starting his second 50 years of banking with confidence. After all, doctoring people's financial pains is his specialty.

#### BELLFLOWER TROOP 89

### HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. DEL CLAWSON. Mr. Speaker, during a recent weekend trip to the 23d District in California, it was my privilege to participate in a historical event in the city of Bellflower. Troop 89 of the Boy Scouts of America, sponsored by the Bellflower Presbyterian Church since 1934, held a Court of Honor at which eight young men received their Eagle Badge, the highest award given to boys for personal advancement in the Scouting organization.

All of the eight fine examples of the youth of America, Scouts David Beasley, Edward Lutes, Kerry McCluggage, Larry Mirch, David Rozelle, Scott Rozelle, Roger Van Hosen, and Kenneth Williams, had previously received the Scouting Award, "For God and Country." These two high achievements in the Scouting field attained by eight boys simultaneously, moving forward together in friendly Scouting competition, represent an unusual and history-making occasion. Standing in the presence of these eight Eagle Scouts, their parents, Scoutmasters and church leaders was a thrilling and inspirational experience. A recital of their individual contributions to home, school, church, community, State, and Nation clearly revealed a personal dedication in living the Scout oath which they reaffirmed when they repeated, "On my honor I will do my best, to do my duty to God and my country, and to obey the Scout law, to help other people at all times, to keep myself physically strong, mentally awake, and morally straight." The commitment of this oath and the foundation of the Scout law upon which the character of these Scouts has been constructed places in sharp contrast the youth of our society, those who build and those who destroy.

In my opinion, it is no accident that the first men to set foot on the moon had been Boy Scouts, nor that over 300 Members of the Congress of the United States have been youth members or adult leaders in the Boy Scouts of America. I salute these particular boys and the other youth who dedicate themselves to high principle and worthy purpose. The 12 points of the Scout law are qualities of character to be encouraged in every member of our society: "A Scout is—trustworthy, loyal, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, brave, clean, and reverent."

With these qualities the youth of America are prepared to take over her leadership. When we pass the baton to them, our country will be in the hands of capable leaders ready to direct her destiny toward a creative society in which men will find the solutions to the many problems that beset us today. Our faith in youth has no cause to falter as long as organizations like the Boy Scouts of America continue to train and translate manpower into manpower.

#### SIX STUDENTS AWARDED AFL-CIO SCHOLARSHIPS

### HON. JOHN BRADEMAs

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. BRADEMAs. Mr. Speaker, organized labor is a steady and vigorous advocate of legislation to improve the quality and expand the opportunity to receive education, consistent with ability and desire. Many unions also sponsor college scholarships as another way for young people to develop their abilities and talents. The AFL-CIO's annual award of six full 4-year scholarships is typical of those efforts. Under unanimous consent, I include a report on the 1970 AFL-CIO scholarship awards, which appeared in the AFL-CIO News of May 2, 1970, at this point in the CONGRESSIONAL RECORD:

#### SIX STUDENTS AWARDED AFL-CIO SCHOLARSHIPS

AFL-CIO Pres. George Meany announced the winners of six college scholarships awarded by the federation under the National Merit Scholarship Program. Each provides up to \$6,000 in financial assistance over four years for study at the college chosen by the student.

The 1970 winners, notified of their selection by Meany, are:

Darrell Banks of New York City; Eugene Daszko of Chicago; Robert Dugwyler, Jr., of Tacoma, Wash.; Michael Martin of Georgetown, S.C.; Patrick Nolan of Grass Valley, Calif.; and Rhonda Rochon of Houston, Tex.

In his letter of congratulations to the winners, Meany said:

"Since its very beginning, organized labor has supported the establishment and improvement of the American system of universal free public education. The challenges of the world in which we are living are so great that today we believe that free public education should be extended beyond high school to include higher education.

"The AFL-CIO looks forward to the day when all young people will have the opportunity to develop to the fullest measure of their capacity, regardless of their financial status. In the meantime, while striving to achieve this goal, the AFL-CIO is happy to demonstrate its interest in widening educational opportunities through these annual scholarship awards."

The winners are selected each year on the basis of high school records, evaluation by teachers and the results of competitive tests given by the non-profit National Merit Scholarship Corp.

Two winners are chosen in each of three zones into which the country is divided. Five of this year's winners have parents who are members of AFL-CIO unions.

The awards are good for enrollment in any accredited college or university the winner may choose, and for study in any subject. The actual amount of each scholarship, up to \$1,500 a year, is determined by the National Merit Scholarship Corp. on the basis of college costs and family needs.

Sketches of the winners follow:

Darrell Banks, of Cardinal Spellman High School, the Bronx, N.Y., will study systems engineering at the Polytechnic Institute of Brooklyn. He has won recognition as a speaker and writer and as a musician and track athlete. He has been active in community activities as a member of the John XXIII Society and the Neighborhood Youth Corps. His father, William H. Banks, is a hospital attendant with no union affiliation.

Eugene Daszko, top student in his class of 1,289 at Lane Technical High School, Chicago, will major in science at the University of Chicago. He was editor of his school yearbook and is active in the Astronomical Society, World Forum, Russian Club and Ukrainian Club. He received the Harvard Book Award last year. His father, Peter Daszko, is a member of Local 1 of the Bakery & Confectionery Workers, AFL-CIO.

Robert L. Dugwyler Jr., of Lincoln High School, Tacoma, Wash., will major in mathematics at Stanford University, Palo Alto, Calif. He is editor of his school newspaper and has won prizes as a mathematician, poet and debater. The senior Dugwyler is a member of Local 470 of the Carpenters.

Michael L. Martin, of Winyah High School, Georgetown, S.C., will study physics at the California Institute of Technology, Pasadena. He played junior varsity football and basketball and is president of the French Club and a member of the governing board of the South Carolina Young Episcopal Churchmen. His father, Joseph T. Martin, is an accountant and a member of Local 233 of the Office & Professional Employees.

Patrick L. Nolan, of Nevada Union High School, Grass Valley, Calif., will study engineering at Stanford University. Last year he conducted a six-week original research project in electronics at the University of Hartford under the National Science Foundation summer program. His Science Fair projects have won numerous prizes, including awards from the Navy and Air Force. His father, John H. Nolan, is a member of Local 498 of the Meat Cutters.

Rhonda M. Rochon, of St. Agnes Academy, Houston, will study mathematics at the University of California, Berkeley. She is a member of the Chemistry Club and Art Club and secretary of the Catholic Interracial Council. Her stepfather, Joshua O. McAfee, is a member of Local 185 of the Postal Clerks.

#### EULOGY OF THE LATE J. GEORGE STEWART, ARCHITECT OF THE CAPITOL

### HON. JOHN C. KLUCZYNSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 25, 1970

Mr. KLUCZYNSKI. Mr. Speaker, it is with profound sadness that I pay last respects and tribute to the memory of a former Member of this House, the late J. George Stewart, Architect of the Capitol.

As a Representative from Delaware, he was an able, conscientious, and hard-working Member of this body which he later served so well as Architect of the Capitol.



Ours was a friendship that I shall always value. I was deeply grieved when news of his death reached me. The last time I saw him he was in seemingly good health and spirits, cognizant of everything going on in the Capitol and in the country.

A credit to his State and to this country, Mr. Stewart held many important positions during his life. He was a member of the Delaware Athletic Commission, a commissioner of the Delaware Emergency Relief Commission, a member of the staff on the U.S. Senate Committee on the District of Columbia, a Member of Congress, and, finally, Architect of the Capitol.

He possessed a warm personality and genuine love of people and was always fair in everything he did. He will be greatly missed by all of us who knew him.

I join other Members in heartfelt condolences to his family and pray that they will be comforted by their knowledge of the lifelong reputation for rectitude of the fine man they have lost.

#### STATEMENT RELATING TO THE WAR

#### HON. ED FOREMAN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. FOREMAN. Mr. Speaker, I have received many communications both opposing and supporting recent U.S. military moves against the Cambodian sanctuaries. I must appreciate the large citizen interest in this issue and thank those who have contacted me. It is infeasible to write individual responses. Therefore, I am making this general statement of my views.

When President Nixon took office last year he inherited a full scale war in Southeast Asia in which approximately 550,000 U.S. military personnel were engaged. Whether this was a "moral" or a "legal" war was irrelevant. It existed and he had to deal with it intelligently.

Already he has brought one out of four Americans home, a total of 125,000. He said he would do it and he did. To date the President has done precisely what he said he would do and has done it within the timetables announced. To reasonable people this should be ample assurance that he will continue to do so.

President Nixon states that by next spring another 150,000 will be out, force levels will fall below 275,000, making a 50-percent cut from the high mark. He states that by that time we shall, for all practical purposes, have withdrawn our combat troops and that the forces remaining will be primarily supply and logistics units.

That means we shall have disengaged and turned the fighting over to a well-trained, million-man South Vietnamese Army. Our noncombatants also can come home as this Army develops its capability to handle the supply and logistics tasks. There is no magic button here in Wash-

ington, unfortunately, which can be pushed and accomplish all these things instantly.

There is no question that all of us want out of this war as fast as possible, and surely, most of all, the President of the United States. If anyone thinks differently, he must be out of his mind. Whatever dispute there is, it is not about whether to get out of the war. It is about how to do so. And, it is about the minimum amount of time required to do it without inviting costly consequences disproportionate in value to any time saved.

Some people say "cut and run" this instant "to stop the killing." That is fine. But what about the 11 million South Vietnamese, at least half of whom the North Vietnamese regime would liquidate if they get their hands on them? To abandon them just a few months before the South's capability is developed to prevent it invites a bloodbath. It would not stop the killing. It would facilitate it. It would make the United States a passive accessory to an act of genocidal immorality.

Also, the fate to which it would relegate over 1,500 American POW's is a highly uncertain one. Moreover, the United States has maintained, ever since World War II, many mutual security treaties with countries in this area of the world. Running out on Vietnam could encourage the Communists to move in on any and all of them. We could soon be forced to choose between a wholesale repudiation of solemn treaty obligations or facing half-a-dozen new major crises.

The President has chosen the alternative to this which is to withdraw in stages while building the South's independent ability to defend itself. This strategy was placed in harm's way when, immediately following his April 20 withdrawals announcement, Hanoi ordered its 40,000 troops in the sanctuaries to take over most of Cambodia. In particular, Hanoi wanted to reopen the port of Sihanoukville through which 80 percent of its munitions used against two-thirds of South Vietnam had reached the sanctuaries while Prince Sihanouk was in power. Had it succeeded, an intolerable situation would have stretched for 600 miles along South Vietnam's western border.

The action against North Vietnam in the Cambodian sanctuaries is proving extremely crippling to its future ability to interfere with our orderly withdrawal and with the South's developing strength. Already, 8 million rounds of small-arms ammunition have been seized and over 20,000 mortar rounds, and 2,000 land mines. This and other captured Communist war material will not be used to carry out Hanoi's orders to its troops in the sanctuaries to kill no less than 100 Americans per week to keep the political pressure on Washington. It will not be available to keep us pinned down in a faraway place we desperately want out of.

Despite assertions to the contrary, this move against the north in the sanctuaries is legal both under article 51 of the U.N. Covenant and under international law. Cambodia's inability to enforce its neutrality gives injured parties the right

to take commensurate action. The United States and South Vietnam did so and notified the United Nations. Their right of action does not depend on a declaration of war. War is a fact which may legally exist independently of a declaration. When war exists, declared or undeclared, the rules of war apply. Any illegality in this instance is on the part of North Vietnam which invaded this territory and took it from Cambodia for its own use.

Some people believe that passing the so-called "amendment to end the war" will make the war disappear. By withholding money, the amendment would restrict how, where, and when action is taken to get us out of this mess. Frankly, I think the idea is dangerous and counterproductive. Hamstringing the President will not make it any easier or quicker to cool off the fighting and breathe life into the Paris talks. And a lot of men in uniform could get killed waiting for Congress to repeal restrictions on things they may have to do to protect themselves. Can you imagine how long World War II might have dragged on if Congress had badgered General Eisenhower that way?

In expressing these views I do not feel at all omnipotent. I have a decent respect for those whose outlook differs from mine. I am prepared to change my mind if I am in error and trust that other people would do likewise. Pride is not important here—ending this war and keeping out of others is. I think it is also important in the dialog on this subject to maintain a decent respect for our country and its President and a balanced perspective on the deep responsibilities of North Vietnam for perpetuating the war.

#### COLONIE CELEBRATES ITS 75TH ANNIVERSARY

#### HON. DANIEL E. BUTTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. BUTTON. Mr. Speaker, in the week of June 1 to 7, one of the largest of all the hundreds of towns of the State of New York is observing its 75th anniversary appropriately. The town of Colonie is in Albany County, part of the 29th Congressional District, which I have the honor to represent.

Because its colorful history long antedates the actual founding of the town, numerous aspects of its growth and development are of significant interest to my colleagues and to the general public. Numerous patriotic developments are associated with Colonie.

Indicative, perhaps, of the standing of the town of Colonie is the fact that its supervisor, William K. Sanford, a man who has held that responsible office for many years, is also the executive secretary of the Association of Towns of the State of New York.

Mr. Sanford has issued a timely proclamation noting this anniversary and its significance, as follows:

## PROCLAMATION

Whereas, June 7, 1970 marks the 75th anniversary of the incorporation of the Town of Colonie, Albany County, New York; and

Whereas, To accord official recognition of this memorable anniversary, and to honor the Founding Fathers for their foresight and wisdom; and

Whereas, It is the privilege of the citizens of this community to recognize their American Heritage and celebrate by appropriate ceremonies and activities, the week of June 1-7, designated as 75th Anniversary Week,

Now, Therefore, I, William K. Sanford, by virtue of the authority vested in me as Supervisor of the Town of Colonie, Albany County, State of New York, do hereby proclaim the week of June 1-7, 1970 as "75th Anniversary Week" in the Town of Colonie, and urge all citizens to pay special attention during that week to commemorate this noteworthy occasion.

## THE TOWN OF COLONIE

The Town of Colonie was formed by a special act of the Legislature in June of 1895. Before that, it was a part of the Town of Watervliet, known as West Troy.

Due to the fact that there was a village in the Town of Watervliet, known as West Troy, which was predominantly of one political persuasion, and therefore, because the rural area (Colonie) was not represented adequately on the Town Board, they petitioned the legislature to secede from the Town of Watervliet, which permission was granted.

A vote was taken in Latham, which was overwhelmingly in favor of seceding.

Leading this movement was George Stedman, the leader, and Lewis Dayton, Frank Groat, James Gaffers, John McNab and William Woodward.

The people of Watervliet objected and marched up the 19th Street Hill, but were repulsed at the top of the hill (Latham).

As a result of the secession, the Town of Colonie was created and the City of Watervliet was created in place of the Village of West Troy.

The first Supervisor of the Town of Colonie was Lorenzo Collins, who first served in the appointive position, and in November, 1895, was elected to the position, then called the Town Officer. The Town Board, at that time, consisted of the Town Officer, 4 Justices of the Peace, and the Town Clerk.

The Colonie town historian, Jean S. Olton, has written a vivid and graphic description of the principal historic sites in the town. Prepared for a tour of the town, the directions are of much interest. Mrs. Olton directs us as follows:

Sites visited on this tour have historic background of over 300 years—dating back to 1640. Background data, consisting of relics, documents and photographs, are on exhibit at the Town Hall, Newtonville. The Town Hall was the former site of "Smith's Tavern", a prominent gathering place. We head North, on the old "Plank Road", a military route during the American Revolution, passing the old Newton Baptist Church, built in 1852. Presently known as the Newtonville Post Office, this building has great potential for restoration. Here, the Reverend William Arthur, father of Chester A. Arthur, 21st President of the United States, served as Preacher, and the family lived in the Parsonage nearby.

Turning left on Maxwell Road to Albany-Shaker Road, try the modern turnpike known as the "Northway" to "Old Post Road" (Central Avenue). There we find the Lishakill Dutch Reformed Church one of the oldest in this area, built around 1700, which has been beautifully restored. Note the beautiful steeple and weather vane.

West on Lansing Road, at Roosevelt School, to Consaul Road, where the new Colonie Golf Course and Clubhouse is on the right.

To the right, off Vly Road, in the Village of Colonie, the site of the Mustering Grounds of Albany County's Third Regiment had been located. In 1777 this was used as a practice area, and cannon balls have been found within range of the earthworks. A deed for the land goes back to Captain Jacob J. Lansing, who purchased it from the Van Rensselaers. Deer Pond can be found on the early map of 1887 as well as the Commons path used by Shakers and nearby settlers to reach the Old Post Road for the coach to Albany or Schenectady.

Heading for the Airport we approach Shaker territory. Here in 1776 the first settlement of Shakers was founded by Mother Ann Lee and her followers. The South and West Farms are privately owned and still intact. Drive into the South Family Farm to observe the buildings. The Cemetery is a study in itself with uniform rows of headstones of all the early "Elders" of the Shakers with Mother Lee's grave in the very center. Their Meeting House, built in 1809, is still in use on the grounds of the Ann Lee Home, but has become St. Elizabeth's Chapel. Just outside the Chapel stands a bell made in 1847 by Meneely Bell Company in West Troy, part of the Township of Watervliet which became Colonie in 1895.

Proceeding North on Albany-Shaker Road to the Schenectady Turnpike, we turn West to Buhrmaster Road, noting in the Verdow area the old district one-room schoolhouse. We are now approaching River Road and at Mohawk View, on a knoll overlooking the river we see a few stones that comprised the earliest Witbeck Family Cemetery. This site is within view of an old trading post, established by Captain Martin Krygier (Cragler) about 1640, and the ferry maintained in colonial times by Johannes Fort. It is in an exact line with the easternmost end of the largest of five islands, deeded by the Mohawks to Hillitje Van Olinda, as her birthright. A few rods to the west is that famous Laurentian Algonkian site known to archeologists as "Pottery Beach," according to L. N. Brinkman. He also records the oldest tombstone found in this area, as dated 1805. Just beyond is a millpond where a grist mill and sawmill once stood.

We continue to Sparrowbush Road and to Pollock Road until we reach the Dunsbach Ferry Road. On the left stands "Cavin Crest," a partially restored brick home, which was representative of this farm area, and containing many early American features. Ferry sites, Loudon, Dunsbach, Visscher and Forts were the only means for crossing the Mohawk until the present bridge was erected in the early 1900's. Occasionally one can see also along the banks of the river an abandoned aqueduct and early lock of the Erie Canal, which was completed in 1825. On Schermerhorn Road we will pass the Town Park and Pool. Note the abandoned railway tracks that run through this area. Here it was that steam engines chugged along on primitive rails made of wood and strap iron! They were a part of the West Shore Railroad (later New York Central), which was built in 1883 to connect the Albany Line with the Great Lakes.

We proceed to Boght Corners, once called Groesbeck Corners, the site of the Boght Reformed Dutch Church. Located on Boght Road (Manor Road to Cohoes), the original structure and cemetery was on Baker Road and Vliet Street. According to recently discovered records in the State Library, the Church dates back to 1642 and is the oldest church in the town of Colonie, and was started as an offshoot of the First Reformed Church in Albany established in 1624. Here too we find many familiar names traced to the earliest Dutch settlers, who came here under the New Netherland Patroonship system. Killian Van Renssler, Patroon, was granted ownership of a vast domain extending more than 1000 square miles, 24 miles to the north and south and 24 miles east and

west of the Hudson. This road marks a part of the Northernmost Boundary line.

Returning to Loudon Road, we pass the oldest known house still standing in the Town of Colonie. The Witbeck Homestead, built in 1704, was leased by the Clute family until 1749. Witbecks have lived here continuously since that time. It was in this area, in 1777, that General George Washington stopped to inspect the troops of General Benedict Arnold and Enoch Poor. The Witbeck family offered rest and refreshments to the Generals. The troops were stationed here to guard the Loudon Ferry from attack by General Burgoyne. They were later sent north for the Battle of Saratoga, considered the turning point in the Revolutionary War. At the far end of the apple orchard headstones from the Witbeck Begraafplaats (cemetery) may be seen. Lucas Witbeck was elected Supervisor of the Town of Watervliet in 1824. He is believed to have been the first millionaire in the history of the Town.

Van Vrankens' Corners (Latham) is next on the tour route, and we continue down the Troy Road to Delatour Road. We pass the Provincial House of the Sisters of St. Joseph, Sisters of Carondelet. This now occupies the site where General Henry Knox camped with his artillery train in 1775. These troops later assisted in forcing the British, under General Howe, out of Boston. The General of the French troops stayed here for a winter during the French Revolution, thus linking Colonies past with this event!

We continue to the Village of Menands, named for the Horticulturist Louis Menand, whose son Howard Menand is presently Village Historian.

"Schuyler Flatts" land was once owned by the Schuyler family along the Hudson River. One may read of the Ancestral Home and Family Life in "Memoirs of an American Lady," 1836. To the right is the stately mansion of the former James B. Jermain, Industrialist and Railway Tycoon of the 1800's. The Carriage House in the rear has brick walls with a depth of 20 inches.

Turning right on Cemetery Road, we wind through 8 miles of woods and ravines of the renowned Albany Rural Cemetery, which was established in 1844. Here, we pause at the impressive monument erected in honor of General Philip Schuyler, "Second only to Washington in the Service he rendered to the American Colonies." We proceed through the Cemetery, following the well-marked path to the huge granite sarcophagus, where lies the body of President Arthur.

Now on to Loudon Turnpike, by way of Menands Road. We find, at the corner of Cherry Tree Road, Loudon Cottage. Loudon Cottage, according to some, Thought to have been the former home of Lord Loudon, Earl of Campbell, the Commander-in-Chief of the English, during the French and Indian War (1754-1763). Also the home of Elijah Gove, as seen on a deed of 1828, and Ira Harris, Lawyer, in the late 1800's. This was moved from its site at Ireland's Corners (the four corners at Loudonville) to its present site, and was also visited by George Washington on one of his journeys to the north. This house is widely known for its ghostly tales, which have already been widely publicized.

CONGRESSMAN WYDLER REPORTS  
ON FIGHT AGAINST JET NOISE

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. WYDLER. Mr. Speaker, the battle against jet noise is one that I have been waging for 8 years as a Member of the U.S. Congress. The fight has been a long and hard one and there have been both



successes and failures along the way, but there has also been steady progress.

When I was first elected to Congress in 1962, I became aware of the severe problem of jet noise in the western end of my district. This problem was caused by a landing pattern approaching Kennedy Airport, turning a large portion of the area into a jet alley. I responded to the calls for help from people in the area by immediately starting to alert my fellow Members of the U.S. Congress to the seriousness of this problem.

#### THE EARLY YEARS

In the early years, I received very little support and a great deal of sarcasm for my effort, for few people in the country were badly affected by jet noise at that time. The years have changed this apathy. Now there is a substantial body of Congressmen who are fighting alongside me, and progress has been made. Some of the successes that were achieved years ago are now bringing results in the fight against jet noise.

The struggle continues and is going on at the present time. The efforts made now should also bring good results in the years ahead. What the individual suffering from the horrors of this overhead noise really wants is immediate relief or, in any event, relief very quickly. Efforts in this area and in the long term should go forward simultaneously.

I shall attempt to set forth here exactly where we have been in this struggle, where we are at the present time, and the directions in which we can go in the near and distant future to get rid of this intolerable situation once and for all.

#### STEP 1: PROGRESS IN NOISE SUPPRESSION

Upon first being elected to Congress in 1962, I asked for and was assigned membership on the Science and Astronautics Committee in the House of Representatives. Among this committee's duties is the responsibility of overseeing our national aeronautics program, which includes the development of new aircraft and new techniques in the flying of aircraft. I quickly realized that little if any attention was given by this committee, on the part of the Federal Government, to the problems of jet noise. Immediately, I began a struggle to make the committee aware of the problems of jet noise. I urged more money be put in the Federal budget, not only for research into the problem, but also for funds for development of actual hardware and equipment that could be utilized in controlling the problems of jet noise. This struggle was not an easy one as most members of the committee were not then convinced this was a serious problem. It did not affect their congressional districts severely. Among other things, I arranged demonstrations of actual jet noise as it was heard by people living close to major airports and, slowly but surely, I began to convince the committee of the needs and seriousness of the problem. Over the years, we were successful in getting larger and larger sums placed in the National Aeronautics and Space Administration budget for research and development on the jet noise problem. This has resulted in the actual development of equipment

which is now available and which could be used to retrofit aircraft to reduce jet noise substantially.

In addition, we managed to begin a program to develop a "quiet" jet engine, which is an entirely new concept in building an engine not only for power but for quietness as well. This program is not completed but, in the years ahead, will indicate important new ways in which jet engines can be made much quieter and more acceptable. The fight to obtain the funds was one that stretched over many years and was fought on many battlefields, both in my subcommittee which has specific authorizing power over this area, and in the full committee and on the floor of the House of Representatives.

#### STEP 2: THE POWER TO LIMIT NOISE

When this fight started to be won, I realized that the next important problem was having the means whereby we could require airlines and aircraft manufacturers to adopt and utilize the new equipment being developed. It was one thing to have the equipment on hand but quite another to require, in some way, that the airlines and airframe manufacturers would actually install it on airplanes. In addition to my assignment to the Science and Astronautics Committee, in May 1965 I was assigned to the House Committee on Government Operations. This committee is the chief investigating and organization committee in the House of Representatives; and, in March 1966 we started to consider the President's request to establish a Department of Transportation. During the reorganization hearings, I became convinced that the new department should be given the necessary powers to require the benefits of jet noise research to be utilized in reducing jet noise on current and future aircraft.

The means to do this was a proposal that would give to the Federal Aviation Administration, which would be a part of the new Department, the power to set jet noise limits. I was the original sponsor of this proposal, which later was passed by the Congress of the United States and is now the law of the land. In addition, I asked that the new Department have a specific Office of Jet Noise Control, and proposed this legislatively. Unfortunately, at that point, the Johnson administration would not agree to this but it finally did agree to set up an Under Secretary in the Department whose area would be concerned with the problems of jet noise control, as well as other noise problems.

These legislative successes have given us the weapons we now have available in the jet noise field. Although the progress has been great when measured from the position on which we were when the fight started, there is still a great deal of the battle ahead of us. We have managed to do the research and development which makes available the equipment we need to reduce jet noise on current and future aircraft. We now have the legal means of requiring airlines and airframe manufacturers to utilize that equipment. We must now go through the necessary administrative

proceedings to see that rules are placed in effect which would require the airlines to install this equipment at an early date. On that problem, I am actively and constantly engaged, pressing the Federal Aviation Administration to get on with its hearings and rulemaking procedures and to establish sensible and helpful jet noise limits that will be of aid to people suffering from this serious problem.

I am appending to this statement a chronological history of my efforts in this area to indicate not only the successes but some of the disappointments of this long and continuing struggle. I have had my rewards, in the form of an honorary plaque received from the Elmont Civic Association for my efforts in fighting jet noise, and, particularly, in conducting informal congressional hearings in the Elmont area of my district, in October of 1965, to see what could be done about the noise problem.

I have been working closely in Washington with the presiding supervisor of the town of Hempstead, Ralph G. Caso, and other municipal leaders from around the country, in forming a national organization to fight jet noise. When they held their jet noise conference in Washington in October of 1969, I hosted this group in the committee room of the Science and Astronautics Committee, in the House Office Building. I have since worked closely with them in forming and establishing their national organization.

There have been recent changes made in the outlines of the Fourth Congressional District and, as a result, I will receive new areas which are also intensely affected by the jet noise problem. This means that I will increase my efforts to the extent possible and with every bit of my strength. To do this, I need support and help from the local areas; and it is my intention to establish a Congressional Commission on the Problems of Jet Noise appointing to it local representatives from each of the areas affected by the problem. This grassroots approach will give me backing and support when dealing with the problem both in the Congress and with the administration in Washington.

Recently I have proposed the creation of a Department of Environmental Affairs within our National Government structure, giving full Cabinet status to this new Department which would be oriented toward the needs of people. Among its other duties should be the duty of fighting noise pollution; and transferring these functions to the new Department would free it from the conflicting problems the subject now receives by being treated in the FAA, which is heavily influenced by the airlines and airframe manufacturing industries. This year I started to stress the growing problem of air pollution caused by jet engines and, although there is now still little interest in the Congress, my subcommittee did manage to have certain funds in the National Aeronautics and Space Administration budget transferred into the problems of air pollution control. This research will be valuable and helpful in the years ahead.

I have found that the jet noise problem

is particularly severe in the summer, but the fight against it must go on 365 days a year as it is a continuing and constant one which requires continuing and constant pressure if results are to be achieved.

Some of the matters in which I have worked and am following currently are as follows:

The possibility of reducing flights to Kennedy Airport, because of the low use of seats on aircraft under present scheduling procedures.

The possibility of changing night flight schedules to give relief in sleeping hours.

Turning the control of jet noise over to local governments until such time as the FAA sets forth reasonable standards. This, to force the FAA to take quick action.

Increasing the angle of approach for landing aircraft, which would take them higher over the surrounding territory and greatly reduce the jet noise. The program is on-going and is making progress.

Studies of the midsound jetport as a prototype for relocating our jet ports in metropolitan areas.

Obtaining speedier hearings and rule-making procedures from the FAA, on the proposed rules for noise levels on currently flying jet aircraft.

Air traffic control that takes jet noise into consideration on runway usage.

My most recent approach has been as to an investigation of changing approach and takeoff patterns in the Kennedy Airport region, which has been made possible by the release of certain restricted military zones in the Kennedy Airport area. This matter is being pursued actively and could have immediate and good effects on the problem of jet noise, without further instrumentation.

I shall continue to attack this problem on all fronts and keep up a constant pressure. Victory in this struggle is within sight, but there are a great many forces working against us and a great many problems to be overcome. I will not hesitate to use all my power to see that the people's interests are really represented and that they obtain the relief which they so justly deserve.

I include herewith a history of my jet noise fight:

#### HISTORY OF JET NOISE FIGHT BY CONGRESSMAN WYDLER

October 1963: Congressman Wydler called for funds for crash program to develop noise suppressors and quiet engines.

March 1964: Announced new NASA program of research on jet noise. Advanced Research and Technology Subcommittee added \$2-million.

February 1965: FAA accepted Wydler program that all future jets have lower noise levels.

March 1965: NASA making research headway. Congressman Wydler called for means to get results incorporated in new aircraft.

August 1965: Congressman Wydler filed complaint under U.S. Code with the CAB and FAA and demanded public hearings on misuse of Runway 22L at Kennedy Airport.

October 1965: Held informal congressional hearings on jet noise in Elmont, N.Y.—adverse effects on health, education.

May 1966: Proposed an amendment to set aside \$20-million for jet noise fight.

July 1966: Fight in Government Operations Committee to establish an Office of Aircraft

Noise Abatement in the new Department of Transportation.

July 1966: Original sponsor of legislation to let FAA set jet noise standards.

August 1966: Offered amendment on House Floor—an Office of Aircraft Noise Abatement supported bi-partisan by Congressman Tenzler.

September 1966: Report on the jet noise hearings held in Congressional District, at Elmont, N.Y.

September 1966: Announced growing support in Congress; NASA announced program to develop a quiet jet engine.

September 1967: Called for Administration action on appointing an Assistant Secretary for Noise Abatement.

December 1967: Criticized Democratic leadership for refusing Ralph Caso, Presiding Supervisor of Town of Hempstead, N.Y., the right to testify on jet noise bill.

February 1968: Announced full funding for federal Jet Noise Control program.

June 1968: Passage of Jet Aircraft Noise Control bill by House of Representatives.

October 1969: Wydler introduced bill to return power in aircraft noise control to the States and localities, to push FAA to set limits on jet noise.

October 1969: Meeting with FAA—announced new rules for jet noise levels on production aircraft to be lower than those for present jets; action on current jets in next few months; program for high-altitude landing approaches.

March 1970: Congressman Wydler submits bill to establish Department of Environmental Affairs to coordinate fight against pollution, including noise pollution and to be concerned with problems of people on the ground suffering from jet noise.

#### DR. ANDREW W. CORDIER URGES SUPPORT FOR GRADUATE AREA AND LANGUAGE STUDIES

#### HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. RYAN. Mr. Speaker, today, more than ever before, it is important for young Americans in our colleges and universities to learn about other nations throughout the world.

As the world gets smaller and smaller, it is essential that Americans have an understanding of their world neighbors—their languages, their areas, their histories, their traditions, and their social, economic, and political backgrounds.

There is a program, title VI of the National Defense Education Act, which provides for Federal support of graduate area and language studies and which also provides for fellowship assistance to students participating in these programs.

Recently, there has been concern on the part of the university community that the Federal Government will feel that a reduction in our overall involvement abroad should signal a reduction in Federal support for this program.

On April 30, Andrew W. Cordier, president of Columbia University, appeared before the Special Subcommittee on Education of the House Committee on Education and Labor on behalf of the Association of American Universities and Columbia University, to discuss the concern of our institutes of higher learning regarding this program.

I am inserting in the CONGRESSIONAL RECORD a copy of President Cordier's testimony before the committee. I commend him on his testimony and recommend it to my colleagues. This is an important program. The program, in the past, has illustrated Federal commitment to the need to educate students about the languages, cultures, and politics of other nations.

I share President Cordier's concern and his point of view that this program must be continued and revitalized today, and in the future. His testimony follows:

TESTIMONY OF ANDREW W. CORDIER, PRESIDENT OF COLUMBIA UNIVERSITY, BEFORE THE SPECIAL SUBCOMMITTEE ON EDUCATION OF THE COMMITTEE ON EDUCATION AND LABOR OF THE HOUSE OF REPRESENTATIVES, APRIL 30, 1970

Madame Chairman and Members of the Committee: On behalf of the Association of American Universities, representing 46 universities in this country, and of Columbia University, of which I am President, I want to thank you for giving me an opportunity, along with President Goheen, to lay our views before you.

President Goheen has discussed many dimensions of higher education, all of which deeply concern members of the AAU. But I would like to stress one important aspect of higher education which I believe risks serious neglect. I refer to both Titles IV and VI of the NDEA Act, but I shall direct my remarks here to Title VI which authorized Federal support for graduate area and language studies and for fellowship assistance to students participating in such programs.

We know the positive concern that you, Madame Chairman, are demonstrating toward higher education with your omnibus higher education bill. We have also read with interest the Administration's proposal regarding a new Educational Foundation. And we recollect the activities provided for in the International Education Act of the last few years (but not yet funded). We are impressed by these efforts to improve the programming and financing of higher education. Moreover, there is little question that there are aspects of the NDEA legislation which need to be revised, now after 13 years of experience. As you know, a major study is underway under the auspices of the Social Sciences Research Council which should give us good counsel on how to proceed in the future.

While we review the past performance and reshape institutions and programs for the future, during the next twelve to sixteen months, we beg you and your fellow Committee members to assure that these NDEA programs not be lost sight of. The present arrangements, modest as they are, must at least be sustained until new arrangements are well in place to succeed them.

You are aware, Madame Chairman, I am sure, that Title VI has assisted some 107 centers at over 60 colleges and universities scattered across the United States, to develop unconventional language and area study programs. These train young Americans to learn and use foreign languages other than those of Western Europe, many of which would not be taught except in very rare instances, without such Federal support. The grants make it possible for these centers to provide, in addition, indispensable and equally important training in the history, cultures, political systems and economies of these areas. Under the NDFL program, over 2,000 graduate students a year are provided with supporting fellowships to encourage and help sustain them while they labor in the onerous task of mastering these languages and area studies. Because of the specialized nature of these subjects and their difficulty, students require one or two years longer than for the



more normal graduate programs. And they deserve this encouragement and indispensable assistance.

Because of NDEA grants, in those centers of concentrated quality instruction, there are sufficient faculty of differing disciplines gathered together to provide that critical mass of interdisciplinary talent necessary for mutually stimulating research and writing across the traditional academic disciplines, focusing on these areas. And the fruits of these writings and research activities go far beyond the particular campus on which they were created. They provide the solid studies on which responsible discussion of public policy and sound scholarly understanding can be based.

We must persist in these efforts despite the fact that a number of people appear to assume that since NDEA programs have been going for 13 years, government support for this kind of program is no longer needed. They see the President's understandable desire to reduce our direct military commitments in Asia as a sign that we no longer care about the world environment beyond our shores. The pull to avoid over-involvement abroad and to attend to long-neglected problems at home is understandable enough.

But, however, I am frankly alarmed at what the consequences will be a few years from now if American universities are obliged to curtail drastically their efforts to train both specialists and the general public in international affairs and in the type of language and area programs hitherto financed by the NDEA. Our national need for knowledgeable people in various levels of teaching, in government, in business and journalism and as educated citizens will be no less great in the future than it has been. Yet I fear we shall be less well equipped as a nation to deal with the pressing problems in the international environment if programs of instruction in foreign areas and languages which take a long time to develop are now quite abruptly dissolved.

There is wide recognition which we share that critical domestic problems in our country require our attention as well as massive government support, but we believe the world environment will need more intense effort to understand and to cope with it in the future than in the past, not less. We do not believe that the pressure of technological change and rapidly rising populations abroad will separate men from one another. On the contrary, we are bound to be pressed closer and closer into greater intimacy. We do not believe a decline in military involvements abroad will mean that we can—or will wish to—opt out from the wider world environment. Our country is too wealthy, too energetic, too active to reduce our effective and peaceful role in the external world. We will, on the contrary, require all the skill and knowledge we as a nation can muster to so manage our relationships with other peoples as to identify and build on our common interests, to minimize friction, to avoid conflict and to join in cooperative efforts with others to share a world environment tolerable and safe for all of us.

Despite some evidence that the country may be producing too many scholars with advanced degrees in the more conventional liberal arts fields, there is no evidence as yet to suggest that we are approaching the saturation point in qualified specialists knowledgeable in foreign area studies of high quality. On the contrary, as the world grows smaller—as we expect it will—we anticipate an increased demand for students knowledgeable in foreign languages, area studies and interdisciplinary skills, combining knowledge of the history, great traditions and contemporary social, political and economic studies. Moreover, while English is the world's greatest *lingua franca* for business and cultural interchange, in many

countries, particularly in South Asia, there is a growing nationalistic resistance to speaking and writing English. Only those equipped with indigenous languages will be able to have direct and truly human contact with increasing proportions of these countries' educated and active populations, whether in government, business, journalism or scholarship.

Such training as has been partially supported by NDEA is more costly per student than that appropriate for most undergraduates and even many graduate students except, perhaps in the physical sciences. It takes longer by a year or two for each student; libraries must be more specialized and depend on expensive acquisitions from all over the world. Processing and cataloging require specialized staffs capable of using local languages and sustained resources. Language training requires intensive supervision, often of small numbers of students at any stage of learning at one time. We are, however, impressed by the tragic fact that all the educational opportunities promoted by the \$18 million annually devoted to the Title VI program cost the US people no more than one model of an F-111 fighter. We find it self-evident that in any orderly assessment of national priorities, greater safety for our people could be purchased by doubling the Title VI type program at the expense of the budget for defense.

Moreover, we have also been impressed with how much solid training has been evoked by quite limited NDEA appropriations. Although government support of foreign language and area studies under Title VI of NDEA has not been large in absolute terms, nor even as a percentage of the total funds expended for these purposes by universities, foundations and private donors, it has nevertheless provided the critical margin for these activities. As a general rule, we in the universities have matched at least two dollars or more for every dollar received under the NDEA. Indeed, a survey of 51 programs shows that US Government funds have contributed only 12% of the total costs. Given the serious financial strains under which most universities are now operating, this has not been easy. But I am not exaggerating when I say that without the critical margin of NDEA support, many universities will find themselves unable to fulfill their responsibilities in this important field adequately or in some cases, at all.

It might be helpful to the Committee if I briefly described a few of our language and area programs at Columbia University. This is not intended as special pleading, but because I am most familiar with our own activities, a few observations may help suggest to you what it has been possible to do with limited funds.

Take, for example, our Russian Institute, a center established immediately after World War II because of the obvious importance of our relations with the Soviet Union and the need to direct intensive and extended study to that country if we were to improve our ability to understand and live with it successfully. Over the years, we have provided nearly 400 students with a substantial Soviet specialization, 190 of these have gone forward to take a Ph. D. degree in addition, in one of the classic academic disciplines.

The bulk of these have gone into teaching and research, and are to be found at 91 universities throughout the country. More than 50 of these graduates have initiated or directed Soviet studies at some institutions, their work at Columbia has thus been multiplied many times by their teaching and writing since then. Forty of the alumni are in government service, more than 50 are in journalism and in international organizations. The demand for such trained individuals remains high, despite the recent decline in official aid.

The Russian Institute and its associated Institute of East Central Europe and the Department of Slavic Languages have a total combined budget, including teaching salaries, fellowships, library, publications, administration, buildings, etc. of some \$1.4 million. Of this amount the University supplied approximately \$836,000; approximately \$500,000 came from foundations and other outside sources and \$71,000 from NDEA support. This may seem a small proportion of the total, but I assure you that this contribution has had a great multiplier effect. Particularly now, as foundation interests are turning in other directions, private gifts are coming in more slowly, and our University, like most others these days, is in serious financial straits. NDEA has been a critical element in our continued efforts to provide qualified teachers, researchers, and those who enter the government service or such activities as business or journalism.

The Latin American Institute at Columbia has similarly supplied large numbers of teachers and scholars, as well as active men in government, business, and journalism. At present there are 74 advanced students in Latin American affairs, 44 of them Ph. D. candidates. Fifty-five have already received their advanced degrees, and they have spread to the winds. They are to be found in 40 different universities and colleges in 21 states, and in Canada, Puerto Rico and Brazil. NDEA contributes \$64,000 to this enterprise, but the University and special gifts together more than match that amount.

The largest share of NDEA assistance at Columbia goes to our East Asia Center, thanks to which we are able to offer language instruction in Chinese, Japanese and Korean, and a total of 36 courses in political science, history, anthropology, economics, sociology, geography and literature. Thirty-two Ph. D. degrees have been granted and 36 are now in process. Alumni are teaching in 27 different colleges and universities, scattered in 10 states, Canada, India and Japan. Ten of our alumni are serving in government positions. The need for scholars and informed citizens with knowledge of this part of the world is self-evident, and the need cannot be filled quickly nor can stop-go financing suffice.

As these well-trained people spread across the country, high quality teaching is available quite beyond the major universities. Increasingly, small colleges and some community colleges are now in a position to provide their undergraduates with quality teaching of these area and language materials. And increasingly, too, we find that those who apply to our graduate schools from the better colleges are themselves better trained to begin with, so that their language skills and substantive knowledge at the outset is higher now than was imaginable fifteen years ago when we started. But this process of enriching the offerings of smaller four year and community colleges cannot proceed unless we maintain the momentum already gained through the work sustained by the NDEA program.

We also have smaller and newer programs in African, Middle Eastern and South and Southeast Asia studies. In undertaking the latter in 1967, despite the lack of NDEA support, we were aware of the doleful fact that although the United States was already deeply involved in Southeast Asia, there are relatively few qualified specialists on this area. Scholarship on other aspects of contemporary South and Southeast Asia was less well-developed than on certain other parts of Asia. Since then, financial prospects of the NDEA-type program have not been bright and fewer students than we expected have been willing to invest their time and careers in helping the nation to overcome the ignorance which has so often stalked our path in South and Southeast Asia. Only a clear demonstration

of how important this Congress feels it is to overcome that lack of knowledge will ensure that enough young people come forward for the onerous training required.

If NDEA-type programs were to stop, our language training staffs would have to be cut back first. The more difficult languages, with small enrollments, will be the first to go. Already in certain universities this has happened. Our library acquisition programs would slow materially. As funds become tighter, teaching faculty would have to be reduced. Unhappily, the first to go are the younger, non-tenured faculty, and these will be precisely the ones whose training has been financed by NDEA since 1962. Thus, cuts now will spoil the fruits of the NDEA training effort thus far. Students, hitherto dependent on government-sponsored fellowships for the long, hard effort would turn their attention to less demanding fields where support proved more likely and training times were shorter. State funds for these special subjects will also dry up as Federal funds are no longer coming in to be matched. The attack on our ignorance of the world environment would lose its momentum and weaken across the board. Indeed, in the uncertainty already created by the abrupt cut in NDEA funding proposed this spring, we have had a vivid foretaste of what would happen if NDEA-type programs were allowed to decline and, perhaps, be discontinued altogether.

My colleagues and I in higher education have been frankly worried by the thought that in the effort to find new means of financing necessary programs, old activities of proven worth may fall by the wayside, or receive insufficient attention and support. If there is to be new legislation of some kind, perhaps to create a Foundation for Higher Education as proposed by President Nixon, my colleagues and I want to be very sure that NDEA-type activities, and others related to them, do receive quite explicit authorization and assured financing both in the interim and in the longer run. We take some encouragement from the letter sent by Mr. Moynihan of the White House to President Pusey of Harvard on April twenty-seventh. But we must appeal to the Congress to transform the hope generated by that letter into a reality.

#### QUESTIONS ON INVASION OF CAMBODIA: I. NEUTRALITY AND TERRITORIAL VIOLATIONS

**HON. DONALD M. FRASER**

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. FRASER. Mr. Speaker, there is a great deal in the record of U.S. involvement in Cambodia that departs from the President's assertion that American policy has been to respect the neutrality of Cambodia and pursue a policy of nonviolation of Cambodian territory by United States or South Vietnamese troops.

The following are replies to question-and-answer material distributed on May 1 by the administration in regard to the Cambodian invasion as well as statements made by the President in his speech of April 30.

These and other questions have been taken from "Cambodia: The Administration's Version and the Historical Record," prepared by George McT. Kahin, professor of government and director of the Southeast Asia program, Cornell University:

#### CAMBODIA: THE ADMINISTRATION'S VERSION AND THE HISTORICAL RECORD (By George McT. Kahin)

This paper contains replies to prepared question and answer materials distributed by the Administration on May 1 in regard to the Cambodian invasion—as well as to certain statements made by the President on his April 30 speech.

##### 1. THE ADMINISTRATION'S CLAIM OF U.S. RESPECT FOR CAMBODIA'S NEUTRALITY

Central to President Nixon's argument is the following statement in the introductory part of his April 30 speech. Going back to the Geneva Agreements of 1954 he stated: "American policy since then has been to scrupulously respect the neutrality of the Cambodian people."

In the White House's subsequently released (May 1) "Background Information on Cambodia" among the various hypothetical questions raised was one which reads: "Why do we have to support the Lon Nol government? Wasn't Sihanouk the legal ruler and wasn't he pushed out by a coup?"

The answer provided by the White House states: "The question of who rules in Cambodia is a matter for the Cambodians to decide. We had absolutely nothing to do with the change."

##### The historical record

It is to be hoped that the U.S. was not party to the overthrow of Sihanouk, but it is understandable why the many years of American clandestine activity in Cambodia makes Sihanouk think otherwise and may raise some doubt in the minds of anyone familiar with the pertinent historical record.

There is a great deal in that record that departs radically from the President's assertion that it has been American policy to "scrupulously respect the neutrality of the Cambodian people."

In fact for the most of the last 15 years the U.S. has opposed Cambodian neutrality and applied various kinds of pressure to get it to assume an anti-Communist stance in alignment with American policy objectives.

Following Cambodia's refusal to accept the security mantle incorporated in the SEATO protocol, American aid was halted. The Saigon and Bangkok governments imposed an economic blockade, and border violations were visited upon Cambodia from two of the United States' SEATO allies, Thailand and South Vietnam.

(It was just after this that the Cambodians responded by opening diplomatic relations with the Soviet Union and agreed to accept aid from China.)

Greater pressure was mounted against Sihanouk's government beginning in mid-1958 with a South Vietnamese invasion of Stung Treng province in which the United States refused to act effectively on Cambodia's urgent request that it restrain Saigon.

(A week later Cambodia began discussions with China for establishment of diplomatic relations.)

Upon being recalled to Washington, the American Ambassador to Phnom Penh then discovered that plans were being made to remove Sihanouk from power. The U.S. did not immediately take such steps, but soon thereafter the anti-Sihanouk Khmer Serei (Free Cambodian Movement) was organized which received encouragement and support from the CIA as well as backing from Thailand and South Vietnam.

At the beginning of 1959 the abortive "Bangkok Plot" was exposed, one aimed at overthrowing Sihanouk and involving military operations by the Khmer Serei from bases in Thailand. Several foreign ambassadors in Phnom Penh warned Sihanouk at the time to take preventive action, and investigations satisfied the Cambodian government (and a good many others) that the

American CIA was directly involved and that Marshall Sarit of Thailand and the Saigon government also backed the effort.

By 1966 a campaign supported by CIA to pressure Sihanouk through support of the opposition Khmer Serei tied down a substantial part of the Cambodian army. Khmer Krom (members of South Vietnam's Cambodian minority) were recruited at high rates of pay and provided with extensive U.S. Special Forces training to carry out attacks into Cambodia from bases in both South Vietnam and Southeast Thailand. Border incursions by these forces in 1967 reached at least 12 miles into Cambodia.

##### 2. THE ADMINISTRATION'S CLAIM OF NONVIOLATION OF CAMBODIAN TERRITORY

Referring to Vietnamese communist sanctuaries in Cambodia, President Nixon stated on April 30: "For five years neither the U.S. nor South Vietnam moved against those enemy sanctuaries because we did not wish to violate the territory of a neutral nation."

##### The historical record

In July 1965 the International Control Commission (I.C.C.) reported on evidence of border crossings into Cambodia by South Vietnamese forces, stating that there were 375 such incidents in 1964 and 385 in the first five months of 1965 alone. The commission unanimously concluded that "None of those incidents were provoked by the Royal Government of Cambodia."

From that time on there were repeated reports of border incursions and air attacks against border areas inside Cambodia chiefly by South Vietnamese but also by American forces. A few examples follow:

On May 3, 1965, five days after South Vietnamese planes bombed a village two miles inside Cambodia, Sihanouk, lodging responsibility with the U.S., broke off diplomatic relations with Washington. (NYT May 4, 1965)

On October 13, 1965, New York Times Southeast Asia correspondent Seymour Topping reported that: "South Vietnamese patrols probe the border and reconnoitering aircraft frequently fly over the frontier, sometimes bombing suspected Vietcong targets on Cambodian territory. Cambodians say that more than 30 of their villagers have been killed in these attacks over the last two years." (NYT October 14, 1965)

On September 21, 1965, American helicopters launched rocket attack against a Cambodian military post. (NYT, September 22, 24; October 15, 1966)

On January 22, 1968, the U.S. acknowledged that a U.S.-South Vietnamese patrol had made a limited intrusion into Cambodia following fire from Vietnamese communist units on the Cambodian side. (NYT January 23, 1968)

In April 1969, U.S. air and artillery attacks were launched against communist bases inside Cambodia. (NYT April 26, 1969)

On May 8, 1969, U.S. B-52 bombers raided communist supply dumps and camps within Cambodia. (NYT May 9, 1969)

October-December, 1969, Sihanouk protested continuing U.S. bombing of Cambodian border areas.

#### PRESS EDUCATION FUNDING

**HON. PHILIP J. PHILBIN**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. PHILBIN. Mr. Speaker, I am in very strong support of efforts in the House to increase the education appropriation bill.



My reservation is that in some areas the bill has not fully covered all the necessary ground, particularly with respect to funding since much more money is needed.

I was glad to see, however, that the Appropriations Committee this year is reporting out a separate, appropriation bill for education to help school districts, State departments of education, and others involved in the Nation's educational system, to make more orderly plans for the next school year, and another bill dealing with health funds.

It is pleasing to know that the committee has put some fresh emphasis on the urgent need for educational research and experimentation to find better methods of training and teaching our children and youth, and to try to find out which ones are working, and which ones are not, so that in the process of providing all possible necessary Federal aid, we can also keep a record of intended results. A broad study of learning potentials and performances is essential to proper planning.

Many of the objectives of the bill are praiseworthy. These include aid to educationally deprived children, school assistance in federally impacted areas, school library resources, supplementary services and centers, drop-out prevention, bilingual education, strengthening State departments of education for the handicapped, various education professions, and personnel development programs.

One very important objective is to make sure, as well as we can here in the Congress, that the large sums of money we make available annually for education reaches the right places in our educational system, and are economically and efficiently distributed, and effectively utilized.

There is much evidence that identified educational needs are arising at such a very fast rate, that Congress may not be able to match them, if there should be an economic recession, which God forbid.

But it should be noted that education is not alone in this regard, because many fine, meritorious programs could well be handicapped if the economy should slip below prosperity levels due to imprudent, shortsighted social and economic cutbacks, monetary meddling, and incredibly ill-advised skyrocketing interest rates and inflated prices.

The Federal Government is now paying about 25 percent of the total annual expenditures of the Nation's colleges and universities in support of higher education, but admittedly this is not adequate to do the job that must be done. This does not include elementary, grammar, and special education.

Neither will the appropriations in HEW be very realistic or helpful in the case of stricken people needing medical and hospital care, communities getting new hospitals, shortages of doctors, specialists, and nurses existing in many places all over the country.

I think we must have some real action in these fields, or we certainly will be overwhelmed and ultimately submerged

by fast-mounting demands that are in fact right on top of us now.

Another very serious problem is the lack of adequate scholarship money for many very high grade, worthy, ambitious young men and women, who want to pursue higher education, but are barred in all too many cases because their families cannot afford to finance them. Not only the poor, but the middle-class income group are in this category. The situation is grave. It must be met now. It will not wait. Meanwhile, we are financing fully paid education for some foreign students.

Yes, Congress has programs, but like others they are painfully inadequate and woefully under-funded to meet the obvious needs in providing for the education of young people seeking college or higher education and training.

This is a great national human calamity, and I have seen many classic examples unfold right before my own eyes, where young people with high scores in the college boards, and other high quality boys and girls, were denied a college education, because their parents could not afford to help them, and no scholarship or other aid was available. This situation must be remedied with all possible speed.

Obviously, Congress has got to do something much more in this area, and I again urge appropriate committees to do it without delay, and do it right. The money must be found to do it on a high priority basis.

#### POSITION PAPER

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. SIKES. Mr. Speaker, my attention has been called to a position paper issued by the Florida Medical Association on the cost of medical care and Medicare. I feel that it presents a sound discussion of the concern of the physicians of Florida over the recently published report of the Senate Finance Committee on this subject. I am very glad to submit the position paper for reprinting in the CONGRESSIONAL RECORD for the information of my colleagues:

POSITION PAPER ON COST OF MEDICAL CARE AND MEDICARE, FLORIDA MEDICAL ASSOCIATION

Trust is a vital element in the practice of medicine and a necessary adjunct to successful therapy. Trust is a relationship with patients held firm by confidence in the physician's abilities, honor and character in an environment of cordial relations. The physician who is unable to inspire trust on the part of his patient only rarely is able to help that patient.

Innuendoes of wrongdoing destroy trust. If the present program of vilifying the entire profession of medicine continues, leading people to believe their individual physician is not to be trusted, the misguided efforts of a few people will destroy not only the profession's reputation but also good medical care.

On the basis of the small number of proven cases, it appears inconceivable that the en-

tire profession of medicine could be suspected of overcharging, even fraud and other abuses, in connection with publicly supported medical and health care programs. Yet, suspicion has been allowed to spread in a manner which condemns many for the misdeeds of a few. Physicians are said to be reaping rich rewards for administering care to older people—their patients who have felt pride, since advent of the programs, in being able to pay their way as far as their doctors were concerned.

#### COSTS AND THE PHYSICIAN'S INCOME

The cost of medical care, provided only by physicians, has been confused with total health care and the claim made that physicians caused increases in the cost of the Medicare program. The truth of the matter is that in Florida 13% of the Medicare dollar goes to the doctor; the remainder pays for hospitalization, dentists' services, fees and salaries for technologists, prescriptions, nursing homes and government health projects. In the three years since beginning of the program, the physicians' fees increased 21.5 per cent. For all practical purposes, a freeze has been in effect for fees under Medicare for more than a year.

The monetary rewards of practice can seldom make the physician a wealthy man. Out of each dollar he earns, 20 cents go for taxes, 5 cents for rent, 15 cents for office assistants, 5 cents for supplies and equipment and 17 cents for miscellaneous necessities. Only 38 cents remain; no more than for others engaged in the professions requiring similar expenses who devote a like number of hours each day to their vocations.

#### FEW PHYSICIANS SUSPECT

The overwhelming majority of physicians are honest and straightforward and are doing their best to make the medical and health programs work for their patients benefit. In Florida this encompasses a little more than 97 per cent of the 6,654 licensed Doctors of Medicine. Members of few professions have had their daily activities subjected to closer scrutiny within the past few months, and it is a source of pride that the practice procedures for less than 3 per cent have come under review for even possible misuse of the Medicare program.

Social Security Commissioner Robert M. Ball has stated: "Medicare pays about 30 million doctors' bills and 12 million bills from institutional providers of services each year. It is clear from our investigations that the number of attempts at fraud or abuse is relatively very small." The profession deplores the isolated instances of misconduct and pledges itself to take very vigorous action within its power to remedy the situation.

The existence of government programs is not to blame for this dishonesty. Ethical physicians do not defraud patients; yet they, who form the core of the profession, have never maintained that all are above reproach. In organized medicine, there always have been a few who had to be dealt with by their colleagues; those outside the medical society's jurisdiction eventually face the appropriate legal authorities.

Since early in 1968 when accusations began coming from SSA, the American Medical Association requested the names of those physicians suspected of abusing the program. The requests were refused. Previously, leaders in government, at the policy-making level, had indicated that cooperation between persons responsible for implementing the publicly-financed programs and physicians would be necessary to make the program workable. Yet, official actions have shown this statement to be unfounded. The present ethical powers vested in medical organizations are sufficient for adequate investigation of these physicians and their methods of practice, and subsequent discipline if warranted.

## EFFECTIVE, POSITIVE ACTION

The entire profession has been drawn into the present controversy due to the manner in which a few misdeeds were exposed. At the same time, it is admitted that "The key to making the present system workable and acceptable is the physician and his medical society."

The Senate Finance Committee staff report continues in the introduction of its report, "Medicare and Medicaid—Problems and Issues, and Alternatives:" "We are persuaded that at this point in time neither the Government nor its agents have the capacity for effective audit to assure that a given physician functions responsibly in dealing with the publicly financed programs."

"While there is growing awareness among many physicians of the need for the profession to effectively police and discipline itself, performance has been spotty and isolated so far. Prompt action is necessary by organized medicine (and other health care professions) to do what is required with respect to monitoring care provided and charges made for the care. In the absence of such constructive effort, we fear that virtually insurmountable pressures will develop for alternative control procedures which may be arbitrary, rigid and insensitive to the legitimate needs of both the patient and his physician."

The Committee is suggesting an action which already has been taken by organized medicine in Florida. The scarcely concealed threat contained in the statement has not been clarified.

Medical Peer Utilization Review Committees have been established at county and state levels to deal with these problems as they arise. The county medical societies were urged to appoint or designate an existing committee to serve in this capacity at the local level since only physicians practicing in the community can provide adequate peer review.

Questionable matters regarding the individual physician's practice patterns are carefully screened by a state utilization committee of physician in private practice before referral by the Florida Medical Association to the county committee. The local group reviews the profile and practice patterns and makes specific recommendations.

The most effective mediation is that between patient and physician, and this has been fostered and encouraged. When this negotiation fails, the patient has recourse in the mediation committees which have existed at county and state levels for more than three decades. Self-appraisal of professional activities in hospitals has long been an established procedure through audit committees of the medical staff of each hospital. This has helped insure the delivery of the highest type of medical care to all patients.

## CONCLUDING REMARKS

Thoughtful consideration of the data, documents and public statements arising from recent events in the controversy regarding overcharging by physicians leads to the conclusion that indiscretion of a few is being laid deliberately at the feet of the entire profession. At a time when his honesty and good faith are being challenged, the task of the individual physician is to maintain his reputation for providing the best medical care at fees that are fair to his patients.

## WHY DR. STARK FAVORS BUSING

**HON. CHARLES S. GUBSER**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. GUBSER. Mr. Speaker, some time ago I had the pleasure of meeting Dr.

Marvin Stark who is an associate professor of operative dentistry and oral biology at the University of California and a resident of my congressional district. As a man skilled in his profession, he immediately earned my respect. However, at this time my purpose is to address my remarks to another side of Dr. Stark's character. I found that he had a deep-seated belief that good dental services could and should be provided for the underprivileged segment of our society and primarily the children who were in need of dental care. His idea was to establish mobile dental clinics which would seek out areas where the need was the greatest, such as migrant camps. His problem was financing.

Dr. Stark was unrelenting in his efforts to seek financial support to meet the dentistry needs of poor children. Although he encountered many rebuffs, his natural courage to achieve his objective continually spurred him on. Repeatedly Dr. Stark wrote voluminous proposals which were presented to the National Institutes of Health in which he sought very modest sums to get his program underway. Repeatedly his applications for support of this worthy cause were denied. To the normal man this would have been a source of everlasting discouragement. Not so with Dr. Stark. He pushed forward knowing that his mobile dental clinics, already operating on a shoestring basis, would bring some real assistance to those in need.

I commend to the attention of my colleagues the following article which appeared in the May 10, 1970, issue of California Living. It is the interesting story of Dr. Stark's University of California mobile clinics:

## WHY DR. STARK FAVORS BUSING

(By Aloise Dungan)

The sun grills the San Joaquin Valley in July. It's 102 degrees. A dental student in dungarees and T-shirt wipes sweat from his forehead, then resumes examining a barefoot, three-year-old Mexican girl with enormous black eyes.

This dental office isn't conventional. It has no refrigerated air, no carpet, no music. It's a converted bus. Nearby is a smaller bus with X-ray and laboratory facilities.

The people inside aren't conventional, either. They are dentists and students who believe in a new brand of dentistry—Marvin Stark's take-it-where-it's-needed dentistry.

At the end of this day, for instance, Dr. Stark's University of California mobile clinics will roll off to another migrant camp, where again more than 90 percent of the kids have never before seen a dentist.

Four years ago, when fewer than half the nation's 49 dental schools had departments of social or community dentistry, Dr. Stark's house-trailer-mobile dental clinic was already in the field with students aboard. It was and is the only project of its kind and scope operated by a university.

The clinic started out by touring Head Start schools in the Bay Area to treat tots who would not otherwise receive dental care—youngsters who do not qualify for Medi-Cal and have no health insurance coverage.

Since then, the clinics have served as treatment centers for retarded and physically handicapped children. There are more clinics to come, more ideas bristling.

Dr. Stark, the idea man, is a good guy. And with credentials. Not only is he associate professor of operative dentistry and oral biology at UC San Francisco but he also has

a private practice and does consultant work, too.

Not long ago he volunteered as dentist and instructor aboard the hospital ship HOPE in Colombia and took along his wife and three children to help out.

Dr. Stark, a UC alumnus who did post-graduate work at Harvard, is stocky, tanned, talks at top speed, never runs out of energy. He is invariably in a hurry.

"I always open doors for Marv when we walk together," says UC colleague Jim Crawford. "He's in such a hurry that he might go right through them if I didn't."

Stark's volatile personality and devotion to dentistry and dental education—as he sees them—are catalysts that have helped him evolve a new philosophy of the dentist's role in the community.

He shakes up some people with his blunt methods. But he gets things done.

Stark raised funds from individuals and corporations to purchase and equip the first 35-foot, \$26,000 trailer. Other funds have come from UC and the Bureau of Migrant Education.

"We built the first one by the seat of our pants," recalls Dr. Ronald Nicholson of UCSF Dental School faculty and himself a practicing dentist.

With Dr. Kenneth Soelberg of UCSF, Nicholson helped Dr. Stark design the first clinic. They have been rolling with the project ever since.

Another supporter is Dr. Merle Morris of UCSF, who calls the mobile clinic "the most exciting program that ever came along."

With senior dental students, dental hygiene and pharmacy students last summer, Dr. Morris was one of the Dental School faculty to visit 11 migrant camps in two new clinic buses (Stark did it again). The caravan treated 1500 youngsters for everything from a simple cavity to complete dental restoration.

This summer there will be two new mobile clinics on the road, making a total of four. The new ones will duplicate the 30- and 40-foot buses that toured San Joaquin Valley in 1969. The old ones will return to San Joaquin.

With students and faculty, the new dental health caravans will set up in migrant labor camps in Monterey, Santa Clara, San Benito and Santa Cruz counties.

"We expect that 4000 children will be treated in the new clinics in those counties," says William Hanson of the Migrant Education Program, which channels federal funds into the California Plan for Education of Migrant Children—and into the UCSF dental clinics.

"We had expected to spend up to \$30 a child for services, but UC's clinics can do it for \$23 per child. If the program is as successful as we expect it to be, we hope to expand next summer."

As important to Dr. Stark's project as providing dental care for youngsters who need it is the spinoff for dental students. They receive room and board, camp youngsters will put up the structures. The student housing can be knocked down at the end of the summer and stored until it's needed again, Morris says.

Housing students in the migrant camp instead of at nearby college dormitories or motels, as was the case last year, is Dr. Stark's idea.

"I want them to live in the camp. I want them to understand how things are."

Another facet of the UC mobile clinics that promises to develop during the summer is the "Stark Plan to Interrupt the Poverty Cycle."

"Look," he says, "at 16 and 17, kids are ready to go, ready to do something. There's no place to go in a migrant labor camp. We saw that last year."

"So this year, we plan to recruit interested teen-agers and train them as dental assist-



ants with the help of dental hygiene students."

It will not be a finished education, of course. But Stark hopes it will interest some youngsters in going on to school, on scholarships if he can arrange it. Training boys as dental laboratory technicians is part of the program.

This leads to Gene Humphrey, licensed dental laboratory technician and a member of the mobile clinic rooting section.

He plans to take on migrant teenagers in a supervised work situation in the clinics. And he hopes to be able to employ some of the young people while training them further at Pacific Dental Laboratory here.

An experienced dental laboratory technician can make up to \$30,000 a year, Humphrey points out.

"How's that for breaking the poverty cycle?" Stark asks.

Repercussions from the UC mobile dental clinics are not only local but international.

The Mexican Dentists' Society invited Dr. Stark to show a documentary film on the migrant camp tour and is seeking his help in establishing a similar program in Mexico.

Israel is interested, too. "Israel wants advice from us on equipping a bus for dental treatment and for eye, ear, nose and throat checkups, too," Dr. Stark says.

He has a plan for that, when the time comes.

"There are 18 doctors who are willing to staff a bus like that on a rotating basis. I hope they'll take their families to Israel and put their kids in a kibbutz and take off for the border settlements with the clinic."

But that's in the future.

"Right now," Stark worries, "I've got to be sure our new buses get here from Detroit in June."

"I know more about buses than any dentist in the country. My wife worries about me. When we walk down the street I don't look at miniskirts. I look at the undercarriages of buses."

But if buses turn dental students toward community involvement, it's all worth it to Marvin Stark. He agrees with UCSF Chancellor Philip Lee that the shortage of dentists is bound to become more acute because of unmet dental needs.

"We are just now beginning to look at social and environmental factors in dental care," Dr. Lee points out.

"We are beginning to look, not just at the condition of health, but at what leads to the condition. Not just at bacterial infection but at the environmental setting in which the infection developed."

"This philosophy is just beginning in the world of dentistry."

Except for dentist Marvin Stark's world, which is getting bigger all the time.

## YOUNG AMERICANS FOR FREEDOM

HON. M. G. (GENE) SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. SNYDER. Mr. Speaker, we have heard quite a lot lately from those who are unalterably—often unreasonably—opposed to President Nixon's Cambodia decision. Concern by our young people is an encouraging sign that the American guarantees are being employed. There is a tendency nowadays, however, to assume most youthful public pronouncements are of one particular stripe.

Shortly after President Nixon announced his momentous decision to clean the Communists out of the Cambodian

sanctuaries, Young Americans for Freedom, the Nation's largest conservative youth organization, with over 50,000 members nationwide, ran full-page ads in Washington, D.C.'s two major dailies supporting the President's decision, the Cambodian tactic, and U.S. anti-Communist foreign policy in general.

In order that my colleagues and my fellow citizens might be more aware of the position and efforts of this fine patriotic group, I submit hereafter the texts of these two public declarations:

### YOUNG AMERICANS FOR FREEDOM

Mr. President: Young Americans for Freedom supports our fighting men in Southeast Asia! We stand behind you, as President and as Commander-in-Chief, in your declaration that: "We Will Not Be Defeated."

Why do we support you? Because—The confusion and division surrounding the issue of Viet Nam has often resulted from viewing the conflict from too narrow a perspective. The problem must be viewed in the context of the nature of Communism. An overall view must ask: (1) the reasons for American involvement; (2) the reasons that our involvement did not bring swift success; and (3) where our policy should be headed now.

### WHY WE ARE IN VIETNAM

The Communists are open in stating their plans for world domination. In 1965, Lin Biao, Communist China's Minister of Defense, stated:

If North America and Western Europe can be considered the "cities of the world," then Asia, Africa, and Latin America make up "the rural areas." And the struggle of world revolution today hinges on the struggle of the "rural" Asian, African, and Latin American people against the "imperialism" of the "cities."

If the United States can be defeated in Viet Nam, he concluded, the people in other parts of the world will see still more clearly that U.S. imperialism can be defeated and that what the Vietnamese people can do, they can do too.

The war in Viet Nam is the result of the announced attempt by the Communist regime in North Viet Nam to conquer South Viet Nam. On December 14, 1961, President Kennedy wrote to the President of South Viet Nam:

The situation in your embattled country is well known to me and the American people. We have been deeply disturbed by the assault on your country. Our indignation has mounted as the deliberate savagery of the Communist program of assassination, kidnapping and wanton violence became clear... the campaign of force and terror is supported and directed from the outside by the authorities at Hanoi.

In Communist propaganda, this form of aggression masquerades as a "war of national liberation," a phrase first used by Soviet Premier Khrushchev in 1961 to describe the type of indirect aggression the Communists have undertaken in Viet Nam. It is used to give the impression of war fought by a local population to throw off foreign domination. Such a description reverses the situation in Viet Nam. The "liberation" offered by the Communists means domination by Hanoi.

We are in Viet Nam so the people of that nation can build a life of their own choosing. It should be remembered that Viet Nam isn't the first place where Americans have fought. In two world wars and in the Korean War, Americans went to far lands to help other people fighting for their freedom and independence. We answered the call for help from our allies in Europe. Can we do less for our allies in Asia who desperately desire freedom?

Some say that South Viet Nam is not worth saving since it is not an ideal democratic

state. We remind these critics that while South Viet Nam has no history of democratic practice, it is moving in the direction of greater rights for its people. Few nations have attained democratic perfection, fewer yet have tried to do so in the midst of a major war. And history does not support an argument that evolution toward democracy or a free society would be hastened by a Communist victory. Such graft and corruption that remains should not mark the real issue of Viet Nam: A Communist attempt to engulf all of Southeast Asia through military conquest. Consider the following facts:

1. Today, North Vietnamese troops are in Laos, South Viet Nam, Cambodia, and Thailand. In each of these countries they are trying to overthrow existing governments of these countries.

2. Red Chinese "advisers" are training the North Vietnamese troops not only in North Viet Nam, but also in Laos and Cambodia.

3. Vast sums of material aid have been poured into North Viet Nam from both the Soviet Union and Communist China in order to further the territorial aims of the Hanoi regime, belying the claim that this is a purely local affair.

4. It took a bloody war in Korea to establish the principle that Communists would not be permitted to expand through overt aggression. The same principle, as applied to covert aggression, is now at issue.

From the beginning of the war until the present time, untold atrocities have been committed by the Communist forces in the name of "liberation." From the early assassinations of which President Kennedy wrote, to the horror of the Tet massacres, the North Vietnamese have shown their utter disregard for human life. For example, following the Tet offensive in 1968, over 4,000 men, women and children were found in shallow graves on and near the city of Hue. These victims had their hands wired behind their backs and had been shot in the head. At Dak Son, over 200 women, children and old men were burned to death by Communist flamethrowers.

These Communist massacres are planned and organized. They are an integral part of Communist war policy rivaling in brutality the atrocities perpetrated by the Nazis in World War II. The perpetrators are rewarded and promoted, not tried by courts martial.

The United States has proved time and time again that it seeks no territory, no bases for aggression, no favored position. We seek a world without war, a world safe for diversity. But we have learned the meaning of aggression. Aggression breeds on success. The appeasement of aggressors must lead to eventual surrender or to a larger war. This was the lesson of Munich.

The results of this conflict not only involve the future of South Viet Nam, but also the future of the United States. Our own security is involved in Viet Nam. As President Nixon has pointed out:

*A nation cannot remain great if it betrays its allies and lets down its friends. Our defeat and humiliation in South Viet Nam without question would promote recklessness in the councils of these great powers who have not yet abandoned their goals of world conquest. This would spark violence wherever our commitments help maintain the peace—in the Middle East, in Berlin, eventually in the Western Hemisphere.*

### OUR PAST FAILURE

Sir Robert Thompson was the principal architect of the British victory over the Malayan Communist guerrillas in the 1950s. In his book, *No Exit From Vietnam*, he points out the chief reasons for the early failure of American strategy.

In the early years of the war, the American military strategy totally failed to grasp the nature of a "People's Revolutionary War." Instead of concentrating on building a stable South Vietnamese government capable of

controlling and eliminating the guerrilla insurgency throughout the countryside, the policy was one of "destruction of the enemies main forces on the battlefield." While American troops were winning on the casualty charts and preventing the quick deterioration that seemed likely in 1965, the organization and structure of the enemy within South Viet Nam was never threatened.

Nor were sufficient military measures ever taken effectively to interdict supplies reaching the guerrillas from the north. At the very best, this strategy has provided a covering action, permitting the South Vietnamese government to restructure itself and to obtain a broadened base of support. But it could not win the war for, in a "People's Revolutionary War," if you are not winning, you are losing, because the enemy can always sit out a stalemate. It was, therefore, a no-win strategy.

#### WHERE ARE WE HEADED NOW?

We must continue training and arming the South Vietnamese to defend themselves. Properly equipped and trained, they should be able to handle problems of internal insurgency requiring only assistance in material from the United States. The South Vietnamese should assume total responsibility for the battlefield operations. We should provide only a shield against overwhelming foreign aggression.

No guerrilla war has yet been resolved at the conference table. It is in the rice paddies and jungles of Viet Nam that the ultimate decision will be made, not in Paris. Any document ultimately signed can only ratify the victory or defeat which the people of South Viet Nam achieve or suffer there.

Because of our sympathy with less fortunate people struggling for their freedom and our awareness that the history of the world is destined to be affected by events in Viet Nam, YAF pledges its full support to the cause of freedom in Viet Nam.

It is time for the majority to be heard.

Young Americans for Freedom (YAF) is the nation's largest action youth organization dedicated to the principles of freedom and liberty, balanced by limited government and individual responsibility, for all mankind. YAF is a bipartisan voluntary organization with 513 chapters, 51,000 national and local members, and representatives on more than 800 college campuses. We have an advisory board of over 65 Members of Congress.

YAF has fought for years on our nation's high school and college campuses for a continued American presence in South Vietnam for gradual Vietnamization of the war, and for victory over Communist aggression in Asia.

Mr. President . . . because of our sympathy with the less fortunate peoples of the world who today do not enjoy the freedoms we take for granted in America . . . because we stand with them in their struggle for freedom . . . and because we are aware that the history of the world shows that its destiny will be affected by the events in Vietnam and the decisions you have made this week . . . YAF pledges its full support to the cause of freedom and peace in South Vietnam.

We Call Upon All Americans to Stand With Us!

#### YOUNG AMERICANS FOR FREEDOM

Mr. President: Young Americans for Freedom supports our fighting men in Southeast Asia! We stand behind you, as President and as Commander-in-Chief, in your declaration that: "We will not be defeated."

Young Americans for Freedom (YAF) is the nation's largest action youth organization dedicated to the principles of freedom and liberty, balanced by limited government and individual responsibility, for all mankind. YAF is a bipartisan voluntary organization

with 513 chapters, 51,000 national and local members, and representatives on more than 800 college campuses. We have an advisory board of over 65 Members of Congress.

YAF has fought for years on America's high school and college campuses in support of our commitment in South Vietnam against those radicals who would determine our foreign policy by violence in the streets.

#### YAF'S "TELL IT TO HANOI" ACTION CAMPAIGN

To date YAF has—Successfully carried out "Alternative Week-end" through which we distributed 1 million copies of our "Tell It To Hanoi" tabloid and distributed thousands of our "Tell It To Hanoi" buttons and bumperstrips.

Collected over 500,000 names on our "Tell It To Hanoi" petition.

Sponsored a tour of South Vietnam for 11 American college student leaders so that they could return and speak for freedom in Asia.

Run half-page and full-page ads in 37 major university newspapers supporting your policies in Southeast Asia.

Acquired the signatures of 140 university student government presidents on our "Tell It To Hanoi" petitions.

Opened eight full-time regional and state offices to support our Vietnam efforts.

Sponsored countless teach-ins and radio and TV appearances presenting our support for Vietnamization and victory.

Met and talked with tens of thousands of students about the necessity of the American presence in South Vietnam.

Coordinated campus speaking tours for Congressmen who oppose withdrawal.

Incurred \$117,000 in bills carrying out the "Tell It To Hanoi" campaign, and we are proud of it.

Today and tomorrow YAF will—Urge every American—adult and student—to send telegrams of support to you, as President and as Commander-in-Chief.

Urge every American—adult and student—to send letters in support of your position to his Congressman and Senators.

Encourage every American to sign YAF's "We Support Our Fighting Men" position below so that we can present them to you, Mr. President, and to the Congress, to our delegation in Paris, and to our fighting men in South Vietnam.

Encourage every American to get every friend he has to send telegrams, write letters, and to sign this petition.

Run this ad in major college newspapers and in major community newspapers.

Send a delegation of students to Paris to confront the North Vietnamese delegation with these telegrams, letters, and petitions of support for our President.

Continue to distribute millions of pieces of literature in support of Vietnamization and peace with honor.

Make attempts to testify before the Congress on the strong support for your policies which we find on the college campuses—something the press does not report.

Hope for financial support for YAF from the adults of our Nation, who feel as we do, that the time has come to stand behind the President who said, "We will not be defeated."

Mr. President, we will be free only so long as we are secure. History shows that periods of true freedom are rare and can exist only when free citizens concertedly defend their rights against all enemies. The forces of Communism are, at present, the greatest single threat to the liberties of men—all men. We support your determination that the United States, together with other freedom-loving people, should stress victory over, rather than coexistence with, this menace to liberty.

Mr. President . . . because of our sympathy with the less fortunate peoples of the world who today do not enjoy the freedoms we take

for granted in America . . . because we stand with them in their struggle for freedom . . . and because we are aware that the history of the world shows that its destiny will be affected by the events in Vietnam and the decisions you have made this week . . . YAF pledges its full support to the cause of freedom and peace in South Vietnam.

We Call Upon All Americans to Stand With Us!

#### IMPACT OF THE PROPOSED MERGER ACCOUNTING ON CORPORATE STRATEGY

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. GIAIMO. Mr. Speaker, recently I received a document published by Harbridge House which had the title, "The Impact of the Proposed Merger Accounting on Corporate Strategy." Because of the far-reaching ramifications of the subject which it discusses, I wanted to bring this document to the attention of this body.

The report discusses a proposal made by the Accounting Principles Board—APB—involving important changes in the accounting treatment for business combinations and intangible assets. It has been alleged that the APB is acting under some pressure from the Securities and Exchange Commission, where suggestions have been made that the changes involved in this proposal may be required by the SEC even if they are rejected as unwise by the APB.

Particular exception is taken to the proposal's size test for determining those mergers which will be allowed to use "pooling of interest in accounting" and with the manner in which such pooling of interest would largely be ended as an accounting method. The report states:

To the extent that corporations pursue strategies measured in terms of growth and efficiency, an impediment to the exercise of those strategies will have an adverse effect on economic growth and resource utilization. The Government, as a matter of public policy, seeks to encourage production of goods at lower prices, a higher standard of living, and other economic benefits to the public. These policies are designed to permit companies to pursue strategies which achieve these ends for themselves, and thus for the economy as a whole, within limits provided in the law to prevent monopoly and unfair competitive practices. The current APB proposal, however, appears to run counter to these public policies. By restricting the strategic alternatives available to many companies, therefore, the proposal may have unfavorable effects on the Nation's economic performance.

If this study is correct, the adoption of the pending APB proposal would have very unfortunate and far-reaching economic effects. If the SEC is bringing the alleged pressure for these changes, I would hope that it can substantiate the wisdom of such action in the face of such serious questions about its effect.

I submit the report for the Record at this point:



## THE IMPACT OF THE PROPOSED MERGER ACCOUNTING ON CORPORATE STRATEGY

(By Robert W. Ackerman and Lionel L. Fray)

## A. INTRODUCTION

The Accounting Principles Board (APB) of the American Institute of Certified Public Accountants has proposed important changes in the accounting for business combinations and intangible assets.<sup>1</sup> The major effects of the proposal are to impose considerable restrictions on the use of the so-called "pooling of interests" method of accounting and, for those combinations not eligible for such accounting treatment, to require the amortization against current earnings of the goodwill that may be created through the use of the alternative "purchase" method of accounting. The significance of these changes goes considerably beyond the practice of accounting, as they are likely to have major and generally detrimental effects (i) upon the strategies of many business firms; (ii) on the alternatives for achieving growth available to certain kinds of companies, including those which engage extensively in research and development activities; and, very possibly, (iii) on the extent of entrepreneurial activities in the economy. The proposal, therefore, should not be adopted in its present form.

This paper first reviews briefly the major features of the APB proposal and identifies a number of accounting issues posed by it. The potential effects of the proposal on mergers are then developed on the basis of research findings, followed by an analysis of the consequences of these effects upon corporate strategies and economic growth.

## B. BACKGROUND

In the past, two methods have been used to account for business combinations involving an exchange of voting stock—the purchase method and the pooling of interests method. Under the former, the value of the acquired company at the time of the transaction, generally determined by the market value of the securities given by the purchaser, was recognized in the purchaser's accounts. If this value exceeded the net book value of the acquired company, goodwill was created and was amortized over a suitable time period or allowed to remain permanently as an asset, depending upon some judgment as to the expected economic life of the intangible.<sup>2</sup> Under a pooling of interests, however, the accounts of the two companies were simply added together without a change in historical book values; goodwill was not created in accounting for the combination.

Pooling of interests accounting was justified originally as a fusion of equity interests with the shareholders of the merging companies sharing the risks and opportunities of a combined enterprise. It was intended to apply to mergers of companies of comparable size. Over the past decade, however, the popularity of pooling has increased and its use has extended to virtually all transactions involving an exchange of voting shares, regardless of the relative size of the combining parties. In effect, companies seeking growth through merger have had alternative accounting methods available and have presumably tended to choose the one resulting in more favorable financial reports.

The recent concerns expressed over the trend toward pooling are really on two levels. First, there are the accounting defects attributed to pooling of interests noted in the exposure draft of the APB opinion, most importantly that "it does not accurately reflect the economic substance of the business combination transaction . . . [since]

the acquiring corporation does not record assets and values which usually influence the final terms of the combination agreement with consequent effects on subsequent balance sheets and income statements." The APB feels this defect is particularly serious when one corporation is significantly larger than the other—that is, when the transaction appears to be more nearly an acquisition (purchase) than a merger.

On a second level, the increased acceptance of pooling has coincided with, and no doubt facilitated, the increase in business combinations during the 1960's. For the Securities & Exchange Commission, this increase has magnified the complexities of reporting financial results, which are indicative of underlying values or operating performance. And those government agencies concerned with monopoly, antitrust, and, more generally, economic concentration consider mergers and acquisitions—regardless of the accounting method—a major concern. From their viewpoint, changing the mechanics of financial reporting to the extent this attenuates merger activity is undoubtedly viewed with favor.

In response to these concerns, the APB has proposed substantial alterations in the accounting for business combinations. Most significant are the following:

(1) Intangible assets arising in the accounting for combinations which do not qualify for pooling of interests treatment are to be amortized through charges to the income statement over the estimated life of the intangible, but in no case longer than forty years.

(2) Pooling of interests accounting is to be limited to combinations which meet certain conditions, among them the requirement that "each combining company is not less than one third the size of each other combining company . . . measured by its voting common stock ownership interest at the date the plan of combination is consummated."

Had these procedures been employed in the past, they would have been significant effects on financial reporting. For example, the recent merger between the Xerox Corporation and Scientific Data Systems (SDS) can be used to illustrate the impact of these changes on reported earnings and balance sheets in the case of one well-known merger. On 16 May 1969 Xerox issued 9,989,000 shares, traded that day on the New York Stock Exchange at \$92 per share, in exchange for all of the common shares of SDS, a transaction valued at \$928,988,000. As of 31 December 1968, the net book value of SDS, adjusted for the conversion of certain convertible debentures, was \$82,934,000. The transaction would not have qualified for pooling of interests accounting under the APB proposal, since the number of shares given for SDS was only 15 percent of the approximately 67,000,000 Xerox shares outstanding immediately prior to the combination. Consequently, an intangible asset amounting to \$846,054,000 would have been created, resulting in a minimum annual charge to the earnings of the combined company of \$21,152,000 for the next forty years.<sup>3</sup>

The impact of the merger accounted for in this way on the Xerox financial statements is spectacular. Consider first the balance sheet. Xerox reported assets of \$905,704,000 at 31 December 1968, virtually all tangibles. Following the merger, rather than consolidating the historical SDS asset values (\$113,279,000 at 31 December 1968), \$928,988,000—roughly 103 percent of the prior year-end Xerox assets—would be added to assets, even though the shares given for SDS were only 15 percent of the Xerox shares then outstanding. Moreover, 45 percent of the resulting combined assets would be intangibles.

The implications for the income statement are even more dramatic. SDS earned \$10,031,-

000 after taxes in 1968. Because of the amortization of goodwill, however, should these SDS assets produce an equivalent amount of pre-amortization profits in future years, the contribution to Xerox would be a loss of \$11,121,000. Put in the perspective of total 1968 Xerox profits of \$116,194,000, by issuing 15 percent more shares the company would see pro forma profits decline 10 percent, rather than increase 9 percent.

## C. MAJOR ACCOUNTING ISSUES

From an accounting viewpoint, the current APB opinion has four consequences which are particularly serious in combinations resulting in the creation of substantial goodwill, such as the one above. First, the stream of earnings from the assets of a combined company may be radically altered by the amortization of goodwill. The going concern value of a company is related in some fashion to the present value of future earnings or benefits to be gained from the use of assets employed. Yet one would expect under the APB opinion that the larger the expected increase in future benefits, the higher the charge to earnings in a nonpooling combination. That future earnings would, therefore, tend to be penalized in proportion to the increased benefits expected from these assets is misleading. Viewed another way, the total earnings of two companies operating independently would be significantly higher than the combined earnings if the companies were joined in a merger and no tax or operational changes of any sort were effected.

Second, substantial intangible assets will accumulate on the balance sheets of companies continuing to combine with smaller companies having low book-to-market-value ratios. There will, of course, be a corresponding offsetting increase in reported stockholder equity. For years investment analysts have been reluctant to accord full value to intangibles in assessing the financial position of a company. Establishing an asset value related to a security price at some prior point in time, which of course may bear little relationship to the current price, may not be viewed as particularly meaningful. To the extent that analysts remove the intangible and the associated equity entry in estimating debt capacity, asset utilization, and so on, they approximate the balance sheet treatment under pooling of interests accounting. The same may be true of the intangible charge to income; indeed, for the purpose of comparing firms in an industry adopting different strategies for growth (that is, some through merger and others through internal development), such adjustments may be necessary to obtain a comparable basis for evaluating performance.

Third, the opinion appears to run counter to a trend in recent years of placing first priority on the fair presentation of the profit and loss statement rather than on the balance sheet in the development of accounting principles.<sup>4</sup> In this instance, the transaction value of a business combination would be reflected on the balance sheet precisely and, if one accepts the market value of the shares given as a valid basis for determining goodwill, accurately as well. But the profit and loss statement would be adjusted arbitrarily for the amortization of the intangible. An expected life of twenty years—or eighty for that matter—can be argued for the goodwill that would have been created in the Xerox/SDS combination. The profit impact of the combination is substantially influenced by a choice of allocations which unfortunately has little basis in fact.

Finally, only the merged portion of a company's records would be adjusted to current values in an exchange of voting stock accounted for as a purchase. The results can be peculiar, as they are in the Xerox/SDS instance; the relationships of earnings to

Footnotes at end of article.

assets and sales to assets tend to lose their meanings. As a matter of consistency, the assets of both parties might be adjusted to market. Such a change would, however, be a radical departure from cost-based accounting, a change that the accounting profession is unwilling to undertake at this point in time.

These four consequences indicate that for certain business combinations the proposed APB opinion will have a major impact on financial statements which will reduce their usefulness and may actually render the statements misleading for the purpose of evaluating and comparing the financial performance of corporations. We do not argue that the opinion is without merit. We point, however, to several substantial accounting problems and suggest that its implementation would create potential ill effects.

#### D. EFFECTS ON MERGERS

Beyond the accounting issues, however, the opinion is likely to reduce the incidence of mergers and moreover is discriminatory in its impact upon mergers involving certain kinds of companies.

##### 1. Impact on overall level of merger activity

When the APB proposal first became known, it was widely predicted by investment bankers and corporate financial officers that the number of mergers would be sharply curtailed.<sup>6</sup> This would occur, it was argued, because for those combinations no longer able to qualify for pooling accounting, the projected earnings contribution of the acquired company would be reduced by the amortization of goodwill. In essence, the effective return on investment calculated by the potential parent company would be smaller, thus diminishing the attractiveness of the transaction or preventing it altogether. A new barrier would have been erected, and fewer proposed combinations would be able to clear the hurdle.

One way to estimate the impact of the proposal is to assess whether the accounting changes would have had an effect on mergers already consummated. The Xerox/SDS example indicates that the effects could have been substantial. If Xerox management had employed common financial criteria for evaluating the merger<sup>7</sup> and if the APB opinion had been in force, it is clearly less certain that the combination would have taken place. The pro forma effect on many other mergers would also have been substantial.<sup>8</sup>

An alternative, more relevant way to judge the significance of the proposal is to assess its effect on potential future mergers. To investigate this issue and develop some quantitative data, we undertook the study reported below. It was assumed for purposes of the research that one partner to a combination would be a company approximately at the midpoint in the *Fortune* list of 500 industrial corporations. It was further assumed that the other partner would be a company having a common stock quoted in the *Wall Street Journal* daily listing of over-the-counter securities.

A sample of 50 companies was selected at random from the *Wall Street Journal* daily listing of over-the-counter securities, and calculations were made to reflect the consequences of a combination accounted for as a purchase pursuant to the APB opinion. The summary data appear in Exhibit I, and the methodology employed is described in Appendix A.

The results of this phase of the study indicate that the APB proposal would have a significant impact on these companies. As shown in Table 1, 84 percent of the companies would suffer a reduction in earnings contribution of 10 percent or more, and 10 percent of them would contribute a net loss rather than a profit to the surviving company.<sup>9</sup>

TABLE 1.—DISTRIBUTION OF RATIO OF INTANGIBLE CHARGE TO AFTER-TAX PROFIT

Ratio of intangible charge to after-tax profit	Number of companies	Cumulative percent of reduction in earnings
\$2.00 up.....	3	6
\$1.50 to \$1.99.....	6	18
\$1.00 to \$1.49.....	1	20
\$0.80 to \$0.99.....	2	24
\$0.60 to \$0.79.....	1	26
\$0.40 to \$0.59.....	4	34
\$0.30 to \$0.39.....	3	40
\$0.20 to \$0.29.....	5	50
\$0.10 to \$0.19.....	17	84
\$0.00 to \$0.09.....	4	92
Loss (with a tangible charge).....	2	96
Book value exceeds market.....	2	96
Total.....	50	100

Moreover, most of these firms would be ineligible for pooling of interests accounting should they merge with the assumed partner. For example, if the average market value of the 247th- to 254th-ranked companies in the *Fortune* list of 500 was \$305,000,000 (corresponding to the average market value at 31 December 1969, as shown in Exhibit II), then 88 percent of the combinations would have to be accounted for as a purchase.

Our conclusions, therefore, are that most combinations are significantly affected if they do not qualify for pooling treatment (if a 10 percent or greater reduction in the earnings contribution of the smaller partner is deemed to be significant), and that, in fact, few companies with unlisted securities would qualify for pooling if the prospective merger partner was a firm of the size postulated. Furthermore, the barrier is large; for the company at the 50th percentile in terms of the percentage goodwill charge, reduction in earnings would be more than 20 percent.

##### 2. Discriminatory impact on mergers

While the APB proposal will tend to inhibit mergers generally, its effect on certain kinds of companies and certain kinds of combinations will be far greater than on others. Discrimination occurs in two ways. First, because the impact on earnings is proportional to the amount of the goodwill created, companies with high market-to-book-value ratios will be penalized, while those with low ratios will not be affected. Second, because of the size limitations, smaller companies will be relatively less attractive than larger ones as merger partners for corporations pursuing growth through combination. The merger most discriminated against is the one between any corporation and a firm which is so much smaller that the combination fails to meet the 75-25 rule and which also has a high market-to-book-value ratio.

Several types of businesses may exhibit high market-to-book-value ratios. First, there are companies with outstanding growth potential for which investors pay a premium in the anticipation of increasing future earnings, regardless of current asset values. A second type includes companies having important income-generating assets which are substantially understated or omitted from the accounting records entirely, either because expenditures have been charged to income as incurred rather than capitalized (for instance, research and development) or are intangible (such as brand names, franchises, professional staffs, and so forth). Third, there are companies having assets which, simply because of inflation, are carried at cost values substantially lower than current market values.

While the last category above receives considerable attention from accounting theoreticians, the first two are the source of the greatest discrimination in the impact of the APB opinion. In general, companies in industries with growth potentials and/or low asset intensity should be affected to a greater

degree than others. Such industries may include electronics, drugs, cosmetics, office equipment, recreation, personal services, and publishing. The firms in these industries are among the most dynamic contributors to the growth of the economy through their interest in innovation of both a technical and a business nature.

To test this hypothesis, we analyzed the data from our sample companies to determine whether higher goodwill amortization charges would be more likely for companies with higher growth rates and in recognized "growth" industries. The results tend to corroborate the hypothesis.

a. *Growth Rates.* The most desirable measure of growth, of course, is the investor's expectations of a company's future earnings. Since this is difficult to determine, the company's recent sales growth rate was employed as a proxy under the assumption that (i) a company is most likely to continue to grow at a constant rate and (ii) investors tend to associate past growth with future growth. Our findings shown in Table 2 indicate a high correlation between historical growth rates and impact on earnings from the intangible charge, and a very high earnings impact for the most rapidly growing companies. For the ten companies with most rapid growth rates, the average ratio of goodwill charged earnings is 2.07; that is, in a nonpooled merger, these companies would have represented an average 107 percent loss to the acquiring firms.

TABLE 2.—GROWTH RATE VERSUS GOODWILL AMORTIZATION CHARGE

Companies (ranked by sales growth rate)	Average 3-year sales ratio	Average ratio: goodwill charge to earnings
1 to 10.....	3.57	2.07
11 to 20.....	1.69	.69
21 to 30.....	1.35	.54
31 to 40.....	1.24	.58
41 to 50.....	.99	.16

b. *Nature of Business.* While any determination of the nature of a company's business is necessarily somewhat imprecise, our findings suggest that the companies most affected by the APB opinion are those operating in what many investors believe to be "growth" industries. The business activities of the ten companies having the highest potential intangible charges were compared with the ten companies having the lowest. The descriptions, quoted directly from Standard & Poor's, are contained in Exhibit III and summarized in Table 3 below. The contrast between these groups of companies appears to be qualitatively significant and consistent with the argument above.

TABLE 3.—Business Descriptions  
Top 10

Computer systems and software.  
Silver and steel flatware.  
Fast foods, franchising.  
Geophysical surveys, oceanography.  
Computer printout forms.  
Inks and resins.  
Real estate.  
Franchised tire recapping.  
Weight reducing classes and products.  
Printing, publishing, electronic data processing.

#### Bottom 10

Refracting metals.  
Envelopes and supplies.  
Garage doors and hardware.  
Machine tools.  
Natural gas distribution.  
Shipping.  
Electric utility.  
Metal products.  
Paints, enamels, and so on.  
Vegetable oils.

Footnotes at end of article.



## E. IMPLICATIONS FOR CORPORATE STRATEGIES AND ECONOMIC GROWTH AND EFFICIENCY

To the extent that corporations pursue strategies measured in terms of growth and efficiency,<sup>9</sup> an impediment to the exercise of those strategies will have an adverse effect on economic growth and resource utilization. The government, as a matter of public policy, seeks to encourage production of goods at lower prices, a higher standard of living, and other economic benefits to the public. These policies are designed to permit companies to pursue strategies which achieve these ends for themselves, and thus for the economy as a whole, within limits provided in the law to prevent monopoly and unfair competitive practices. The current APB proposal, however, appears to run counter to these public policies. By restricting the strategic alternatives available to many companies, therefore, the proposal may have unfavorable effects on the nation's economic performance.

There are numerous reasons for large companies to seek combinations with smaller ones.<sup>10</sup> In a strategic sense, two broad objectives are often involved. The first is the further development of the larger company's existing product-market base through vertical integration, market extension, or the addition of complementary products. The combination may result in lower costs through shared facilities and distribution channels or it may result in aggregate growth above that expected for two companies separately through wider, more intensive distribution and consumer exposure.

The second strategic objective is diversification into growth fields or away from a dependence on high-risk or stagnant industries. If a company does not possess the technological or managerial skills to develop an opportunity internally within reasonable time and cost constraints, it may seek an association which can contribute the needed expertise. In some sense the survival of a business in a period of rapid technological and social change may be at stake. The APB opinion strikes both at strategies directed toward areas of high growth potential and at the efforts of companies in depressed industries such as shipping, railroads and defense/aerospace to secure other sources of income.

Similarly, for strategic reasons, smaller companies may seek a merger with a large firm. The rationale may have its roots in business or the personal concerns of the company's management. From a business point of view, the large firm may offer money, managerial talents, distribution systems, research capabilities, and the like to speed the growth and development of a small company. To the extent that more than money is involved, the head of a small firm cannot view the external financial markets as an equivalent alternative to solve his growth problems.

The managers of companies desiring a merger are frequently entrepreneurs who also have the problems of ownership. Important to them may be (i) the risks of having personal resources committed to a single venture market idea, (ii) the burden of responsibility not only to other shareholders, but also to employees and customers, and (iii) the enormous administrative and public relations tasks of managing an independent company—for which many entrepreneurs may have little talent or interest. Readily apparent to them are the advantages of obtaining the easily negotiable securities of a larger firm whose value is based upon a much broader range of business activities, and should, therefore, represent lower risk.

Naturally, predictions regarding the ultimate effect of the APB proposal on economic growth must be speculative. Nevertheless, certain unfavorable implications are suggested, which, taken together, may be significant. Specifically, the proposal may tend:

(i) To lower the prospects for growth and increased efficiency of companies seeking to expand the scope of existing businesses through merger.

(ii) To inhibit the efforts of companies in stagnant industries to diversify or indeed to survive, thus increasing risks to stockholders and employees.

(iii) To slow the acceptance of innovation, to the extent that innovation rests with small companies limited by management, capital, distribution, and so forth.

(iv) To reduce the attractiveness of entrepreneurial activities by restricting one of the most important means of reducing the personal risks or increasing the benefits to the entrepreneur.

(v) To the extent the above effects are significant, to slow the country's economic growth.

## F. CONCLUSION AND RECOMMENDATION

The APB proposal, while clarifying some accounting issues, raises others which are serious indeed. The magnitude of the arbitrary intangible amortization and the proportion of intangible assets on the surviving company's balance sheet under certain circumstances will tend to undermine the usefulness of the financial statements as instruments for evaluation and comparison with the past and with the competition.

The accounting consequences, however, are less serious than the potential economic impact of a ruling which tends to discriminate against mergers involving smaller companies with high market- to book-value ratios found most commonly in growth industries. Aside from the matter of equity, our concern is that economic growth will be adversely affected by an artificial impediment to the exercise of corporate strategy.

We do not defend mergers as universally beneficial. Clearly, there have been instances in which no business purpose was served by the combination and others which have been contrary to the public good of a competitive economy. The equity markets are the proper place to sort out the former occurrence, however, and the enforcement of law is the proper method of controlling the latter. In any event, accounting principles should not be used as an instrument of public policy—especially one which appears to have effects inconsistent with basic public objectives. Our recommendation, therefore, is to withdraw the 23 February "Opinion on Business Combinations and Intangible Assets." Study should be directed to alternative means of disclosure, possibly through footnotes which reflect the market value of transactions and the extent of the intangible created, yet which would not produce radical changes in reported earnings or limit the corporate strategies of certain classes of firms.

## EXHIBIT I.—RESEARCH DATA—SUMMARY STATISTICS

[Dollar amounts in thousands]

Number of company	Last annual profit	Minimum goodwill charge	Minimum goodwill charge to profit ratio
1.....	\$236	\$2,962	12.6
2.....	156	433	2.78
3.....	321	692	2.16
4.....	378	696	1.84
5.....	171	305	1.78
6.....	2,123	3,671	1.73
7.....	628	1,060	1.69
8.....	1,266	2,103	1.66
9.....	633	1,041	1.64
10.....	947	1,237	1.31
11.....	658	598	.91
12.....	240	191	.80
13.....	2,062	1,279	.62
14.....	562	311	.55
15.....	1,844	904	.49
16.....	7,408	3,287	.44
17.....	1,159	501	.43
18.....	511	192	.38
19.....	416	518	.38
20.....	1,824	641	.35
21.....	3,231	838	.26
22.....	993	259	.26

Number of company	Last annual profit	Minimum goodwill charge	Minimum goodwill charge to profit ratio
23.....	1,737	425	.24
24.....	7,305	1,659	.23
25.....	1,027	239	.23
26.....	1,947	372	.19
27.....	1,370	250	.18
28.....	11,180	1,924	.17
29.....	3,306	566	.17
30.....	900	155	.17
31.....	3,061	515	.17
32.....	423	68	.16
33.....	2,748	448	.16
34.....	5,673	883	.16
35.....	6,097	916	.15
36.....	619	89	.14
37.....	939	135	.14
38.....	1,282	182	.14
39.....	2,966	429	.14
40.....	1,585	201	.13
41.....	1,372	179	.13
42.....	1,266	140	.11
43.....	4,550	290	.06
44.....	2,554	117	.05
45.....	1,860	102	.05
46.....	2,796	68	.02
47.....	(217)	364	(1.68)
48.....	(138)	1,961	(14.21)
49.....	(9)	(9)	(9)
50.....	(9)	(9)	(9)

<sup>1</sup> Calculated using offering bid at 19 June 1969.<sup>2</sup> Before \$3,290,450 net loss of former consolidated subsidiary.<sup>3</sup> Book value of \$4,298,000 greater than market value  $\times 1.15$  of 4,122,000. Large unsettled claims outstanding.<sup>4</sup> Book value of \$12,087,000 greater than market value  $\times 1.15$  of 7,925,000.

## EXHIBIT II.—MARKET VALUES AND QUALIFICATION FOR POOLING OF INTERESTS

## PART A

[Dollar amounts in thousands]

	Fortune 500 rank	Market value, Dec. 31, 1968
A. O. Smith.....	247	\$119,520
Castle & Cook.....	248	388,181
Hygrade Food Products.....	249	48,433
Ex-Cell-O.....	250	294,975
Land O'Lakes Creameries.....	251	(9)
Indian Head.....	252	171,535
McGraw-Hill.....	253	864,960
Cummins Engine.....	254	247,230
Average market value.....		304,974

<sup>1</sup> A cooperative, not traded.

## PART B

[Dollar amounts in thousands]

	Dollar value	Percent of merger
Market value—Larger partner.....	\$304,974	75.0
Market value—Smaller partner.....	101,658	25.0
Total market value.....	406,632	100.0

## PART C

	Market value times 1.15 (thousands)
Companies for which market value times 1.15 exceeds above limit.....	\$157,389
	105,936
	145,130
	103,644
	119,574
	197,345

EXHIBIT III. BUSINESS DESCRIPTIONS <sup>11 12</sup>

## A. Top Ten

1. The company is engaged in the development of computer proprietary products and provides computer consulting systems and software services.

2. The company manufactures sterling, silver-plated, and stainless steel flatware; sterling, silver-plated, and pewter hollow ware; enameled hollow ware in sterling; enameled bowls in silver plate; and a line of cutlery.

3. The company operates five restaurants, four in the New York metropolitan area and one in Atlantic City, New Jersey, specializing

Footnotes at end of article.

in fast food service, offering a wide variety of moderate-priced foods at service counters. The restaurants also provide food catering services, and, to a limited extent, derive revenues from the leasing of properties. A franchise program has been undertaken.

4. The company operates oceangoing freight vessels, conducts marine and land geophysical surveys, sells various types of oceanographic instruments, and processes and sells fish protein concentrate.

5. The company's principal product is computer printout forms, which are manufactured both for stock and to individual specifications. Snap-apart forms are also produced.

6. The company manufactures fluorescent pigments and coatings, printing ink vehicles, synthetic resins, and miscellaneous industrial coatings.

7. The company acquires, develops, and constructs shopping centers for lease to merchants and conducts a general real estate business. It also is engaged in urban redevelopment projects.

8. The company manufactures tread rubber and equipment and supplies for recapping tires under a patented process. Sales are made to dealers franchised to use the Bandag name.

9. The company and its franchises conduct classes to help people reduce excess weight and maintain their weight loss through change in eating habits. Through its classes, the company also sells certain merchandise used by participants in the weight reduction program.

10. The company is engaged in letterpress and offset printing, which accounts for the major portion of sales; publishes educational, devotional, and reference books; is in the data processing field, and in 1968 formed a subsidiary for the purpose of entering the broadcasting field.

#### B. Bottom Ten<sup>12</sup>

39. The company manufactures refractory metals, pyrolytic graphite and shaped explosive charges, and also distributes metals and electronic components.

40. The company manufactures envelopes. It also makes and distributes other stationery, school supplies, specialty boxes and bags, packaging material, gift-wrapping paper, and metal bonded products.

41. The company makes metal and fiberglass garage doors and related hardware, which is incorporated into its doors or sold in sets through building supply stores, plus other builders' hardware, conveyor wheels and bearings, and roller skates.

42. The company designs, manufactures and distributes metal cutting machine tools, including lathes, horizontal and vertical milling machines, drill presses and related accessories.

43. The company distributes natural gas in Kansas and contiguous districts in Missouri, Oklahoma, and Texas.

44. The company operates steamship service between the Pacific Coast and various ports of the Orient.

45. This electric utility serves a relatively matured area.

46. The company manufactures all hydraulic components for heavy-duty equipment, pressed metal products, with emphasis on tank heads; underground supports for tunnels; upset forgings for a wide variety of uses; and grey iron castings for overseas hydraulic production.

49. This company produces a wide line of paints, enamels, lacquers, varnishes and industrial finishes.

50. In addition to international trading and merchandising of oilseeds, vegetable oils, oilseed meals and fish oils, the company mills rice for domestic and foreign markets, produces and sells safflower seeds, and engages in research on and sale of planting seeds.

#### FOOTNOTES

<sup>1</sup> "Business Combinations and Intangible Assets," proposed APB opinion, Accounting Principles Board of the American Institute of Certified Public Accountants, 23 February 1970.

<sup>2</sup> As provided in Chapter 5 of APB No. 43, issued in 1953, the cost of purchased goodwill could not be written off or reduced to a nominal amount at or immediately after the acquisition.

<sup>3</sup> Since the basis of the merged assets in a tax-free reorganization continues to be the basis reported for tax purposes by SDS, Xerox receives no tax deduction for writing up tangible assets and depreciating them. Consequently the apparent tax rate reported to shareholders will increase.

<sup>4</sup> For instance, LIFO inventory accounting, product line reporting, EPS reporting on residual shares, accounting for interest differentials on convertible debentures, and so on.

<sup>5</sup> "Proposed Measurement of Corporate Goodwill May Curb Acquisitions," the *Wall Street Journal*, 27 February 1970, page 1.

<sup>6</sup> See, for example, "Financial Evaluation of a Potential Acquisition," *Financial Executive*, October 1967.

<sup>7</sup> *Wall Street Journal*, op. cit.

<sup>8</sup> The results in Table 1 are based on an assumption that the mergers would have been consummated as of the date of the most recent financial statement. Recognizing that the goodwill charge is strongly influenced by stock prices, a similar test was made assuming mergers on 7 April 1970, following a sharp decline in equity values. As of this later date, 40 percent of the companies would experience an earnings reduction of more than 20 percent due to the goodwill charge.

<sup>9</sup> Clearly, business has responsibilities to society as well, which are becoming increasingly important to management. However, such responsibilities are not affected by the APB opinion and for the purposes of this commentary may be ignored.

<sup>10</sup> See, for instance, Myles L. Mace and George G. Montgomery, *Management Problems of Corporate Acquisitions*, Division of Research, Harvard Business School, 1962.

<sup>11</sup> All quoted directly from Standard & Poor's Standard Listed Stock Reports.

<sup>12</sup> Ranked by minimum goodwill charge to profit ratio from Exhibit I.

<sup>13</sup> Companies 47 and 48 from Exhibit I are not included in the bottom ten. They experienced losses in the last reported fiscal year but had market values in excess of value.

#### APPENDIX A—RESEARCH METHODOLOGY A. SAMPLE DESIGN

A sample of fifty companies having common stock quoted in the *Wall Street Journal*, Wednesday, 8 April 1970, daily listing of over-the-counter markets was selected by the use of a random number table from a total population of 1,187 companies listed on that date.

#### B. SOURCES OF INFORMATION

Balance sheet, income statement, and capitalization information about the fifty companies was collected from Standard & Poor Corporation's Standard Listed Stock Reports on Over-the-Counter Issues available through April 1970. The bid price for each of the companies selected was taken from the *Wall Street Journal* quotations on the date which corresponded to the most recent financial statement given in the Standard Listed Stock Reports.

#### C. CREATED INTANGIBLE

The "created intangible" for each company was calculated by subtracting net tangible book value from the product of the number of common shares outstanding and the quoted bid price per share multiplied by 1.15 (to give effect to a 15 percent premium

above the current market price assumed necessary to effect a merger).

The number of shares was adjusted for outstanding options, warrants, and convertible securities if the conversion price was less than 1.15 times the quoted bid price of the common stock. In this event, the net book value was increased by the product of the conversion or exercise price and the number of common shares which could be purchased by exercise of options or warrants of conversion of convertible securities.

The created intangible was calculated for (i) the most recently reported financial statement and (ii) 7 April 1970. For purposes of the latter calculation, the only adjustments made to the number of shares outstanding were those resulting from stock splits.

#### D. MINIMUM GOODWILL CHARGE

The "minimum goodwill charge" was assumed to be equal to the created intangible which would result from an acquisition accounted for as a purchase divided by forty, the maximum number of years permitted for intangible amortization under the APB proposal.

#### E. SALES GROWTH RATIO

The sales growth ratio was calculated by dividing the most recent annual sales figure listed in the Standard Listed Stock Reports by the corresponding figure three years prior, wherever possible. Otherwise, for companies whose growth rates could not be calculated over a three-year basis, an extrapolation was made.

### THE FREE WORLD MUST NOT LET ISRAEL BECOME THE MUNICH OF THE 1970'S

#### HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. PUCINSKI. Mr. Speaker, for sometime now, I have warned—it is becoming abundantly clear—the Soviet Union has undertaken a massive effort to drive the United States out of the Middle East and is using in great numbers her Soviet Moslems to advance this goal.

In a recent speech in Chicago, when I was awarded the Herbert H. Lehman Award, I said:

We are witnessing in the Middle East today a monumental effort by the Soviet Union to create another cord-on-santaire of communist captive nations in the Middle East the same as we witnessed after World War II in Europe.

Israel has been marked for destruction by the Soviet Union for it is Israel alone who stands in the way of the Kremlin's grand plan for Communist expansion into the Middle East and ultimately, into Africa.

There is an old saying: "he who controls Africa—rich in natural resources—controls the world." Russia can bring the United States to its knees without firing a single shot once it gains control of Africa and shuts off that continent's rich natural resources to American industry. We now have proof that Soviet pilots are flying combat planes in Egypt. The United States can no longer ignore this Soviet intrusion into the Middle East, and the serious threat it poses to our own national interest in that part of the world.

We can expect that the Soviet Union will soon proclaim a "Brezhnev Doctrine" declaring the Arab States are in the Soviet sphere of influence and any attack upon any of them is an attack on the Soviet Union itself.



We now have hard core intelligence that the Soviet Union is recruiting Soviet citizens of Moslem background in the provinces of Azerbaijan, Tadzhistan, and Turkmen—or any of the other Soviet Republics that contain large elements of Moslem populations in Russia and sending them for service into the Arab nations.

These Soviet Muslims are the Soviet Union's 20th Century Trojan horse, and the Arab leaders are too naive to understand this.

Mr. Speaker, in response to my disclosure that the Soviet Union is using Soviet Muslims to infiltrate Arab nations and thereby to ultimately gain control of all Arab States and drive America out of the Middle East, I recently received a letter from Dr. Ivar Spector, professor emeritus of Russian civilization at the University of Washington in Seattle, in which he recalls his own research on Soviet policy of using Soviet Muslims to advance the Soviet expansionist design in the Middle East.

Dr. Spector was kind enough to send me excerpts from his prophetic book, "An Introduction to Russian History and Culture"—fifth edition, Van Nostrand-Reinhold Co., 1969; reprinted, 1970, pages 495-497—in which he, too, analyzes the use of Moslems by the Soviets in the Middle East.

Dr. Spector may very well have been the first scholar to issue warnings against Soviet policy of using Soviet Muslims to advance Soviet aims.

I am calling to the attention of my colleagues Dr. Spector's very penetrating and timely observations which today have been irrevocably sustained by our own intelligence service.

God grant that our Nation is wise enough to realize the enormity of the problem in the Middle East. I was too young to do anything to stop the Soviets from taking over Poland and the other captive nations after World War II. But I shall do all in my power not to let history repeat itself now in the Middle East.

I am calling his works to the attention of the policymakers and the citizens of this Nation so that they can realize how grave the situation is in the Middle East and how America can no longer idly stand by as we watch Israel become the Munich of the 1970's.

It is abundantly clear that the United States must proclaim Israel is in the Western World's sphere of influence and interest and must rally the forces of Western civilization to protect Israel against destruction by the Soviet Union.

Dr. Spector's learned analysis clearly shows the long-range aims of the Soviet Union in the Middle East and how ultimately they will affect America and her future.

I pray that, at some point in time, American policymakers and the American people themselves will finally realize the grave danger that lurks in the Middle East today and what it means for all of us Americans.

I want to particularly call attention to Dr. Spector's statement:

A New Middle East: A careful study of Soviet sources, such as "Narody Azii i Afriki, Azia i Afrika Segodnya," and Sovetskaya Kultura, suggests that the ultimate Soviet objective in the Arab world is the creation of a new Middle East—one in the Soviet

image. The prerequisite for this is the United Arab States, entirely divorced from the Western orbit, which will then be linked with the Soviet Middle East under Soviet Moslem leadership, that is, under the U.S.S.R.

This prospect, which is present in Soviet thinking, but not spelled out for all to grasp, may well be of interest to Arab leaders who are seeking to build Arab unity with Soviet political, economic, and cultural aid.

I hope the American State Department will use every resource at its command to call this infamous plan for the destruction of their ultimate liberties to the Arab leaders themselves for indeed, I doubt very much that the Arabs want to be pawns in a Middle East chain of captive nations any more than the people of Europe want to be in the Communist orbit of captive nations.

I believe Dr. Spector's works ought to get the broadest coverage throughout the Middle East and ought to be used to convince Arab leaders that their best guarantee for survival is to sit down with the Israelis and work out a meaningful peace treaty which will preserve Israel's sovereignty along with the sovereignty of the Arab nations and assure their freedom within the framework of Western civilization.

It is time that we expose the Soviet Union's grand design for the making of the Middle East into another pro-Soviet cordon sanitaire of captive nations.

The full excerpt of Dr. Spector's excellent book follows. I call my colleague's attention particularly to that statement in the book which shows the Soviets realize the stronger forces of nationalism in the Middle East. They have played down Communist dogma and rather appeal to nationalism as their main technique of breaking down relations between the Middle East and the United States.

Dr. Spector's book deserves the widest distribution. His article follows:

[From Ivar Spector, *An Introduction to Russian History and Culture* (5th ed., Van Nostrand Reinhold Company, 1969; reprinted, 1970), pp. 495-497.]

#### THE COLD WAR: STRATEGY VERSUS DIPLOMACY

Soviet success among the neutral nations of Asia and Africa since 1955 was due, not to its so-called Communist system, but to its constant attack on colonialism and its unequivocal support of nationalist movements. Bulganin and Khrushchev set the tone in their trek through India, Burma and Afghanistan in 1955, when their theme song was "Down with Colonialism." N. A. Mukhitdinov, chairman of the Supreme Soviet's Council of Nationalities, in his visit to the UAR in September, 1958, and other Soviet delegates to the Asian-African Conferences have received the same warm response when they followed the same line. The "thaw" in the attitude of the neutrals toward the USSR has spread, in one way or another, to most of the Arab world.

Although the Soviet regime preached internationalism to the workers of the world, emphasizing that they had no fatherland but the USSR, in Asia and Africa they discovered that nationalism was a much more potent weapon than any other "ism." They therefore used nationalism to attain a communist goal.

*Solidarity Conferences.* During the third drive, the Soviet government also sought to achieve its goals through the Afro-Asian People's Solidarity Conferences, the first of which was held in Cairo in December, 1957. Unlike its predecessor, the Bandung Con-

ference of 1955, it was subjected to the direct impact of the USSR, which played an active part in the preparation of the agenda and the drafting of the resolutions. Within a few months it became an established institution with headquarters in Cairo. Its main objectives were the promotion of Arab unity and the "liberation" of the remaining dependencies of Africa and Asia from the control of the Western "colonizers." Since its founding, although Cairo has remained the headquarters, some important Asian-African cultural gatherings have been held in Tashkent, the foremost Soviet Middle Eastern center of Oriental Studies. These have included the Afro-Asian Cinema Festival (August 20-September 2, 1958), where eight Soviet Republics and fourteen Afro-Asian countries, including the Arab states of the UAR, Tunisia, and Morocco, were represented; and in October, 1958, an Afro-Asian Writers' Conference with delegates from about fifty countries of the Afro-Asian bloc, who came to seek common ground, a common hero, and a common genre in the literatures of the Afro-Asian peoples. Somewhat to the discomfiture of the Soviet government, Afro-Asian nationalists soon demonstrated their opposition to Soviet "leadership."

*Role of Soviet Muslims.* The Soviet Union has still another inducement to play an active role in behalf of Arab unity and Afro-Asian solidarity. It enables the Soviet regime to divert the attention of the USSR's thirty million Muslims from domestic anti-Soviet activities to pro-Soviet missionary work among the millions of Muslims beyond Soviet borders, especially in the Muslim lands of the Middle East and Africa.

The Soviet government has exerted every effort to convince its own Muslims that they are the salt of the Muslim world, that they are the most progressive, the best educated, and that it is their mission to assume leadership of the Afro-Asian Muslims. That the Soviet regime was not entirely satisfied with the results was apparent from Radio Moscow's attack on May 22, 1958, on Islam and the Muslims of the Soviet Middle East as reactionary and fanatical. There is reason to believe, however, that Soviet efforts have not been in vain, and that many Soviet Muslims are ready and willing to substitute for the "White Man's Burden" the "Soviet Burden" in Asia and Africa. One example was provided by the "Appeal of the Muslim Spiritual Leaders of the USSR to the Muslims of the World" against the landing in July, 1958, of American and British troops in Lebanon and Jordan respectively, and the demand for their immediate withdrawal. During the Lebanese crisis, there were hints about using Soviet Muslim "volunteers" against the Anglo-American occupation forces. To represent him on a state visit to the United Arab Republic in September, 1958, Nikita Khrushchev sent to Cairo the prominent Soviet Middle Easterner, Mukhitdinov.

It has become apparent that the USSR is using both its own Muslims and the eager exponents of Arab unity to promote the second major objective, the "liberation" of the entire Middle East and Africa, both Arab and non-Arab, from Western hegemony. To date, Soviet intervention has been indirect, rather than direct. Soviet Muslims prod Arab Muslims, especially those of the UAR, to take their place in the vanguard for the elimination of the vestiges of "colonialism." Even during the Near Eastern crisis of 1958, the USSR confined itself to pressing attacks on Anglo-American intervention, supported the UAR before the United Nations Security Council and Assembly, and carefully avoided the landing of Soviet troops on Arab soil.

*A New Middle East.* A careful study of Soviet sources, such as *Narody Azii i Afriki, Azia i Afrika Segodnya*, and *Sovetskaya Kultura*, suggests that the ultimate Soviet objective in the Arab world is the creation of

a new Middle East—one in the Soviet image. The prerequisite for this is the United Arab States, entirely divorced from the Western orbit, which will then be linked with the Soviet Middle East under Soviet Muslim leadership, that is, under the USSR. This prospect, which is present in Soviet thinking, but not spelled out for all to grasp, may well be of interest to Arab leaders who are seeking to build Arab unity with Soviet political, economic, and cultural aid.

Soviet policy in the Muslim East during the third drive envisaged the complete withdrawal of the West from Asia, physically, economically, intellectually, and spiritually. According to Soviet interpretation, it was the colonial Orient that gave strength and power to the British, French, Dutch, and Portuguese empires. Without Asia (and presumably Africa), Soviet leaders expected that Europe would vegetate and decay. What the USSR accomplished in forty years, Asians were assured they could do in less time with Soviet help. By advancing economic, technical, scientific, and military assistance to Asian nations, even at the expense of the vast needs of the Soviet peoples, Khrushchev sought to demonstrate that everything Asians required for liberation and development was readily available to them from the Soviet bloc.

*Vostok*. One of the most dramatic symbols of the Soviet focus on the Orient was the naming of the first Soviet spunkit to orbit the earth, the *Vostok* (Orient, East). As subsequent experiments in manned space flights occurred, Soviet space ships were listed *Vostok I* to *Vostok IV*. In a revealing cartoon, "Light from the *Vostok*" (East), the Soviet humor magazine, *Krokodil* (April 20, 1961) depicted the shepherds of Palestine watching, not the Star of Bethlehem, but the Soviet spaceship. In other words the Soviet objective remains the complete deWesternization of Asia and its reorientation toward the Union of Soviet Socialist Republics.

#### RESULTS OF RECENT QUESTIONNAIRE

**HON. ALBERT W. JOHNSON**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. JOHNSON of Pennsylvania. Mr. Speaker, for the information of the Members and other interested persons, I am presenting today the completed tabulation of the results of my recent questionnaire. As has been my custom in the past, the results of the questionnaire are set out in the form of a newsletter containing the following caption: "Newsletter from Your Open Door in Washington—Congressman ALBERT W. JOHNSON, 23d District of Pennsylvania—Number 17, May 1970."

The newsletter also contains a picture of myself in front of the door of my office, in which picture I am holding a recent publication of the Pennsylvania Department of Commerce entitled, "Discover the New Pennsylvania." The newsletter then continues as follows:

DEAR FOLKS IN THE 23RD CONGRESSIONAL DISTRICT: In February of this year, I mailed my annual Questionnaire to all homes in the District. I am pleased to state that the response was the greatest of any previous mailings. In these troubled times, it is not surprising that so many persons participated. Also, an unusually large number of persons

sent separate letters or made comments on the form. We are writing a separate reply to these people.

The results of the poll on each question, and my own comments are as follows: Where the percentages do not add up to 100%, the difference represents those who had no opinion.

Question No. 1—Is the news media often partial and biased?

The answer: Yes: 77%; No: 17%.

This question was prompted by the "bombshell" speech of Vice President Agnew wherein he made the above charge. His criticism hit a responsive cord as the results above indicate. Many think his charges have already had a healthy effect on news coverage. Results of the same question asked by others: Corbett (R) 18th District, Pennsylvania, Yes: 87%; Eshleman (R) 16th District, Pennsylvania, Yes: 66.2%; Ashbrook (R) 17th District, Ohio, Yes: 72.4%. A poll taken in Canada shows 66% of the Canadians feel that reporters in Canada sometimes allow their own opinions to color the news.

Question No. 2—Imposition of wage and price controls.

The answer: Yes: 69%; No: 23%.

The Administration opposes controls and most economists doubt their effectiveness, yet 69% of the people in the District are willing to try them for relief from the upward spiral of prices. Other areas of the nation also agree: Chamberlain (R) 6th District, Michigan, Yes: 70%; Corbett (R) 18th District, Pennsylvania, Yes: 62%; Moss (D) 3rd District, California, Yes: 74%. In May of 1968, I asked the same question in my poll. The result then: Yes: 53%. Apparently current higher living costs have influenced this change in sentiment. Some typical questionnaire comments: "The only way to bring things in line." "This seems to me to be the only answer, short of a depression. Unions are way out of line, and industry wants more profit each year at our expense." Contra: "Wage and price controls have been largely ineffective except in time of war."

Question No. 3—Should the President use his veto power if he believes a bill is inflationary?

The answer: Yes: 85%; No: 10%.

As you know, when Congress voted \$19.7 billion in appropriations for the Department of Health, Education and Welfare, which exceeded the President's budget by over \$1 billion, the President vetoed the measure, calling it inflationary. The Congress sustained the President's veto by a vote of 226 to 191. This appropriation was later passed in a more reasonable amount. This veto served as a notice to the Congress that the President is serious about holding down Federal spending which is the major cause of the inflation of today.

Question No. 4—The war in Vietnam: What should be done about Vietnam?

Percent

- |  |    |
|--|----|
| (a) Withdraw immediately-----                            | 9  |
| (b) Negotiate a settlement around present positions----- | 7  |
| (c) Withdraw as soon as South Vietnam can take over----- | 65 |
| (d) Invade and blockade North Vietnam-----               | 16 |

It is apparent from the above results that a great majority (65%) favor President Nixon's Vietnamization policy and that few people have much hope for a negotiated peace (7%). This favorable District sentiment on Vietnamization follows that of other areas: Schneebeli (R) 17th District, Pennsylvania, 62%; Keith (R) 12th District, Massachusetts, 70.3%; Chamberlain (R) 6th District, Michigan, 63%; Corbett (R) 18th District, Pennsylvania, 67%.

Question No. 5—Allowing police officers with a warrant to enter a house without

knocking in drug felony cases; if they believe drugs and other evidence being sought may be destroyed quickly?

The answer: Yes: 70%; No: 29%.

Because of the widespread increase in drug addiction, the police of Washington, D.C., have requested statutory authorization to enter a house without knocking to serve a warrant in narcotic raids. I voted for this power, when the bill was phrased to the effect that the Judge issuing the warrant would only grant the "no knock" authority on a proper showing. The U.S. Supreme Court has specifically upheld "no knock" authority. 29 states now allow it. Other polls have approved the provision: Ashbrook (R) 17th District, Ohio, Yes: 70.7%. Citizens who made comments in their replies, made cautious statements, "I approve only if they are positive of crime before entering." "I am against all drug users, pushers, etc., no punishment is too tough, but I am also for the protection of the home."

Question No. 6—Reducing the crime for first time use or possession of marijuana and heroin from a felony to a misdemeanor.

The answer: Yes: 37%; No: 57%.

I was quite surprised at this result, as the policy of the Congress is to reduce the penalty for first time users or possessors, and increase the penalties for selling it. I phrased the above question to include heroin because that is the language of the bill which has passed the Senate, and is now in the House. In the Senate version, the penalty for first time use is reduced from 2 to 10 years up to 1 year. The Senate version also reduces the crime from a felony to a misdemeanor and also lowers the maximum fine from \$20,000 to \$5,000. The National Council on Crime and Delinquency has recommended that drug addicts should be directed to Medical help and should not be criminally prosecuted. Other Congressional District have indicated the same feelings against reducing penalties. The questions were restricted to reducing the penalty for first time use of marijuana. The result: Scott (R) 8th District, Virginia, No: 49%; Chamberlain (R) 6th District, Michigan, No: 67%; Ashbrook (R) 17th District, Ohio, No: 55.7%; Schneebeli (R) 17th District, Pennsylvania, No: 77%. Here are some comments on the questionnaires on this subject: "Leniency can only encourage the use of drugs." "The pusher should be hit harder." "Anyone selling or pushing is worse than a murderer."

Question No. 7—Do you favor:

Percent

- |  |    |
|--|----|
| (a) Increasing Federal aid to education... | 27 |
| (b) Reducing allocations-----              | 26 |
| (c) Maintaining aid at present levels...   | 43 |

The results of this question, wherein 43% of those answering want Federal aid to education kept at its present levels, and 26% want it reduced reflects a feeling that citizens are being taxed enough for all education programs. Frequent comments were along this line: "The government needs to halt spending. Certainly not to take on any more. Reduce if possible." "Any increases or changes in education expenditures should be state responsibilities." Indicating the mood against campus disorders, many comments like this were found: "I believe college should be restricted to students sincerely seeking an education—rioters—trouble makers should be expelled immediately." With this comment, I agree.

Question No. 8—Busing school children to achieve a better racial balance.

The answer: Yes: 10%; No: 86%.

This is, of course, a very controversial issue. Questionnaire results of other Congressmen also disapproved the proposition. In the 17th District of Ohio (Ashbrook, (R)), 92.1% expressed opposition to such busing, and for the 18th District of Pennsylvania (Corbett, (R)), the result was No: 93%. In March of



this year, President Nixon issued a statement on school segregation wherein he re-affirmed his support of the Supreme Court's mandate against deliberate segregation in the public schools, but stated that transportation of pupils beyond normal geographic school zones for the purpose of achieving racial balance will not be required. The 1964 Civil Rights Act has this provision: "desegregation shall not mean the assignment of students to schools to overcome racial imbalance." I supported this amendment. Despite this provision, in the past year, some U.S. District Courts have been ordering busing. These decisions are the reason for the current controversy.

Question No. 9—What do you consider the single most important problem confronting the country today?

	Percent
(a) Air and water pollution.....	21
(b) Crime and violence.....	34
(c) Vietnam War.....	16
(d) Inflation.....	25

A Gallup poll released this week indicated that 56% of a scientifically selected cross-section of American adults indicated that in the next two years they wanted our government to give top-priority to reducing crime. Second in order was reducing air and water pollution. This Administration has unleashed an all out assault on crime. There are some 20 anti-crime bills sponsored by President Nixon yet to be acted upon. The Administration has asked for \$16.6 million for organized crime fighting by the Justice Department. The number of F.B.I. agents working on organized crime has doubled from 400 to 800 agents. The Administration seeks funds for 1971 in the amount of \$1 billion to help states and counties strengthen their courts, police and correction systems, as well as other new law enforcement plans. This question inspired the most serious comments of all. Here is a sample: "Create jobs and crime and violence will soon take care of itself. Every able bodied man should have a job instead of welfare and relief." My opinion is that the Vietnam War is the cause of the violence, riots, and unrest that is facing our country. Also, it is a major cause of inflation. The war must be ended but ended with Victory."

Question No. 10—To encourage anti-pollution devices by industry, would you favor:

	Percent
(a) Granting tax credit for such installations.....	32
(b) Issuing a deadline for abatement with a fine for failure to comply.....	65

Public anxiety over environmental deterioration has reached a high level, and rightly so. The above 65% indicates this feeling. President Nixon has pledged a "now or never" fight to save the environment and recently announced a 37-point program. He has appointed a new Council on Environmental Quality. To combat water pollution, he has proposed a new Clean Waters Act, with a \$4 billion appropriation for 1970-71; a financing authority to help localities sell sewage system bonds; a law to set up water and air quality standards, with \$10,000 a day fine for violation of the standard. To combat air pollution: stringent vehicle exhaust standards; law regulating fuel composition and additives; Other measures: scrapping of all junk cars; establishment of new parks with \$327 million; elimination of pollution by government agencies. One writer offered this sensible suggestion: "I don't believe we will get anything done about pollution until industry or government finds a way for the average man to pay for it—directly or indirectly—but I would rather do it than suffer the consequences." This suggestion is borne out by a Lou Harris poll which reveals that 54% of the American people are willing to pay at least \$15 a year more in taxes to help

finance a Federal anti-pollution program. This would provide \$900 million.

Question No. 11—Has the Supreme Court been too lenient in its decisions on pornography and obscenity?

The answer: Yes: 69%; No: 26%.

The disappointment in the performance of the Supreme Court in this field is widespread. This court has struck down all the effective anti-obscenity laws as infringing on the freedom of speech. To this same question, the people of the 18th District of Pennsylvania (Corbett (R)), answered Yes: 81%; and the 12th District of Pennsylvania (Whalley (R)), answered Yes: 83%. Questionnaire comments also indicated displeasure in other decisions: "I am disappointed in our courts. The ruling against prayer in schools for one; also, too lenient attitude toward riots and demonstrations." "Revise our Supreme Court so that decisions will be made for honest people and not law breakers."

Question No. 12—Do you now favor a Federal gun registration law?

The answer: Yes: 31%; No: 60%.

In February of 1967, this same question appeared in my Questionnaire of that date. The opinion then was No: 61.37%, about the same as in this poll. Since 1967, all attempts in Congress to require registration of guns and that of gun owners have failed. I voted against these registration proposals. In Pennsylvania, one loses sight of the fact that our Pennsylvania Constitution provides: "Article 1—Section 21: The right of the citizens to bear arms in defense of themselves and the State shall not be questioned." This is in addition to our National Constitution which provides as follows: "Second Amendment: A well regulated militia being necessary to the security of a free state, the right of people to keep and bear arms shall not be infringed." The following Questionnaire comment seems to sum up the general feeling: "I feel that federal gun registration is not the answer to crime. It would only punish the honest citizen and the criminals would get their guns illegally."

Question No. 13—Do you approve of the way President Nixon has handled the war in Vietnam?

The answer: Yes: 66%; No: 27%.

This approval of 66% compares almost exactly with the Gallup Poll taken the same week this Questionnaire was mailed which showed a 65% approval. One Congressman announced a poll wherein the approval was 80% (Evans, (D), 4th District, Tennessee). These polls, of course, were taken before the entry into Cambodia. As to the Cambodian venture, the following agencies took polls after the decision was announced. To the question, do you approve of the President's decision to enter Cambodia, here are the results: CBS telephone survey: 59% Yes, 32% No; Gallup Poll: 51% Yes, 35% No; Chicago Tribune Ballot: 79% Yes, 21% No; Chilton Research Telephone Survey: 65% Yes, 22% No. (Source: Republican Congressional Committee Newsletter 5-11-70). Polls taken later: Newsweek (May 14th) 50% Yes, 39% No. Says Newsweek (5-25-70) "The 'Silent Majority' appears to be alive and well in Nixon's corner."

Question No. 14—Do you favor our Government selling military equipment to Israel?

The answer: Yes: 51%; No: 42%.

This was a very difficult question to answer and the only 51% approval indicates the problem. In a poll by Congressman Ashbrook of Ohio wherein he also asked the above question the opinion was Yes: 58.4%. This question has taken on new importance since the recent announcement that Soviet jet fighters, manned by Russian flyers have joined the Arab cause and are in combat against Israel.

Question No. 15—Gradually eliminating

the Federal farm subsidy and control programs for agriculture commodities.

The answer: Yes: 80%; No: 14%.

Pennsylvania farmers favor competition of agricultural products in an open market. Subsidy payment and price supports discourage this. The poll result indicates that all Pennsylvanians, not just farmers, would like to see payment limitations enacted. In 1969, \$609 million was spent paying individual farmers \$15,000 or more in subsidies. Out of this large sum, Pennsylvania farmers received less than \$400,000. Only 12 farmers in Pennsylvania received more than \$15,000 out of 20,000 nationwide. In Chamberlain's Poll (R-6th District, Michigan) 66% favored eliminating the subsidy over a five year period, but in Foreman's Poll (R-2nd District, New Mexico) the percentage was Yes: 70%. The question is now before the Congress, and I expect to support the subsidy elimination by placing a ceiling of \$15,000 on each farm. Some 23rd District comments were as follows: "The small farmer or stock raiser has no chance at all." "These programs are utterly unfair, favors the rich huge land-owners and we for instance never could make use of it, but would need help badly to hold onto our farm."

Question No. 16—Home Rule for the District of Columbia.

The answer: Yes: 58%; No: 38%.

Washington is now governed by a "Mayor" and a nine member City Council all appointed by the President. The citizens elect the School Board, and once in four years can vote for President and Vice President. They have no representatives in Congress. The population of the District was estimated to be 827,600 July 1, 1968, of which population 70.5% are non-white. The control of Congress over this "Federal City" stems from Article I, Section 8 of the U.S. Constitution, which provides: "The Congress shall have power to exercise exclusive legislation in all cases whatsoever over such district as may become the seat of Government of the U.S." At one time, the District had "home rule" but in 1874 Congress nullified it because of bickering and also because Congress had to save the city from bankruptcy. Home rule has been resisted because it is felt that the District belongs to all the citizens nationwide. 43% of the city's land area is government property and over 54% of the valuation is not taxable and to give the city the power to tax Federal property would be unconstitutional. The Federal Government instead will appropriate \$104,600,000 this year to help run the city. The present Mayor system and 9 member Council seems to be working out well. I predict that the Congress will provide the District with a non-voting member of Congress, which I favor. Crime is more rampant in the Nation's Capital than any other city. Here are some statistics that bear this out. In 1969, in D.C. there was: (a) a murder every 33 hours, (b) a rape every 29 hours, (c) an aggravated assault every 2½ hours, (d) a robbery every 50 minutes, and (e) a burglary every 25 minutes. However, due to more police in the streets and stricter law enforcement this record is down considerably. In a recent poll taken by Broyhill (R-10th District Virginia (Arlington)) the vote on the question of home rule was No: 60%.

Question No. 17—A four-year term for Congressmen and State Representatives instead of two years.

The answer: Yes: 58%; No: 38%.

This vote in favor of a four-year term seems to follow the National trend. President Nixon in his State of the Union message in January called for reform of our institutions in America. Extending the term of members of Congress (House) would give them more time to learn their job before being forced to campaign for re-election. This is one of the reforms the President was

thinking of. Former President Johnson in 1966 also called for a constitutional amendment to increase the term to four years. In the past, I have disapproved of the proposal. However, if it is submitted as a part of an over-all Congressional reform package, I will support it. Those favoring the four-year term suggest that one-half of the House be elected every two years.

Question No. 18—Do you consider yourself part of the "silent majority"?

The answer: Yes: 71%; No: 23%.

This question was prompted by the television request of President Nixon in his Vietnam speech of November 3, 1969, when he addressed himself to the "silent majority." At the same time as my Questionnaire was being answered, the Republican National Committee took a poll and those questioned were asked if they were a part of the President's "silent majority," and 73% said yes, which is about the same as the above figure of 71%.

Question No. 19—The rating of Nixon's over-all performance in office:

Good: 49 percent.

Fair: 43 percent.

Bad: 7 percent.

This percentage reflects the mood of the District in Feb.-Mar. 1970. Most polls at that time rated the President as doing very well, as follows: Eshleman (R-16th District, Pennsylvania) Yes: 75%; Corbett (R-18th District, Pennsylvania) Good: 55% (up from 43% in October 1969); Chamberlain (R-6th District, Michigan) Excellent-Good: 68%; Foreman (R-2nd District, New Mexico) Excellent-Good: 84.9%; Keith (R-12th District, Massachusetts) Good: 57%. This question inspired many comments from those responding; such as: "President Nixon has an impossible job, and I feel he has handled it as well as he can so far." "I believe President Nixon is trying to do the best thing for the country. More recent polls on the Presidents performance: May 10th: Gallup Poll: Approve: 57%, Disapprove: 31% May 14th: Newsweek Poll: Very to fairly satisfactory: 65%, Not satisfactory: 31%.

And now in closing, I want to thank those who took the time to return my Questionnaire and thus make this report possible. I hope you have found this Newsletter both interesting and informative.

Sincerely yours,

ALBERT W. JOHNSON.

#### VA HOSPITAL: CRISIS

**HON. RICHARD L. OTTINGER**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. OTTINGER. Mr. Speaker, for the past week, many of our New York congressional offices have received inquiries concerning the article in Life magazine, "Assignment to Neglect," criticizing the quality of care and conditions in VA hospitals in general, and the Veterans' Administration hospital, 130 West Kingsbridge Road in the Bronx, in particular.

Following is the correspondence I had last year with the Administrator of Veterans' Affairs, and the chairman of the House Veterans' Affairs Committee, expressing my concern that the VA may not be carrying out the mandates of Congress in fulfilling its obligations to the Nation's veterans and returning servicemen.

In addition, I would like to insert in the RECORD at this point the texts of letters to the editor of Life written by Dr. A. M. Kleinman, director of the Kingsbridge VA hospital, and Hon. Donald E. Johnson, Administrator of Veterans' Affairs, in reply to the May 22 article.

I commend it to my colleagues for their information:

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, D.C., July 25, 1969.

HON. OLIN E. TEAGUE,  
Chairman, House Veterans' Affairs Committee,  
Cannon House Office Building,  
Washington, D.C.

DEAR MR. CHAIRMAN: I am enclosing a copy of my letter to Administrator Johnson. It is self-explanatory.

I found the implications of this situation alarming and hope you and the Committee will share my concern.

I would appreciate any remarks you might have. Should you wish to handle this informally, I would be happy to speak with you directly, or as an alternative, your staff people might get in touch with my administrative assistant, Paul Schosberg.

I look forward to hearing from you.

Sincerely,

RICHARD L. OTTINGER,  
Member of Congress.

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, D.C., July 25, 1969.

HON. DONALD E. JOHNSON,  
Administrator, Veterans' Administration,  
Washington, D.C.

DEAR ADMINISTRATOR JOHNSON: I am deeply concerned that the spending cuts and personnel ceilings imposed on the Veterans Administration—coupled with the unprecedented number of laws enacted by Congress in the 89th and 90th Congresses, i.e. VA compensation increases for veterans and widows, increased income limitations, new computation for pensions—may have created an intolerable administrative burden on VA offices, particularly the Regional Offices.

Based on my own experiences and reports that have reached me recently, I am concerned that in the not too distant future, the VA will be unable to carry out the mandates of Congress and fulfill its obligations to the nation's veterans and returning servicemen.

All too often, claims filed by veterans for benefits are delayed 3-4 months for adjudication; widow's claims for death benefits are delayed many months; after certification, the arrival of educational subsistence checks are delayed—although the veteran must meet the initial tuition of the training institution and living expenses in the meantime.

Once a claim is processed, there are far too many administrative errors—overpayments, underpayments, etc.

Returning servicemen are informed of the new or extended programs in the interest of veterans. They receive as many as ten VA form letters subsequent to separation—in addition to letters from Senators, Congressmen, Governors, the Labor Department, Civil Service Commission, and local Veterans' Service Agencies—all advising them of the various benefits available. However, many of the programs announced to returning veterans and delegated to Executive Agencies for execution, are practically non-existent.

Perhaps the most non-existent VA program is the Home Loan Guaranty Program. Its workability is questionable. There is no mortgage money available at 7½% for over a 12-month period.

My personal observations and information indicate the VA lacks the personnel and funds to handle the laws of ever-increasing

complexity and the business imposed on it by approximately 26,000,000 veterans. A sudden end to the Vietnam war would have a disastrous effect on the Veterans Administration and the released servicemen.

Reports of backlogs in the Regional Offices suggest it is time for the VA to expand offices and recruit competent personnel. Its administrative operations—procedures, manuals, forms control, finance personnel, management, and other administrative procedures need a strict internal review.

It must fully utilize its State Counselors and State Veterans' Service Agencies. In my own State, the fee for processing VA claims is so small attorneys refuse to handle clients. Only one or two individuals in Westchester County are accredited to prepare claims and represent veterans before the Veterans Administration. Were it not for my offices, they would be working in the dark. Our local veterans' service agencies are not on the VA mailing list and do not receive service organization newsletters as an agency. VA regulations should permit, if not require they be put on its mailing list. They have no direct working relationships with the Regional Office, except when calling on cases of an extreme hardship nature. In these days when the veteran and his dependents are approaching 50 percent of the population, local and State veterans' agencies should be pulling together.

The current Veterans Administration budget is over \$130 million less than the previous budget presented to the 91st Congress. The Veterans Administration lacks the funds and personnel to do the job right.

Passing laws is one thing, but successfully enacting them is another. When Congress passes laws, funds and necessary manpower to carry out their provisions and affect their programs must follow.

The returning veteran is becoming bitter with some of our programs. The Executive and Legislative branch of the Federal government must take immediate steps to correct the current situation and prevent the escalation of a VA backlog that could reach catastrophic proportions.

From my point of view, the solution for the future is relatively uncomplicated. More money and more "efficient" personnel.

I don't know if you've had an opportunity to study this situation, or if it has been brought to your attention. But I am prepared to make actual case histories and incidents available to you.

I would be grateful to know your feelings in this matter and what action, if any, you plan to take to improve and expand the operations of your agency at all levels to insure its administrative and personnel functions are carried out effectively and efficiently.

We must preserve the entitlements and benefits due those men and women who gave so much to preserve our freedom.

Sincerely,

RICHARD L. OTTINGER,  
Member of Congress.

VETERANS ADMINISTRATION,  
Washington, D.C., July 29, 1969.

HON. RICHARD L. OTTINGER,  
House of Representatives,  
Washington, D.C.

DEAR MR. OTTINGER: Mr. Johnson has asked me to acknowledge your letter of July 25, 1969, regarding the quality of service provided to our Nation's veterans and to their dependents and beneficiaries. An extensive review is being made of the comments you have presented on the status of our program operations and our capability of providing benefits and services to the VA public. The Administrator will send you a reply as soon as our review is completed.

Sincerely,

J. C. PECKARSKY,  
Acting Chief Benefits Director.



U.S. HOUSE OF REPRESENTATIVES,  
COMMITTEE ON VETERANS' AFFAIRS,  
Washington, D.C., July 30, 1969.

Hon. RICHARD L. OTTINGER,  
House of Representatives,  
Washington, D.C.

DEAR COLLEAGUE: Thank you for your July 25th letter enclosing a copy of your letter to Veterans Affairs Administrator Johnson concerning serious case backlogs and lack of adequate personnel to service our returning veterans.

The personnel shortage resulted primarily from the Revenue and Expenditures Control Act of 1968 which required VA to reduce its personnel back to the employment level of June 30, 1966; coupled with increasing workloads, some very serious case backlogs built up in every VA Regional Office. When the Second Supplemental Appropriation Act of 1969 was passed by the Congress a few weeks ago, all statutory personnel ceilings on federal agencies were rescinded. However, when President Nixon signed this bill he issued a statement which criticized the Congress for not following his recommendations on budget reductions and stated that he was taking administrative action to reduce spending for the current fiscal year which began July 1 by an additional \$3.5 billion. The President further stated that "No Federal program is above scrutiny. Some highly desirable programs will have to be stretched out—others reduced. The dollar reductions will be accompanied by a further lowering of personnel ceilings established last April". I do not know how to predict what affect this will have on the Veterans Administration.

Through personal negotiations with Chairman Mahon and Mr. Evins of the House Appropriations Committee, I have been successful in having restored most all of the funds which President Nixon cut from the 1970 Johnson budget. This action should materially help overcome the problems outlined in your letter; however, I cannot predict what the President will do by administrative action to circumvent the will of Congress concerning the VA. The legislative history in both the House and Senate makes it quite clear that the Congress desires that the Veterans Administration be adequately funded to handle its increased workload which has been brought about by the Vietnam war. It is now clearly up to the Executive Branch of the government as to whether they feel enough genuine concern for our returning veterans to provide the service which is so badly needed.

For your information, the Committee staff has been conducting a special in depth study of this problem and I plan to issue a full report on this subject very shortly.

Sincerely,

OLIN E. TEAGUE,  
Chairman.

VETERANS' ADMINISTRATION,  
Washington, D.C., September 9, 1969.

Hon. RICHARD L. OTTINGER,  
House of Representatives,  
Washington, D.C.

DEAR MR. OTTINGER: Thank you for sending me your evaluation of the service provided by the Veterans Administration. As the new Administrator of Veterans Affairs, I need to have the comments from those we serve and from others who participate closely with VA, as much as I need the advice and assistance of the VA staff.

We have had the opportunity for a close look at the issues raised in your letter of July 25. On most of the issues I can give you our complete assurance that VA is meeting its commitments to veterans and their beneficiaries and will work toward further improvements in our service. On others, I can agree that problems do exist, we are cognizant of them, and we will do everything possible to resolve these issues. In the attached

report I have grouped my comments under major programs and operational areas. Several of the subjects are presented in some detail to allow you a better understanding of the many facets of the particular issue.

As an addendum to the report, I would like to offer some personal observations on VA's activities. First, you have our assurance that VA will do its utmost to render the best possible service to the expanding population of veterans, survivors, and beneficiaries. There is ample evidence of the Agency's leadership in the development or adoption of improved methods for performing the program processing functions. This concept of program administration will continue. Each new item of legislation is a challenge to VA—some require added resources, others can be absorbed by the existing workforce. Where additional strength is needed, VA will press vigorously for the personnel or the equipment to do the job.

A copy of this letter is being sent to the Honorable Olin E. Teague, Chairman of the House Veterans' Affairs Committee.

Sincerely,

DONALD E. JOHNSON,  
Administrator.

REPORT TO CONGRESSMAN RICHARD L. OTTINGER  
ADJUDICATION OF COMPENSATION, PENSION, AND  
EDUCATION CLAIMS

The combination of new laws, increased separations from the Armed Forces and the employment ceilings imposed by PL 90-364 did adversely affect the timeliness of our claims operations. For example, in our New York Regional Office the workload increased more than 15% in FY 1969. The number of personnel directly involved in the claims activity decreased 2.5% in the same period.

The workload peak occurred during the past winter when we implemented PL 90-275, restructuring the pension system for veterans and survivors, and PL 90-493, increasing compensation rates and making other changes in the compensation program, and at the same time the majority of colleges and universities enrolled students for the second semester.

Although our workloads are not as current as they should be, the majority of claims are handled within a reasonable time. Whenever there is need for expedited action in an individual case, our Regional Offices are pleased to provide such service.

LOAN GUARANTY PROGRAM

In the current situation the availability of funds for GI loans is a cause for concern. The Mortgage Interest Rate Commission, authorized by PL 90-301, has been making a study of ways to assure the availability of an adequate supply of mortgage credit at reasonable cost to the consumer. The Commission's report should be available soon.

Notwithstanding the imperfections that now exist in the mortgage lending system, our home loan program has not become totally ineffective, either in the United States as a whole or in New York State in particular. Nationwide, VA guaranteed about 220,000 home loans during the 12 month period ending June 30, 1969—10,229 of which were in the State of New York. Cumulatively, since the beginning of the program, VA has guaranteed or insured 7.3 million home loans amounting to a maximum of \$73.0 billion, of which 700,000 loans amounting to \$6 billion were in New York. In the County of Westchester the VA has guaranteed 28,396 home loans.

There is little question that the GI loan program has been hampered by the tightening of credit since the latter part of 1968. FHA loans and conventional home loans have been similarly affected by the credit squeeze. It is not quite true, however, that no funds have been available during the last 12 months. Our records indicate that GI loans are being made in New York, including Put-

nam and Westchester Counties—though admittedly at a lower volume than formerly.

Unquestionably, the GI loan program is not helping all veterans who need housing credit. Even those who can afford to buy homes and are good credit risks are inhibited by the limited availability of mortgage funds. The only direct solution to such a problem would be a tremendous increase in direct lending, with a corresponding enormous increase in Federal expenditures. Considering the many other current budgetary demands during this period when every possible effort is being made to reduce expenditures, such a solution to the mortgage funds shortage is hardly feasible.

There are other veterans who cannot use their GI loan benefits even when mortgage funds are plentiful. These are the veterans with low-to-moderate incomes who are unable to meet the loan payments necessary under current conditions, i.e., high costs of homes and high rates of interest on home loans. Other veterans cannot avail themselves of the program because they are not satisfactory credit risks.

Although there were some moderate increases in the pending workloads in the New York Regional Office during Fiscal Year 1969, our records indicate that the timeliness of loan processing at this station remained at a satisfactory level and was, in fact, somewhat better than the national average for all stations. The manpower available in the Loan Guaranty Division in New York is sufficient to maintain this satisfactory level of performance under current and projected workloads.

PAYMENT OF BENEFITS

Every effort is made to process awards for benefit payments—compensation, pension, education—as promptly as possible. For example, a recent report shows that only eight stations in the entire regional office network had a workload on hand which exceeded three days. There may be some delay in individual cases, but there is little doubt that the bulk of the work is currently being processed in a timely manner.

GUARDIANSHIP PROGRAM

While we do have some backlogs in the Guardianship program area, they are not sufficient proportions to impair timely service to our legally disabled beneficiaries. Cases which involve the initial confirmation, recognition or appointment of a fiduciary to receive benefits in behalf of a legally disabled beneficiary, and those cases in which it is necessary to appoint a successor or substitute fiduciary, are handled on a priority basis. Thus, there is only a minimum delay in assuring that a suitable, qualified fiduciary is functioning to administer the benefits.

VETERANS ASSISTANCE ACTIVITIES

All recently separated veterans receive a computer-generated letter on VA benefits, tailored to their individual situations. At the same time a card is produced on every educationally disadvantaged veteran which is sent to the United States Veterans Assistance Center (USVAC) servicing the area where the veteran indicates he intends to reside. If the USVAC cannot reach these veterans by phone, a second letter is sent. Where the veteran does not respond to these two letters, further effort is made since it is felt that the "extra steps" should be taken to help those who do not have a high school education to resume educational pursuits and avail themselves of other benefits. We are unaware of any type of case or instance in which as many as ten form letters would be sent a recently separated veteran by the Veterans Administration.

With the exception of Loan Guaranty benefits which are discussed elsewhere in this report, we are unaware of any VA administered benefits which are not readily available to those eligible for them or on

which assistance will not be provided, if requested.

#### STATE PARTICIPATING AGENCIES

State Counselors, State Veterans' Service Agencies and others who render service to claimants are eligible to be placed on VA mailing lists. Distribution of issues and maintenance of mailing lists have, for many years been decentralized to our regional offices in the field. The local veterans' agencies in New York should request this service from the VA Regional Office in New York City.

The Contact program works closely with representatives of all national service organizations and with State Agencies in meeting the needs of Vietnam era veterans. Through the regional office distribution, accredited representatives are provided with publications on benefit matters. When new legislation is passed or there are changes in procedures, local representatives of veterans groups are invited to briefing or training sessions.

The requirements for recognition of representatives of organizations, agents and attorneys for the presentation of claims for veterans is outlined in Title 38, U.S.C. The same statute limits the payment of fees to \$10 for an allowed claim for monetary benefits under laws administered by the VA. Our Chief Attorney at the Regional Office in New York City would be pleased to advise and assist any attorneys or other individuals who may wish to apply for VA recognition.

#### VA REGIONAL OFFICES

VA has no plans at this time for expanding the nationwide network of regional offices. We feel that the best position for handling the increased workloads is to utilize the available resources to strengthen our existing facilities for service. At present, we estimate that the resources for the new Fiscal Year 1970 will parallel those available to us in FY 1969.

In New York State, Regional Offices are located in Buffalo and New York City; VA Offices continue in Rochester, Syracuse, and Albany.

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, D.C., November 6, 1969.

HON. DONALD E. JOHNSON,  
Administrator of Veterans' Affairs,  
Veterans' Administration,  
Washington, D.C.

DEAR ADMINISTRATOR JOHNSON: Thank you for your letter of September 9, responding to issues raised in my correspondence of July 25.

In responding, I would first like to call your attention to the V.F.W. Legislative Newsletter, dated August 1969, and the article "Will VA Personnel Ceilings Continue?" The article states "veterans have had to wait six months or longer before having claims processed at some VA regional offices. There now exists the largest backlog of unprocessed claims in the VA offices since the end of World War II." In reply to my inquiry about claims you indicated the majority are handled within a reasonable time. I would estimate "a reasonable time" for the adjudication of a claim to be at the outside, two months. A certificate of eligibility for education and home loans should be processed in less than a month. Where this is not done, hardship and inconvenience often occur.

Your comments on the broader aspects of the loan guaranty program are well taken. However, I was left with the impression that the loan program in New York State is in good shape, when in fact only 28,396 insured loans have been approved in 24 years of the program in Westchester County. During the 12-month period ending June 30, 1969, the VA insured 10,229 homes throughout the State. Using an approximate 4 percent ratio, comparing Westchester County with New

York State, it is revealed that only 410 VA insured homes were processed during that period in Westchester. I am not impressed.

At one point last year, I requested and received by phone a very unimpressive list of banking institutions where VA guaranteed loan funds were available, in my area. If you could provide the name and location of current banking institutions participating in this program it would be extremely helpful. A comparison of applications for certificates of eligibility and those actually insured by the VA (in Westchester County) during the fiscal year ending June 30, 1969 would serve to clarify this issue further.

Regarding the payment of benefits, you stated, "only eight stations in the entire regional office network has a workload on hand which exceeded three days." This gives a distorted view of the situation. In defining workload I mean from the time the claim is received and final action is completed. As long as a claim folder is out of file and the payment tape has not been cut, that claim constitutes part of a backlog. In addition, State Counselors and agencies in the area of the New York Regional Office, as well as the service officers of various veterans organizations working with the VA were advised of a back-log of three to four months in the adjudication of pension and death claims. Understandably these reports did not reach you. In fact, personnel involved in assisting veterans in the preparation of claims were requested to advise claimants of the long delay at the time of filing.

I appreciate your explaining the operation of the United States Veterans Assistance Center in New York City. I'd like to know if there are plans for additional centers in New York State, especially in rural areas, where you indicate six out of every ten veterans in our nation live.

In response to my question concerning the expansion of the network of nationwide regional offices, you stated your belief that the best position for handling the increased workloads is to utilize the available resources to strengthen existing facilities for service. Could you identify these resources in terms of money, manpower, or both?

As late as February of this year, I received a report from one of the Veterans Administration Hospitals that it was lacking a sufficient number of Aides (due to restrictions placed upon the VA by the Revenue and Expenditures Control Act) and that it lacked linens because it did not buy its own linens or have its own laundry. I understand its linen service was provided by another VA hospital struggling with problems which include lack of funds making it difficult to meet fully their needs as well as its own.

Taking into consideration current resources and appropriations, I'd like to know how much additional funds VA hospitals would need to purchase the services and supplies required to meet current needs.

I share Chairman Teague's concern that Congress give serious attention to his Committee's "Summary Report of the Status of the Veterans' Administration's Medical Program". Two constituent cases, currently pending, have served to point up acute needs in personnel and equipment to adequately meet the health needs of our veterans.

Sincerely,

RICHARD L. OTTINGER,  
Member of Congress.

VETERANS' ADMINISTRATION,  
Washington, D.C., November 17, 1969.  
HON. RICHARD L. OTTINGER,  
House of Representatives,  
Washington, D.C.

DEAR MR. OTTINGER: Mr. Johnson has asked me to acknowledge your letter of November 6, 1969 regarding VA activities and

the service provided to veterans and their dependents. A review is being made of the comments you have presented and the Administrator will send you a reply as soon as this review is completed.

Sincerely,

RUFUS H. WILSON,  
Chief Benefits Director.

VETERANS' ADMINISTRATION,  
Washington, D.C., December 11, 1969.  
HON. RICHARD L. OTTINGER,  
Washington, D.C.  
House of Representatives.

DEAR MR. OTTINGER: Thank you for your letter of November 6. We are pleased to have your additional comments on the quality of VA's services. In the interim we have had the opportunity for a close look at the various points brought out in your letter and to review the status of our activities, particularly at the local level in New York State. Here are some highlights of our review.

Our effectiveness in meeting timeliness standards is good. Although the number of claims for all benefits is steadily increasing, the work on hand in the regional offices has shown marked decrease in recent months. The improvement was attained by an increase in personnel and the availability of overtime funds. The outlook is for a continuing improvement.

On the local level the New York Regional Office is processing between  $\frac{1}{2}$  and  $\frac{3}{4}$  of the disability and death claims in 90 days. The more difficult original disability compensation claims which require procurement of service medical records, specialized physical examinations and dependency evidence, take longer in processing than reconsiderations and death claims which are being completed at the faster rate mentioned above. This is the total processing time—from the date the claim is received to the date of approval of the award. Normally, it is reasonable to expect that the majority of claims will be processed in 90 days or less. There are a number of factors which can cause processing time to exceed 90 days. Some of the most frequent are: delays in securing the service records, incomplete applications, or the need for additional evidence or investigation.

Contact personnel in the State of New York and elsewhere are aware that the processing time for claims varies depending upon the need to obtain records, medical data, and other specific information. In answer to inquiries from veterans and their families, this is the substance of the reply given. It is the policy for Contact personnel to follow up in any instance where an applicant inquires and there has been a delay, regardless of the cause.

The New York Office processes 92% of the applications for education or training in 30 days. This is the overall processing activity, from date of application to the date of approval of the training certificate. In the Loan Guaranty program, the certificates of eligibility are almost always issued within the period of one week. Occasionally the processing may take longer due to the complexity in determining entitlement, but such cases are infrequent.

Our records indicate that the number of certificates of eligibility issued to veterans far exceed the number of applications for loan guaranty, since many veterans request a determination of their eligibility even though they are not ready to purchase a home. This has been the pattern from the very beginning. Over the 25-year span of the home loan program, about one half of the certificates issued have actually resulted in loans. The certificate serves only as a medium by which VA certifies as to the eligibility of the veteran. Usually, the issuance of such a certificate upon the request of the veteran has little correlation with the timing of a loan made to him.



Actually, 114 loans were guaranteed by VA in Westchester County during the fiscal year ending June 30, 1969. There are, however, circumstances which have mitigated against high volume GI loan activity. Westchester County is the highest cost area of all 49 Counties serviced by our New York Regional Office. Further, in the present climate of tight mortgage money, supervised lenders usually limit their loans to depositors and regular brokers with whom they have done business in the past. Availability of mortgage funds is the principal determining factor and there is no question that mortgage money is now scarce. Discount points charged for making a GI loan are high and vary depending on the particular transaction involved.

A list is enclosed of the lenders currently willing to make GI loans in your District. Also enclosed is a list of the five United States Veterans Assistance Centers in New York State. Additional USVAC's are not planned at present.

In stating our plan for handling the increased workloads, I indicated in my letter of September 9 that we did not propose to expand our present network of regional offices. Further, that our best position at this time is to utilize the resources available to us for strengthening our existing facilities for service. By resources I mean both money and manpower—the elements essential to program administration. With limitations on money and manpower, there is substantially greater advantage to be achieved by increasing the capacity for production of the established offices and by concentrating manpower and funds in the operational areas where the need is greatest.

In the 1969 fiscal year just completed, budgetary outlays for the appropriation financing operations of VA hospitals and clinics were more than \$1.496 billion. This was \$277 million more than the amount obligated in FY 1966, which is the year used as a base in the Revenue and Expenditure Control Act. The staffing ratio in VA hospitals in FY 1969 was 120 employees per 100 patients, over 16 employees more than in FY 1966. There were 776,314 patients treated in VA hospitals in FY 1969, an increase of about 35,500 over FY 1966. Also in FY 1969, there were 6,947,046 outpatient medical visits, or about 765,000 more visits to hospitals and clinics than experienced in FY 1966. This is progress in all aspects of hospital operations.

We maintain constant surveillance over all VA hospital operations. Any demonstrated shortage of funds required for purchase of linens, drugs, medicines, or other commodities required for proper patient care is dealt with promptly by use of financial reserves available to each Regional Medical Director.

I would like to add one final thought to summarize this report to you. VA is taking positive action to stay on top of the near peak workloads that currently exist in the benefit program areas. We have requested and received increases in our average employment and operating funds.

The additional resources have allowed us to make significant improvements in such areas as timeliness of service. This is so, even with an unprecedented growth in many programs, such as the recent surge of those attending school under the current GI bill. You may be interested to know that there were over 783,000 trainees on VA rolls at the end of November. This is a 35% increase over November 1968. I assure you we will continue to work for further improvement in the quality of our service in all VA programs.

Sincerely,

FRED B. RHODES,  
Deputy Administrator

(In the absence of Donald E. Johnson, Administrator).

VETERANS' ADMINISTRATION HOSPITAL,  
Bronx, N.Y., May 25, 1970.

HON. RICHARD L. OTTINGER,  
House of Representatives,  
Washington, D.C.

DEAR MR. OTTINGER: I am sure your office has received inquiries concerning the article in Life Magazine about this hospital. Enclosed is a copy of my reply to the Editor. There is also enclosed a copy of the reply of the Administrator of Veterans' Affairs.

If there is any further information you wish, please let me know.

Sincerely,

A. M. KLEINMAN, M.D.,  
Hospital Director.

VETERANS' ADMINISTRATION HOSPITAL,  
Bronx, N.Y., May 20, 1970.

Mr. THOMAS GRIFFITH,  
Editor, Life Magazine, Time and Life Building,  
Rockefeller Center, New York, N.Y.

DEAR MR. GRIFFITH: In the interest of truth and in the hope of allaying the fears and deep concern which have been unjustifiably aroused in the American public by the article, "Assignment to Neglect", May 22, 1970, I trust that you will publish this letter. My comments are directed to the quality of care received by the spinal cord injury patients who are the subjects of the article, but they apply to our other patients as well.

The title "Assignment to Neglect" is a cruel misnomer. Our patients are far from neglected. Considering the handicaps under which we work the quality of care which our patients receive should be classed as "superb"—but we class it only as "good" because of certain handicaps. Yes, we do have shortcomings. The buildings are old, the physical layout of the wards is inefficient, space is limited, and personnel is small in numbers but enormously large in dedication and devotion.

Let us examine every picture of the article. Of the twelve patients shown about whom something is written, six are of Marke Dumpert. Some time ago Marke Dumpert was transferred to another hospital at his own insistent request. Shortly after his arrival there, he pleaded with us to take him back, which we did.

The cover shows Marke Dumpert as apparently very depressed. On page 25 Dumpert is pictured waiting "helplessly to be dried." Actually he had been wheeled under the shower by a nursing assistant assigned to this task, and after he had been partly lathered with soap, the assistant was asked to step aside by the photographer who wished to take this picture. The fact is that no patient is left under the shower after completion of the bath. All are wheeled away and dried immediately. This picture, like the others to be described, are posed to illustrate a point, but the point illustrated is untruthful as in this instance, or a partial or distorted truth in others.

The picture on page 25 shows quadriplegic patients (patients who are paralyzed in all four extremities) lying on Stryker frames in the enema room. The caption states that they "wait up to four hours to be attended by a single aide." This is a misrepresentation of the facts. These patients are given their enemas promptly after arrival in the enema room. However, unlike normal people who expel bowel contents shortly after receiving an enema, it takes most of these patients from one to two hours to do this. In a few patients the process may take up to three hours, very rarely four hours. And what are the patients doing during this interval? Some of them doze, others chat with one another, and still others may day dream. The patients may be left alone for short periods of time because they are securely strapped to the frames.

On page 29 Marke Dumpert is shown in three poses. In the bottom two he is shown being treated by therapists. The caption reads "hospital aides strap him into a brace so he can stand." This is a partial truth. The clinic in which this picture was posed is known as the ADL Clinic: i.e., activities of daily living are taught here. This is the first and in many respects perhaps one of the most important phases of rehabilitation of paralyzed patients when they are permitted to get out of bed. Many patients are fearful and must be given steady and repeated encouragement to make the physical effort. Dumpert was one of these but one of our nurses spent untold hours of her own time to encouraging him to make the attempt. He finally did, and now attends this clinic and others regularly. This picture then, although posed, reflects a truth about the care which our patients receive, but no one can tell from the caption that this treatment is excellent. It might have been a gracious and truthful gesture in the direction of some of the positives of our care had the caption so indicated.

The picture on page 30 shows a patient lying almost naked in bed. Also shown is another patient lying on a stretcher. The caption reads: "In a partitionless ward of the Bronx VA Hospital a disarray of dirty linen is allowed to pile up around a quadriplegic's bed while the patient himself lies naked, unable to clothe himself after a shower." The whole thing was posed. The patient is Marke Dumpert who was taken to his bed after the shower previously interrupted was completed. Every bed has a cubicle curtain which is drawn when the patient is being cared for. In this instance, at the direction of the photographer, all of the cubicle curtains were drawn back out of sight of the camera lens. The "dirty linen" consists of the sheet which had covered the patient when he was being wheeled back from the shower room plus a number of clean pillows. Paralyzed patients need many pillows to be placed around them by nursing personnel for proper body positioning and for both comfort and convenience.

The other patient shown in the same picture, a World War II veteran, was asleep when he was photographed. He resents bitterly the fact that he was photographed without his knowledge or consent. If awake, he says that he would have refused to give permission. He says he feels that the Bronx VA has saved his life, and is thankful for the care which he receives here.

The upper picture on page 31 shows a sleeping patient and, on the floor beside him, a mouse caught in a trap. We do not use traps in our campaign against mice which admittedly we do have. We used tested and approved methods for mice control. Construction of buildings in the vicinity of the hospital, and some construction on the hospital grounds involving excavation tend to chase field mice into the buildings.

With respect to rats, there has been only one complaint made by a patient. This occurred last August. There have been no subsequent complaints. One of our experts states categorically that mice and rats do not exist together. If there are mice, there are no rats, and vice versa. What may have been seen is a black squirrel. We have many squirrels on our park-like grounds, some gray, others black. One of the latter could have invaded the hospital.

The bottom picture on page 31 shows "a totally crippled patient who must depend on a buddy who still has the use of his arms to get a sheet thrown over him." This is totally misleading. Quadriplegic patients have lost the inner body controls of temperature which normal people have. They frequently prefer to remain with as few coverings as possible, and we permit this inside

the wards. The throwing of the sheet over the patient was the photographer's idea.

The final picture on pages 32 and 33 shows the enema room. On the right are two patients on Stryker frames while between them a hemiplegic patient in a wheel chair is giving a cigarette to quadriplegic patient Andrew Kmetz. The caption states that the patients are waiting for treatment. This is not true. Kmetz was dozing while the photographer was taking pictures of him. He awoke as Frank Stopiello in the wheel chair was wheeled in to pose, giving Kmetz the cigarette. Stopiello was an overnight patient who had been admitted for the annual complete checkup which we give to all of our ex-patients, and he himself was not in need of an enema. Kmetz was disturbed at the invasion of his privacy. Stopiello is one of hundreds of paralyzed patients in our follow-up program. These patients have been rehabilitated to a full life in their communities and they return to us by appointment once a year for a complete checkup. Is this neglect?

The left side of the same picture shows several trash cans, one of them seemingly bulging with trash. The latter can is protruding into the area occupied by the patients. The caption reads, "Because of overcrowding, they must share a corner with trash cans." The cans are needed in the room for disposal of the trash which accumulates in the process of giving and evacuation of enemas and subsequent cleaning up of the patients. However, the trash cans are segregated to one side of the large room, and a curtain separates them from the patient area. This curtain was pushed back and the overloaded can pushed towards the patient for misleading photographic effect.

I began this letter by expressing the hope that you would publish it in the interest of truth and in the hope of allaying the fears and deep concern which have been unjustifiably aroused. In concluding I wish to express my fear and concern that the article may lead to the title "Assignment to Neglect" becoming a self-fulfilling prophecy. The staff on the spinal cord injury wards who work so hard with such difficult patients to achieve the wonderful results that they do have become thoroughly disheartened by the article. Staffing these wards has always been difficult, people frequently refusing to accept assignments there. As attrition occurs, it may become even more difficult to recruit replacements. Without an experienced staff, these patients cannot be treated. Neglect, now untrue, may become true later. But I have faith in the spiritual strength of our staff and in their ability to overcome their disheartenment. I also know that sensationalism in the press usually has only short term effects. I hope that your article will prove to be no exception to the rule.

Yours truly,

A. M. KLEINMAN, M.D.,  
Hospital Director.

MAY 20, 1970.

From: Administrator, Veterans' Administration Central Office, Washington, D.C.

Life Magazine of May 22 carries an article on VA Medical Care. With its nearly nine million circulation the Publication reaches every community in America and may lead to inquiries at your Station. Following for your information is the text of my telegram of this date to the Editor of Life.

From the obviously contrived cover page and staged hospital photographs right down to every biting word of the denunciatory narrative, the article in the May 22, 1970 issue of Life Magazine gives a totally distorted picture of Veterans Administration Medical Care.

Thus, it serves to needlessly alarm present and prospective patients to discredit the competent and dedicated staffs at VA's 166 Hospitals, and to make more difficult the

recruitment of medical staff your article says we so sorely need.

The article describes the VA Hospital system as the biggest in the world, and yet in your zeal to condemn, you could not find one good word to say about any part of this vast program.

The reporter held a nearly 90-minute interview with me in my capacity as head of the VA. What survived of this in-depth interview was a single two-line sentence in the final article, and even this one sentence contribution was airily dismissed in the next sentence of the story.

Your staffers visited the Washington, D.C., VA Hospital on three separate occasions, talked freely to many patients including severely disabled Vietnam veterans, and shot scores of photographs, many of a 22-year-old Vietnam amputee in his treatment routine.

Could the fact that all of these veterans voluntarily praised VA Medical care be the reason that not one word or one picture about these veterans appeared in Life?

Could it be that of the 800,000 veterans treated each year the one complaining patient featured by Life—who condemned his country as well as VA care—better fitted the story Life wanted to tell?

The truth is that each month VA Hospitals receive literally hundreds of unsolicited letters from veterans and their loved ones expressing gratitude for the excellent VA care these veterans received.

Life describes the VA system as a medical slum. Here are just a few facts about this so-called slum—facts that were given to Life, but withheld from its readers by the Magazine.

All of VA's 166 Hospitals are fully accredited by The Joint Commission On Hospital Accreditation, which is composed of representatives of The American Medical Association, The American Hospital Association, The American College of Physicians, and The American College of Surgeons.

The basic VA Medical Care Budget for the current Fiscal Year of \$1,541,701,000 is by far the highest in all VA history. President Nixon has already asked Congress for \$210,000,000 more than even this record sum for the Fiscal Year starting next July 1. The extra money will permit the addition of more than 5,700 employees to our hospital staffs.

VA Hospitals are affiliated closely with nearly every major medical school in the nation, an invaluable partnership that permits VA to keep abreast of the best and most sophisticated medical care.

VA Hospital staffs are not only hard-working and completely dedicated to the proposition that our sick and disabled veterans will never be forgotten or neglected (as charged in the Life article), but include many of the real experts in American Medicine, more than 2,200 of VA's 5,100 physicians are Board Certified Specialists as the result of three to five years extra medical training.

All of this is not to say that the VA medical system cannot be improved just as every other medical program should seek improvement. We are committed to constant progress and improvement, for it is our goal to provide the very best possible medical care to every eligible veteran.

SPEAKER McCORMACK

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 26, 1970

Mr. DULSKI. Mr. Speaker, I appreciate this opportunity to make these very personal remarks to you in the light of

the decision that you have made regarding your political future.

I want to join my colleagues in expressing to you in this public way my high esteem for your devoted public service, especially the devotion which you have shown over the years to this House in its role in our Federal Government.

Even during my relatively short tenure in Congress, I have seen many of my colleagues voluntarily give up their membership to seek office in the other body, or in other governmental positions, elective or appointive, at the Federal, State, and local levels.

As you have said, you had that chance, too, to move to other elective offices, such as the other body. But you chose to remain in the House.

Mr. Speaker, I share fully with you your feeling that the House of Representatives is truly the voice of the people of our Nation. To be a Member of this House is a great honor and a great responsibility.

To be the Speaker of the House, as you have been for 8 years, is indeed the achievement of the top rung of the ladder in legislative government. Under the law of presidential succession enacted in 1947, it is the No. 3 position in our Federal Government, two heartbeats away from the Presidency.

Mr. Speaker, you are and have been performing the functions of your office with dignity, with devotion, with respect. No one can ask more. No one would expect less.

It has been not only a great honor, but also an education for me to have worked with you both as a Member of the House and as chairman of one of its committees. I share your respect and devotion to this great legislative body.

I cannot close without saying a word about your great love and devotion to your bride of many years. Your continuous attention to her needs, while still performing the duties here, is a model of dedication which all should envy and which, I am sure, should and does give you great personal satisfaction.

THOUGHTS FOR THE WHITE HOUSE  
CONFERENCE ON AGING

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. HAMILTON. Mr. Speaker, preceding next year's White House Conference, congressional conferences on aging are now taking place across the country. My remarks to the Southeastern Indiana Conference on Aging, held May 29, 1970, follow:

THOUGHTS FOR THE WHITE HOUSE  
CONFERENCE ON AGING

The Bible says to speak sound doctrine to older citizens. If I do, certain things will follow:

Older men will be temperant, serious, sensible, steadfast.

Older women will not be slanderous or slaves to drink. They will teach what is good, train young women to love husbands and children, be sensible, kind, submissive.



All these things will happen, says the Bible, if I speak sound doctrine. I doubt very much if what I say today accomplishes all these things or even any one of them.

But if I do not measure up to Paul's letter to Titus (where that advice appears), I know I shall count it worthwhile that we have come together to think about our concern for Older Americans.

#### WHO IS THE OLDER AMERICAN?

The statistics are well known: There are 20 million of them, men and women, age 65 or over, nearly 1 out of 10 Americans.

Thirteen thousand of them have passed their 100th birthday.

One American reaches 65 years of age every 20 seconds and each day more than 3900 Americans celebrate their 65 birthday.

They include:

The rich and the poor.

The educated and the untaught.

The hale and the sick.

The skilled and the unskilled.

Our older citizens constitute a larger proportion of the nation's population than the total of our 20 smaller states.

By the turn of the century there will be more than 28 million of them in America.

Their annual aggregate income is almost \$60 billion.

Nearly 80 percent of them live in households of their own and only 4 percent live in institutions.

They have serious problems of income, health care, housing, unemployment, and the lack of opportunity to pursue a meaningful activity.

Ninety percent of them receive Social Security benefits and only 13 percent of them continue in the labor force.

They are faced with declining income. Today there are over 5 million older people whose income is below the OEO-established poverty level. Forty percent are poor or getting there fast.

Their health costs are considerably higher than those of younger persons. Over 80 percent have chronic conditions, disease or impairment. Thirty-three percent of all the long-staying patients in U.S. mental hospitals are over 65.

What have they done?

All of us know the tremendous contributions made by older citizens of the nation and of the world.

Winston Churchill, Prime Minister of Great Britain at 81.

Clara Barton, president of the Red Cross at 83.

Robert Frost, writing poems after he turned 80.

Oliver Wendell Holmes, Justice of the Supreme Court until he was 91.

Connie Mack, managing the Philadelphia Athletics at 88.

Toscanini, conducting the National Broadcasting System Orchestra at 87.

Frank Lloyd Wright, designing the Guggenheim Museum at 86.

John Wesley, preaching at 88.

I can remember 3 older Americans who have taught me great lessons.

Barrett O'Hara from Illinois, until he died, the oldest member of the House of Representatives—stooped, shuffling, crippled, but kind, optimistic, forward looking, interested, constructive.

I think of Mr. Essary who, at the age of 85, planted an apple orchard, expecting to see it bear fruit.

I think of a neighbor who is learning to play the piano at 83. I doubt very seriously if she plays in Carnegie Hall, but she will bring pleasure into her own life.

I think of another friend who is studying Spanish at 70, and another who is painting remarkable paintings at 86.

But most of all I remember scores and scores of older Americans—many of them

in this room—who continue to live constructive, productive lives—despite some very formidable personal handicaps.

How are they doing?

A quick surface view indicates that they are well taken care of.

After all, they have Medicare and Medicaid. They have the Older Americans Act, passed by the Congress 5 years ago. They have a Select Committee on Aging in the Senate. They had a White House Conference on Aging during the Kennedy years and another is planned in 1971. And on top of all this, they have Social Security.

So why should they kick?

They have a number of reasons to kick.

The scope of Medicare is not designed to cover comprehensive care at present. Certain kinds of care (dental, podiatry, annual check-ups, prescription drugs) have not been included in Medicare. Neither is long term nursing care. As for Medicaid, states vary tremendously in such things as the services offered and the red tape to be endured.

The Administration on Aging is low on money and political clout. It deplores the lack of a national policy on aging but really has done very little else.

Social Security benefits are barely keeping up with the cost-of-living increases and certainly not providing any real improvement in the living standards of our senior citizens.

This month is Senior Citizens Month. The tendency is to tip the hat and pat the old folks on the back. But that is an empty gesture because too many of our elderly today are ignored, maltreated, incurably ill, or stashed away.

#### A NEW APPROACH

We've got some major thinking to do about older citizens in this country. The elderly can be very useful.

The notion that older citizens are ready to be put on the shelf is about the silliest form of prejudice that still exists.

We all know remarkable examples of older people who are still living productively.

I think of:

Fletcher Low, once a college professor, once a pitcher for the Boston Braves, who is a 73 year old Vista Volunteer, tutoring Job Corps Men in Tennessee.

Catherine Nutterinville is a retired teacher, working to teach young slum dwellers their rights and responsibilities under the law. She is 79 and has begun a new career in public service.

Nora Hodges, 69 year old school teacher from New York City, has been teaching for 2 years in Tunisia.

We need to reject the idea that retirement is a status. It is more realistic to think of retirement as a process that is gradual. Prepared for over a period of time, and into which we should build the picture of change of career during a lifetime.

What is most needed is a drastic change in attitude. We have to get away from the callous notion that old people are nice and have done their part, and should now be put on a shelf or sent to Florida or stashed away in an old age home.

Other nations don't do this. In fact they do just the reverse. The old are honored for their wisdom. They are employed for their talents.

America has to begin to move in that direction. Our attitude must change so that retirement from active productive living should be by choice and not by the compulsion of age. Many of our older citizens have no desire to stop work. They want to be useful. Social Security and retirement benefits are not a satisfactory substitute for a pay check. Many who are able to work need to work and want to work, but modern methods of business and government and industry deny them the opportunity to do so. What are we doing?

In recent years, the Congress has become increasingly concerned on how to improve the lives of our older citizens.

Medicare and Medicaid were landmark legislation for the elderly enacted in 1965. We hear much today about the problems which have risen with these programs, but the fact is that they have made possible good medical care for many over 65 who would have been unable otherwise to obtain the medical attention they needed. These programs have removed the worry and the burden of staggering medical bills from thousands of our senior citizens.

We have heard the Older Americans Act of 1965. This established the Administration on Aging which has served as a focal point for the Federal Government's concern for its older citizens. It authorized:

A partnership for action on aging between the governments on Federal, State and local levels, with matching grants to make that partnership effective.

A program of research and demonstration to provide information and understanding needed to take effective action for older Americans.

Training programs to provide the large numbers of trained personnel needed to serve in programs for this age group.

I must confess my own distress to know that our own state of Indiana is only one of three states in the nation that have not met requirements of federal laws for receiving federal grants for state and community programs on aging under the Older Americans Act of 1965.

That means that we have not benefited from about \$850,000 in funds allocated to this state. This sum would have enabled us to initiate about 30 projects in 1969, serving 20 to 25,000 older citizens.

And, of course, there has been Social Security. There was:

A 7 percent increase enacted in 1965 along with the Medicare and the Medicaid programs.

An increase of 18 percent enacted in 1967. Only a few months ago, December 1969, there was a 15 percent increase enacted.

The House of Representatives passed just recently a 5 percent increase, together with a cost of living increase, effective January 1, 1971.

You might like to know the importance of Social Security payments in the 9th Congressional District. In 1969, 60,982 recipients in the 16 counties of the 9th District received a total of \$5,020,000.

Another piece of legislation affecting older Americans is the Manpower Development and Training Act. Under it the Congress specifically directed the Dept. of Labor to look into the possibility of retraining older workers to continue productive income. The Dept. is working on it and reports encouragement.

There is other legislation, of course, that has older persons especially in mind, including research programs on heart disease, stroke and cancer.

But I don't think any of us in the Congress are satisfied. We are very much aware that our efforts have not been adequate and that we have not met fully the challenge of the aging in this country.

#### PROBLEM OF INCOME

Inadequate income is the number one problem for older people in this Nation—a deepening crisis.

The average Social Security benefit meets less than 1/3 of the needs for retired couples.

The gap between workers income and retirement income is widening.

First, we must address ourselves to more adequate Social Security benefits. The amount of income older people can earn without a reduction in benefits has to be increased. The Social Security amendments

passed in the House of Representatives just a week ago will help provide adequate income:

(1) Social Security payments to 26.2 million beneficiaries would be increased by 5 percent beginning for the month of January 1971 payable on February 3, 1971.

(2) The retirement test, which provides for reducing benefits of Social Security beneficiaries who have earnings, would be amended by increasing the annual exempt amount from the present level of \$1680 to \$2000. For each \$2 of earnings up to \$3200, the recipient's benefit would be reduced by \$1. For each \$1 of earnings over \$3200, a beneficiary would lose \$1 in benefit payments.

(3) Cost of living clause—The amendments would also provide automatic cost-of-living increases. Social Security benefits would be geared to rising prices, and the tax base would be geared to rising wage levels.

Private pension systems must also be improved and employment opportunities explored.

Work—Our older citizens have a treasury of skills and experience that could be used in so many ways in every community. We must find a way to put them to work effectively. I don't know any Older American who wants to collect his Social Security and retire. They want to be constructive and productive.

The cost of age discrimination in employment involving workers 45 years or older is estimated at 4 billion dollars a year.

Myths—We continue to believe one myth after another to justify age discrimination in employment.

(1) We believe the myth that a young labor force guarantees greater production and less overhead. That may be true in case of a man operating a jack hammer but there are all kinds of occupations where the elderly are just as productive as their juniors.

(2) We believe the myth of the heavy cost burden involved in hiring the elderly. Department of Labor studies show that putting an older worker on the payroll, including all the fringe benefits, costs only 5 cents an hour more than it would to put a younger person on.

(3) We believe the myth that older workers are absent from their job more than younger workers. The very opposite is true. Studies show that the attendance of the elderly is good. Often better than their juniors.

It is estimated that one and one half to two million men and women over age 65 are capable of part-time or full-time employment if employment were only available to them.

It is simply incredible that we have permitted our society to become so youth oriented that the job market starts to close after a person reaches 40 years of age.

MDTA—We must get our manpower training programs in order. These programs discriminate sharply participating in manpower programs in 1968, approximately 64 percent were age 21 or less and 4 percent were age 55 or over, even though both age groups are the same proportion of the work force.

AIDES—I support legislation to launch a nationwide program providing men and women over 55 years of age with low income gainful employment in community service.

This program is working today under a program sponsored by the National Council of Senior Citizens. It is called the Senior AIDES Demonstration Program and it is operated with anti-poverty funds.

It allows senior aides to earn an average of \$2 an hour for 20 hours a week. It has shown the many benefits to the elderly and general public that result from making use of the skills, knowledge, and experience of the low-income elderly in community betterment.

RSVP—I also support the retired service volunteer program (RSVP), authorized by

the Congress in the amount of \$5 million per year, but not supported by the President. This program could have put a lot of our senior citizens to productive work.

#### Health

Health care remains one of the most critical concerns of older Americans. Everywhere I go, I hear of the crushing costs of medical care. Many things need doing—let me mention only one.

Older people need prescription drugs more than any population group. It is estimated that annually the elderly obtain about 250 million out-of-hospital prescriptions at a total retail cost of almost \$1 billion.

These persons with limited income, limited savings, and minimal amounts of health insurance face staggering drug costs.

That is why many of us would like to see all drugs and medication prescribed by a doctor covered under Medicare. This would relieve the elderly of a burden of hundreds of millions of dollars a year, expenses which in some instances run well over \$100 a month.

#### Priority of legislation for older Americans

Finally, I am concerned about the low priority the President gives programs for the elderly.

Last year, the Congress authorized \$62 million for the Administration on Aging, but the President requested only 45 percent of that amount.

This year, the Congress authorized \$85 million in appropriations, but the President has only requested 37 percent of that amount.

This reflects a low level of concern for the needs of the elderly. Funds have been slashed for employment programs and for next year's White House Conference on the Aging so that there is barely enough money to run the 4-day conference. It provides nothing, for example, for preplanning by state and local governments.

This is not the direction to go if we are to deal adequately with the critical problems of older Americans.

#### CONCLUSION

So I am here this morning really—To ask for your help.

To ask that you continue with renewed dedication and zeal in your home, shop, churches, schools, clubs, and with your friends to create a climate beneficial to our older citizens.

We have to respond to the challenge of assuring older Americans of adequate income, good health, suitable housing, and an opportunity to pursue meaningful activity.

The performance of recent years permits us some small amount of pride, but the challenge of today must give us energy, dedication and commitment to get on with the job of creating a better America for our older citizens.

#### TITLE I, ESEA

### HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. WYDLER. Mr. Speaker, recently I introduced a bill, H.R. 17634, which would amend title I of the Elementary and Secondary Education Act to make it abundantly clear that the funds under title I are intended for the children from poor families in our country.

This was always my understanding of what the law was intended to be. Unfortunately, confusion has arisen over interpretation of the law.

My bill would end this confusion and see that the victims of poverty are the recipients of the funds.

Mr. Kevin M. McCarthy, director, title I, ESEA, of the Economic Opportunity Commission of Nassau County, N.Y., with whom I worked on this legislation, wrote an incisive and comprehensive study of title I.

I commend his statement, which follows, to all my colleagues:

#### TITLE I ESEA

(By Kevin M. McCarthy)

Poverty, ignorance and neglect are not new to the American society. Poverty, ignorance and neglect are ever ancient and ever pressing problems that have had dire effects on the social and economic conditions of this nation for many years.

During the past several years, various pieces of federal legislation have attempted to conquer the root causes that have given birth to many of this country's social ills. Such legislation included the Manpower Development and Training Act, the Mental Retardation Facilities Act, the Vocational Education Act, and the Economic Opportunity Act. However, it has been recorded that "none of these attacked the broad educational problems of poverty's children".<sup>1</sup> In response to this need, former President Lyndon B. Johnson signed into law the monumental Elementary and Secondary Education Act of 1965.

It was the policy of this Act to declare that Title I was to provide financial assistance . . . to local educational agencies serving areas with concentrations of children from low-income families to expand and improve their educational programs . . . (to meet) the special educational needs of educationally deprived children.<sup>2</sup>

To reinforce this concept, the U.S. Senate Committee on Labor and Public Welfare highlighted that the mission of Title I involves overcoming the educational deprivations of children who are the victims of poverty. It is incumbent upon Federal, State, and local officials to assure that the funds are concentrated on the priority needs of poor children and are not diverted to meeting other needs of school systems, however pressing these other needs may be.<sup>3</sup>

Since the passage of Title I (ESEA) in 1965, numerous concerns have been raised by many organizations and individuals over the merits of Title I programs. Many of these same organizations and individuals have noted that far too often Title I programs have not serviced or even attempted to meet many of the special educational needs of "children who are the victims of poverty". If so, the "mission of Title I" has not reached its mark. And yet, the Congress of the United States recently passed the 1969 amendments to Title I (ESEA), P.L. 91-230, authorizing spending over the next three fiscal years.

A recent report revealed some rather startling and shocking information concerning Title I (ESEA). Included were the following:<sup>4</sup>

1. The intended beneficiaries of Title I—poor children—are being denied the benefits of the Act because of improper and illegal use of Title I funds.

2. Many Title I programs are poorly planned and executed so that the needs of educationally deprived children are not met. In some instances there are no Title I programs to meet the needs of these children.

3. State departments of education, which have major responsibility for operating the program and approving Title I project applications, have not lived up to their legal responsibility to administer the program in conformity with the law and the intent of Congress.

Footnotes at end of article.



4. The United States Office of Education, which has overall responsibility for administering the Act, is reluctant and timid in its administration of Title I and abdicates to the States its responsibility for enforcing the law.

5. Poor people and representatives of community organizations are excluded from the planning and design of Title I programs. In many poor communities, the parents of Title I eligible children know nothing about title I. In some communities, school officials refuse to provide information about the Title I program to local residents.

This concern that Title I (ESEA) services may not be reaching those "children who are the victims of poverty" is given recognition in New York State, currently receiving more than \$170 million in Title I financial assistance. The New York State Education Department, employing a definition of the phrase "educational disadvantage", may actually discriminate against those "children who are the victims of poverty". In one publication, it is remarked that "the primary criterion in considering educational disadvantage is the reading level".<sup>1</sup> While recognizing that "reading is basic to school progress", a perversion in priorities may exist when health conditions are ranked last—"prerequisite to learning is the satisfaction of basic needs. The availability of food, sunshine, clothing, and proper living conditions are the essentials of providing opportunities for learning."<sup>2</sup>

The New York State Education Department permits local school districts to utilize Title I (ESEA) financial assistance to service the "educationally disadvantaged". And this is defined by the reading level. Such a practice serves to allow local school districts to develop Title I programs that concentrate on improving the reading levels of all children... not "children who are the victims of poverty".

Title I (ESEA) should provide the most meaningful and beneficial programs possible. Title I (ESEA) has been described as experimental and innovative in nature and school districts must seek new ways of conquering the ever ancient and persistent problems in the realm of poverty, ignorance and neglect. When a program has proven successful, educational agencies should subsume the burden of continuing the program and utilize Title I funds to develop other purposeful and relevant projects. In this way, contributions are made not only to the local districts but to the community at large.

In the President's recent "Education Message" to the Congress, Mr. Nixon called for "more efficient use of the dollars spent on education".<sup>3</sup> More efficient use of the educational dollar and direct quality improvement of educational services may only serve to enrich this country's entire educational system. Title I (ESEA), if properly administered and utilized by this nation's school systems, would be a step in this direction.

Cognizant that many Title I (ESEA) programs have made no noticeable effort to meet the special educational needs of "children who are the victims of poverty," U.S. Representative John W. Wylder of New York introduced an amendment to Title I (ESEA) on May 14, 1970. Congressman Wylder's Bill (H.R. 17634) would insert the phrase "from low-income families" after the words "educationally deprived children" appear in the Act. The insertion of these words would insure that Title I funds are indeed directed to meeting the special educational needs of poor children and not to meeting other needs of school systems.

At this time, the members of the Congress are urged to give serious thought to Title I of the Elementary and Secondary Education Act. The members of the Congress who voted for the legislation in 1965 are asked whether they had voted for a program designed to alleviate the plight of the nation's poor or

for a program of "general aid" to school districts? Those members of the Congress who voted for the extension of the Act in 1970 are asked whether they voted for a program that would assist "children who are the victims of poverty" or for a vehicle that in many instances does not do justice to children of low-income America?

The members of the Congress are asked to grant serious thought to Congressman John Wylder's timely amendment. "Band-aids for the needy" must not become the rallying cry for the implementation of Title I programs nor for existing programs that aim to cure the social ills of this country. The poor child was not rediscovered through Title I. The poor child has been and will continue to remain with society as long as society chooses not to cure its self-perpetuating diseases that continue to infect a healthy social climate.

The onus for effective Title I (ESEA) programs in this country rests with all of its citizens. However, the members of the Congress are now given the opportunity to insure that Title I becomes a meaningful reality and that Title I does in effect assist poor children and their families to help themselves to break the inherent cycles of poverty and neglect.

#### FOOTNOTES

<sup>1</sup> *History of Title I (ESEA)*, US Department of Health, Education, and Welfare, (US Government Printing Office: Washington, D.C., 1969), p. 1.

<sup>2</sup> Section 201, P.L. 89-10 (parenthesis added).

<sup>3</sup> *Report of the Committee on Labor and Public Welfare—United States Senate—on H.R. 514, Senate Report No. 91-634*, (US Government Printing Office: Washington, D.C., 1970), p. 10 (emphasis added).

<sup>4</sup> *Title I of ESEA—Is It Helping Poor Children*, Washington Research Project and NAACP Legal Defense and Educational Fund, Inc., (Washington Research Project: Washington, D.C., 1969), pp. ii-iii.

<sup>5</sup> "Identification of the Educationally Disadvantaged," NY State Education Department, (State Education Department: Albany, N.Y.), p. 6 (emphasis added).

<sup>6</sup> *Ibid.*, p. 10.  
<sup>7</sup> *Congressional Record*, Vol. 116, No. 31, March 3, 1970, (U.S. Government Printing Office: Washington, D.C., 1970), p. H1405.

#### QUESTIONS ON INVASION OF CAMBODIA: II. U.S. LOSSES AND EFFECT ON VIETNAMIZATION

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. FRASER. Mr. Speaker, the administration argues that only limited gains will be made by the Communists in South Vietnam during the Cambodian invasion and resulting American casualties will be fewer over a long period of time.

With the invasion of Cambodia by American and South Vietnamese troops it is evident that there has been a reduction in the South Vietnamese troops available to relieve American in Vietnam. This seems in direct conflict with the success of the President's Vietnamization program and therefore endangers hopes of the safe return of American troops.

Prof. George Kahin of Cornell University, explains this in the following answers to questions prepared by the administration:

PROF. GEORGE KAHIN OF CORNELL EXPLAINS

The Administration's question: Will this action (the American intervention in Cambodia) affect pacification and Vietnamization adversely by pulling ARVN and U.S. forces out of South Vietnam?

The Administration's answer: One cannot assume that the enemy will be able to take advantage of the situation in this fashion since we have some indications that they are also giving priority attention to protecting base areas in Cambodia.

We believe that in any case we will gain, because in the long run damage to the bases will be greater and hurt the Communist effort in South Vietnam more than whatever limited gains in South Vietnam they might be able to make during this action.

This is the unanimous judgment of our responsible military leaders.

Another answer: If it is true, as both Saigon and Washington now assert, that Vietnamization cannot succeed without denial of eastern Cambodian districts to the enemy, then the Administration has no alternative except to occupy these areas with South Vietnamese and/or American troops, and to make a major and continuing commitment to shore up the Lon Nol government.

This means that the scope of the war has been greatly expanded without any significant change in the balance of forces.

The South Vietnamese army, whose capacity to defend even South Vietnam is still critically dependent upon American military forces, is now called upon to spread its resources ever more thinly in longterm ground operations over half of Cambodia.

It is clear that the number of Vietnamese soldiers available to relieve American manpower in Vietnam is now drastically reduced. To extend assignment of Saigon's forces to wide areas of Cambodia makes a travesty of whatever prospects for success Vietnamization might have enjoyed had the role of Saigon's troops been confined to Vietnam.

Since Vietnamization means substitution of Vietnamese soldiers for Americans, it is clear that the process set in motion by the Cambodian invasion works directly against prospects for achievement of that policy and bringing American soldiers home.

The Administration's question: The President has always wanted to keep U.S. casualties low, and has made a point of his ability to do so. Will these operations not raise U.S. casualties substantially?

The Administration's answer: These operations will reduce a threat to our forces, and thus over time lead to fewer total casualties.

Our answer: These operations increase the threat to our forces because the invasion of Cambodia extends the area of conflict and prolongs the war.

Nothing prevents the NLF and North Vietnamese forces from reoccupying their border bases unless the South Vietnamese or American forces occupy them permanently. Withdrawal from the border areas by the allies means the Communists will reoccupy and resupply them during the rainy season. Since their force levels have not been substantially reduced by contact with allied forces during the invasion, the threat posed by them will not be significantly reduced. If the South Vietnamese choose to remain in Cambodia east of the Mekong, as President Thieu has indicated they will, this means the outer boundary of conflict has shifted far westward.

Thus enemy bases will be closer to American sanctuaries in Thailand and Laos, and South Vietnamese resources will be stretched over an area which is much larger than the pre-April 30 battlefield. Thus Vietnamization will be retarded and schedules for American troop withdrawals drastically slowed unless South Vietnam itself is denuded of minimal protection against attack. Widening the war

means slowing down Vietnamization and keeping American advisors and troops in the field longer. It is difficult to understand how expanding and prolonging this war will save American lives.

## REPRESSION IN BRAZIL

HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. RYAN. Mr. Speaker, recently both the Washington Post and Christianity in Crisis have carried articles concerning the military government in Brazil. These articles report harassment, imprisonment, and torture of many Brazilian citizens because of their efforts to bring reform to their country.

William L. Wipfler, in his article entitled "The Price of 'Progress' in Brazil," which was published in the March 16, 1970, issue of Christianity in Crisis, concludes:

Regardless of what its impact in Brazil may be, we must not—cannot—any longer allow our Government and business to quietly support a type of government that we—and prior to certain recent erosions of our own civilization in the past at least—have regarded as contrary to our way of life. What Brazil does is ultimately her own problem; what we do to support, and thereby encourage, her dehumanizing policy of repression is our problem. Brazil—a nation that has made significant contributions to international culture—may be losing the respect of the nations of the world, but we can only wonder how much greater is her loss than ours.

In his article entitled "The Brazilian Church May Be Christian After All," in the May 4, 1970, issue of the Washington Post, Colman McCarthy states:

No doubt exists any longer that the military men running Brazil are stylists in torture, violence and hounding.

Leonard Greenwood also reports in a May 13, 1970, article in the Washington Post of repression of the Brazilian scientific community.

I commend these articles to my colleagues:

[From Christianity and Crisis, Mar. 16, 1970]

THE PRICE OF "PROGRESS" IN BRAZIL

(By William L. Wipfler)

(NOTE.—William L. Wipfler, who became acquainted at first hand with the problems of torture while serving as an Episcopal missionary in the Dominican Republic during the Trujillo era, is Assistant Director of the Latin America Department of the National Council of Churches. To the best of our knowledge, this is the first full-length article documenting torture in Brazil to appear in this country.)

"Terror and Torture in Brazil" is the brief and dramatic title of a dossier that has been submitted to the Vatican by a group of 61 Belgians, Frenchmen and Italians. In sharp, brutal detail it sketches the portrait of a military dictatorship that has initiated a systematic and inhumane process of repression in the name of progress. The dossier contains 11 statements that testify to the torture and murder of so-called "political" prisoners, but these represent only a small percentage of the documentation that is now available from Brazil, smuggled out with great danger to those involved in its preparation.

The present tragedy is the latest stage in a gradual shift toward fascism that was initiated by a military coup in March, 1964. For four-and-a-half years the generals and colonels manipulated the political scene. In 1966 three different elections were arranged so that the Government could increase its power through a pseudo-democratic process. Opposition was driven out of the political arena, and only "candidates" approved by the Government could be assured of election. Congress became a virtual rubber stamp with only a few courageous voices of opposition raised in its sessions. Finally in December, 1968, the last façade of democracy was removed with the closing of Congress and the granting of total power to the President-General.

What has been accomplished by the military during its six years in power? An article in the *Wall Street Journal* entitled "Military 'Hard-Liners' Are Expected to Block Revival of Democracy," (Dec. 31, 1969) offered a succinct evaluation.

"Brazil, a nation that has prided itself on personal freedom and libertarian traditions, is living under a dictatorship. The military's 'revolution' didn't begin that way, however. . . . Their takeover, it is implied, was a necessary and temporary intervention for the good of the nation. But after five-and-a-half years of military government, the pledges to step aside look increasingly hollow to analysts here. . . . The military government . . . has done much to curb inflation (1964 rate: 85 percent; expected 1969 figure: 23 percent), stimulate economic growth and lure foreign investment, but despite such progress there remains abundant misery among Brazil's 90 million citizens.

"Brazil has enormous natural resources, but the per capita income hovers around \$350 and many millions live outside the money economy altogether. Real income has been falling. Less than half the population is literate. Health, education, sanitation and other vital services are sadly inadequate in most parts of the country. The government could not be called popular."

In short, the price for "stability" and "progress" is becoming exceedingly high for most Brazilians.

The rights and liberties of Brazilian citizens have been radically curtailed during the past 14 months by a series of National Security Laws promulgated by decree. One of these, Institutional Act Five, suspended habeas corpus, ended civilian participation in government, severely limited freedom of the press, and effectively muzzled dissent.

In order to control opposition, hundreds of prominent citizens, including a past-President, 94 congressmen, several state governors, dozens of minor officials and journalists were deprived of their political rights for ten years. Seventy professors were dismissed from the Universities of São Paulo and Rio de Janeiro without explanation. Hundreds of students were expelled from the universities for three to five years, and others were sent to prison by military tribunals. (Ed. Note: Readers may recall an earlier discussion of such acts by Richard Shaull in "Repression, Brazilian Style" in our July 21, 1969 issue.)

## FACTS FOR ALL—BUT THE U.S.

Repression and terror have increased substantially. Untold numbers of persons have fallen victim to the arbitrary violence exercised by the police and military. Stories of mass arrests and the inhumane treatment of the opponents of the Government have filtered out of Brazil for about a year. And then, through one of those strange inconsistencies that appear even under the most efficient of repressive mechanisms, the facts came into the open. During the first ten days of December, 1969, the Brazilian press bombarded the public with reports of the torture and abuse of political prisoners. Many of these same prisoners gained new courage

and signed detailed affidavits revealing the indignities and suffering they had undergone.

Brazil was shocked. Prominent citizens called for a serious investigation. The President-General vowed to look into the matter personally. And then suddenly there was a new silence. Reports and commentary on arrests and the treatment of political prisoners were prohibited unless provided by the Government. These were considered "national security" matters; laws covering them included:

"Article 16. It is a crime to publish by any means of social communication news that is false, tendentious or that contains distortions which turn the people against the constituted authorities. Punishment shall be detention of from six months to two years.

"When such publication would provoke public disturbances or would endanger the image, authority, trust or prestige of Brazil, the punishment shall be detention of from two to five years.

"Article 34. Slander, because of political bias or nonconformism, of the character of someone who exercises a position of authority shall result in a punishment of solitary confinement of from two to four years.

"If this crime is committed through the press, radio, or television the punishment shall be increased by half.

The threat was too grave. The media capitulated.

Since December the documentation of specific cases of torture has been finding its way out of Brazil in increasing quantity. Included in this are a number of the declarations signed by victims during the brief period of hope. In Europe, especially in France, Germany and England, the situation has been widely publicized and commented upon in both the religious and secular media.

A lengthy article in *Der Spiegel* (December 15) caused widespread dismay in West Germany because of the echoes of its own Gestapo nightmare. The full text of the dossier sent to the Vatican was published in the January issue of the French magazine *Croissance*. Numerous articles and editorials have appeared condemning the Government of Brazil and calling on responsible leaders to take action against it similar to that taken by the European community against Greece.

With few exceptions, however, this has not been the case of the media in the United States. When the subject has not been ignored altogether, articles in most of the major newspapers and periodicals here leave the impression that the use of torture has been limited to application against "terrorists" and "Communists," or has been only a sporadic occurrence in a particular area.

Increasing evidence shows, nevertheless, that torture is widely and indiscriminately used against those who are apprehended in alleged anti-Government activities, against members of their families who are tortured in order to weaken the prisoner, against persons who may have associated with the suspected individuals, or against those who are themselves only suspected of being critical of the Government. Furthermore, the reports now available show that many of the methods of torture are identical throughout the entire country and must be attributed to official activity rather than the whim of an over-zealous interrogator.

## THE 16 AT ILHA DAS FLORES

Many tortures will never be reported. Some of the victims are dead or insane, large numbers are still imprisoned, and many who are out of jail fear the repetition of their experience and will not testify. Others, however, are ready to take the risk of denouncing the atrocities committed against them or that they have witnessed in the hope that public and international pressure will bring these inhumane acts to an end.



The concluding paragraph of a statement signed by 16 women at Ilha das Flores, a prison in the Rio de Janeiro harbor, is typical of this courageous stance:

"We know that our present attitude denouncing tortures, can spark reprisals against us. We fear, for it would not be the first case of the simulation of an escape or a suicide to try to hide the truth we are now stating. We call the attention of all those interested in finding out the truth and in punishing the guilty to the fact that we are at the mercy of all types of violence, and need now, more than ever, the decisive help of all."

They had prepared their declaration, they said, "at a moment when the Brazilian public begins to be informed about the atrocities committed against political prisoners in our country and still may doubt that these crimes are really happening." Each of the 16 had been tortured. The following details are taken from their report:

"Zileia Resnik, 22, arrested on June 5, 1969, accused of belonging to the MR8, a revolutionary organization. She was kept incommunicado for 45 days during which time she was frequently beaten.

"Resane Resnik, 20, Zileia's sister, arrested on the same charges on July 27, 1969. Stripped naked by her torturers, she was beaten and suffered electric shocks on various parts of the body, including the nipples of her breasts.

"Ina de Souza Medeiros, 20, arrested on the same charges in Curitiba, Parana, on July 6, 1969. In Curitiba she was forced to witness the tortures inflicted upon one of her friends, Milton Gaia Leite, who was hung naked from a pole while a radio transmitted, at its loudest, a mass, in order to cover up his cries. At the jail of the Department of Political and Social Order (DOPs, the political police) she was informed that her husband, Marco Antonio Faria Medeiros, arrested two months before, had died. She panicked, but this information was later proven false. Brought to Ilha das Flores prison, she was beaten, received electric shocks and threatened with sexual assault.

"Marijane Vieira Lisboa, 22, arrested in Rio de Janeiro on Sept. 2, 1969, accused of being a member of the Acao Popular movement. She was made to strip, was beaten and given electric shocks that ended only when she lost consciousness due to heart failure.

"Marcia Savaget Fiani, 24, arrested in Rio on the same day on the same charges as the preceding woman. She was made to strip and was beaten. The electric shocks administered to her were made more intense by water previously thrown on her body. The shocks caused a partial paralysis of her right hand. She was kept incommunicado for 14 days.

"Maria Elodia Alencar, 38, arrested in Rio on Oct. 30, 1969, was beaten and suffered electric shocks. She was tortured by strangling and was forced to sign her will under torture. Her torturers persistently threatened to arrest and torture her 15-year-old son.

"Dorma Tereza de Oliveira, 25, arrested in Rio, Oct. 30, 1969, suffered the customary beatings and electric shocks, as well as strangling, drowning and wounds on her breasts produced by pincers. Needles were thrust under her finger nails."

No further information is available regarding the treatment of the 16 since the time their declaration was made public.

Victims of these atrocities come from every strata of society and from all walks of life. In a single letter written by a lawyer who had suffered 15 days of solitary confinement for defending a political prisoner, the following cases were cited:

"Mrs. Ana Vilma, wife of another prisoner named Pena Fiel, was subjected to severe torture that affected her uterus in particular; she needed medical attention. Her husband was also tortured.

"All priests arrested in this prison were hung by their feet, completely naked, beaten and given electric shocks. Father Augustine challenged the torturers during the punishment, invoking Christ's example.

"In cell number one, next door to mine, a young lady was ill. Her name was Vera, and she was bruised from head to foot. I was told that her husband was in worse condition. Their crime was that they knew a person wanted by the political police. They were set free on a Monday but until Tuesday of the following week they required medical attention in order to recover sufficiently to travel. One of the torturers said that "beating is all right, but one must know how to do it."

"A young student also arrived at the place where I was. He was a physics student who had been expelled by his university on the charge of subversion. I saw him after his first interrogation, and he had been beaten so badly that his feet were so swollen that he could not walk. He was sent to the Clinical Hospital where he declared that his wounds were caused by torture. The torturers had broken bones in his hands and feet.

"The prisoner in cell number four, named Sebastiana, suffered a mental disturbance because of the tortures, and no medical treatment was given to her."

In another letter written by a 56-year-old taxi driver, Severino B. Silva, there is a description of the treatment he received in the military village of Rio. He was tortured by starvation. His toenails were pulled out and razor blades were forced under his fingernails. After being beaten, he went through a simulated hanging. He still awaits trial after 11 months of imprisonment on a charge of suspicion.

#### THE FORMS OF TORTURE

The declarations and reports are from all parts of Brazil. Almost every document verifies that commissioned officers of the police or military are in charge of interrogations. The torture is generally carried out at the DOPS headquarters or of one of the intelligence services (Army, Navy or Air Force), or in prison. The methods of torture follow a pattern.

**Beatings:** Usually inflicted at the beginning and during interrogation. Blows are given with clubs, metal bars, fists and feet. The face, ears, stomach, breasts and genitals are the most frequent targets of the beatings.

**"Pau-de-Arara" (Arara Pole):** Hands and feet are tied together and a pole inserted between them. The ends of the pole are then supported on a table with the victim hung face down. He is often left in this position for several hours while submitted to other tortures. In some documents it is reported that alcohol fires are lighted on the floor below the victims face. Some individuals have been incapacitated for long periods after this torture because of the traumas to their legs, arms and backs.

**Electric shocks:** Current is generated by a field telephone or taken directly from wall sockets. Shocks are delivered to the hands, feet, tongue, ears, breast and genitals. The victim is often soaked with water in order to increase the effect of the shock. The current is frequently increased so as to cause the entire body to become rigid or be contorted by muscular spasms.

**The Telephone:** Sharp blows with the flat hand are delivered simultaneously to both ears. This causes a loss of balance, impairment of hearing, as well as severe pain.

**Sexual abuse:** In most cases the documents declare that the prisoners are stripped of their clothes at the initiation of the interrogation. Humiliation is an obvious element in the psychological aspect of the torture. The genitals of both men and women receive considerable attention in beatings and the administration of electric shocks. Women prisoners are often violated by torturers or are turned over to police or soldiers of lower rank for their amusement. Male prisoners are sometimes forced to witness the

sexual abuse of their wives, children or fiancées.

**Simulated execution:** Prisoners have been taken from sessions of torture or awakened during a brief respite and brought before a firing squad armed with blanks or empty rifles. Others have been drowned in buckets of water and then revived. And still others have been hung and then cut down after losing consciousness.

This list is not a complete catalog of all of the tortures described in the available documentation. It is, however, a compilation of those mentioned most frequently by the victims.

As might be expected under such circumstances, increasing numbers of Brazilians are leaving their homeland to seek refuge in other countries. Many of them are faced with almost insurmountable difficulties: improper or incomplete travel documents, insufficient financial resources, hostile military regimes in several of the nearest countries. (The best estimates available at this time are about 500 in Chile, 1300-1500 in Uruguay and approximately 2,000 in Paris, many of whom are students uncertain that they can safely return to Brazil. Large numbers are in other countries, including the U.S., but the figures are unavailable since many of them fear to declare themselves refugees.) Although the exodus grows each day and the potential for future refugees is tremendous, international refugee organizations have done little to respond to the needs of the victims of this new situation.

Massive efforts, not unlike those made on behalf of the Jews and others from Europe and Cubans in the early 1960's may now have to be made on behalf of Brazilians. The first step of such a response is now being organized by a group of individuals from the religious, academic, professional and artistic fields in New York City. (For information, write: The Editor, Christianity and Crisis.)

#### HOW THE UNITED STATES FITS IN

All of this information and documentation of torture and repression becomes even more disturbing when the extent of continuing U.S. Government and business involvement in Brazil is recognized. Very little open criticism has been forthcoming from these two institutions regarding the course of events of the past six years and particularly of recent months.

When the coup occurred in 1964 Ambassador Lincoln Gordon received it with open satisfaction. He said it was "perhaps as significant to the defense of the Free World as the Sino-Soviet split and the success of the Marshall Plan." Through his influence Washington recognized the military regime within 24 hours.

Significantly, the Agency for International Development increased its expenditures in Brazil from \$15.1 million in 1964 to \$122.1 million in 1965. It has proposed a \$187 million program for 1970. In addition, the US military has maintained the largest of its Latin American missions in Brazil, with over 100 advisers on the staff. The Military Assistance Program provided \$24.9 million in 1967 and \$19.4 million in 1968. Between 1964 and 1968 2,255 military men passed through its training program.

The one brief (four-month) interruption in US support occurred after the closing of Congress in 1968. Some observers believe that aid and assistance were restored quickly because of the inconvenience caused to US business and banks by the suspension, US investment there accounts for \$1,326 million of the \$7,314 million invested in all of South America.

This article is not intended to be sensational. Its purpose is, rather, to awaken American Christians and public opinion to this horrendous terror and inhumanity. The authorities of Brazil are concerned about their image abroad, and especially in the

United States, from which they receive massive foreign aid and investment capital. International outcries may not bring democracy back to Brazil, but it may force the Government to restrict its present policies in the treatment of political prisoners.

Regardless of what its impact in Brazil may be, we must not—cannot—any longer allow our Government and business to quietly support a type of government that we—and prior to certain recent erosions of our own civilization in the past at least—have regarded as contrary to our way of life. What Brazil does is ultimately her own problem: what we do to support, and thereby encourage, her dehumanizing policy of repression is our problem. Brazil—a nation that has made significant contributions to international culture—may be losing the respect of the nations of the world, but we can only wonder how much greater is her loss than ours.

[From the Washington Post, May 4, 1970]  
THE BRAZILIAN CHURCH MAY BE CHRISTIAN  
AFTER ALL

(By Colman McCarthy)

No doubt exists any longer that the military men running Brazil are stylists in torture, violence and hounding. Too many reports from reliable witnesses have appeared in the North American and European press for anyone to think that the current oppression is merely a lapse in taste by Gen. Emilio Medici and his six-year-old government. The aim of the torture, backed by the same kind of secret police tactics used in Germany, Spain, Portugal and Italy in an earlier era and in Greece, Haiti, South Africa and Rhodesia today, is to keep the opposition silent, afraid and in view.

The students, journalists, professors, labor organizers, social workers, priests and others who are among the potential targets of torture in Brazil have been put in a strained stance. Do they resist by fighting violence with counter-violence? Or do they hold out and work for the peaceful revolution that their country, crushed by poverty, disease and illiteracy, desperately needs?

Large numbers are now joining both groups. But many who go for the second do so because much of the leadership in the Catholic Church is both vocal and risk-taking in opposing the military dictators. "Surprisingly," writes Prof. Ralph Della Cava of Queen's College, N.Y., in last week's *Commonweal*, "the Brazilian Catholic Church, once a mainstay of the status quo, has emerged for a variety of reasons as the only national institution that remains capable of defending the principles of freedom, justice and social change in the face of government repression."

The church in Brazil, as elsewhere in Latin America, has long been a sleeping partner of the rich and the military. Officially, it passed out the sacraments and rites, a coin-machine operation from which blessings dropped like candies on which the poor were meant to suck for comfort, not thirst for change. Unofficially, it was the chaplain church, blessing the landowners who virtually enslaved the poor by forcing many of them to live on less than \$350 a year. The self-cowed clergy dared not defy the army or the rich, fearing economic pressures on religious hospitals, schools and parishes.

A few years ago, from northeast Brazil, a small, slim man with a strong clear mind spoke out, quickly to become a Martin Luther King figure to the Brazilian social movement. Since then, Archbishop Helder Camara has been rattling the generals, exposing the rich, but perhaps most important, making it clear to the poor that they have a right to something better and there is a way to get it. Last October 2, the centennial of Ganchi, Camara outlined the theme of his move-

ment called Action, Justice and Peace. "Many Latin American governments, perhaps without realizing and without caring, are preparing an explosion worse than the nuclear bombs, worse than the H-bomb: it is the M-bomb, the bomb of misery. (This explosion) is prepared by those who cower before the powerful and the privileged and make a show of elaborate reforms and ways to execute them, but who afterward leave the situation as it is to see if it won't take care of itself."

In calling for non-violent, structural reforms in Brazil, Camara is labeled a Communist by the right, a standard dismissal of anyone who fights a little too hard for the poor. From the far left, Camara gets it also, because he insists on non-violence. He is firm about the latter, not just from his pacifism, but also practically. "If there was a movement of violence here, Brazil would be crushed immediately, either by the United States . . . or by the USSR. To change one for the other of those two powers would all be the same, as neither of the two serve for Brazilians."

Lumping together America and Russia is not Camara's exclusive idea. In October 1968, the moderate newspaper, *Jornal do Brasil*, expressed what observers say is a widespread sentiment: "Russians and North Americans proceed as if they were invaders from Mars. They are of another race, another civilization. This planet is a colony which they exploit shamelessly and whose inhabitants—as the inferior beings that we are, can continue dying of hunger in our sun-baked and noisy craters."

Gen. Medici and his terrorists know better than to jail, torture or otherwise silence Camara. He is too well known internationally and too revered locally. But the government moves in on less prominent clergy. Last December, a military court indicated the bishop of Volta Redonda on charges of "subversion." Fifteen of his priests were also brought up on charges. Their trial, like the bishop's is pending, with no date set. Other priests have been imprisoned and tortured, as well as many nuns and laymen. Forcefully, one bishop, Joao Costa, recently denounced the government's treatment of political prisoners: The latter "have been violently beaten and tortured. I am making this denunciation so that there shall be eliminated once and for all from all investigations, those procedures which dishonor all those who practice them and render the process of justice suspect."

All of this puts the Vatican on the spot. It has 245 bishops in what is the world's most Catholic country—at least nominally Catholic, which means making Mass perhaps twice a year. The Pope, who has received a report called "Terror and Torture in Brazil," knows he cannot play it safe much longer—or as Pius XII did during Hitler's Germany, play it silent. The Vatican naturally supports non-violent reform. But preached from across an ocean, this stance risks becoming an accomplice to the current economic and political structures that also do violence—not by bullets or thumbscrews, perhaps, but by keeping the poor in their poverty through unjust laws or by letting greedy land-owners continue to hoard the land. Many in the Third World are beginning to believe that this kind of violence is infinitely more criminal than the war games played by Che-style guerrillas.

The Brazilian generals, like the Greek colonels, are touchy about their image in the United States and work hard to keep it polished; this is where the massive foreign aid and private investment capital comes from, with bad days to come were the well to run dry.

But the U.S. should be less of a worry to the Brazilian government than the Church. American businessmen will not likely pull

back their money and investments so long as the generals say they are devoted to "stopping communism." The Church—or at least that part of it exemplified by Helder Camara and a growing number of bishops and thousands of clergy and laymen—sees through the big talk about anti-communism. That is not the real battle. "When will we be able to show everybody," said Camara last fall, "that the number one problem is not the clash between East and West, but between North and South—that is, between the developed world and the underdeveloped world? When will we be able to help everybody understand that misery is the enslaver, the assassin par excellence and that it is the war against misery which should be the number one and only war upon which we must focus our energy and resources?"

Camara doesn't know the answer to his questions. But he does know his country seethes with the poor and the hungry who demand answers soon. Christianity, which has solved the problems of the next world seems ready, at least in Brazil, to begin solving some of the problems of this world.

[From the Washington Post, May 13, 1970]

NEW BRAZIL PURGE HITS 10 SCIENTISTS

(By Leonard Greenwood)

RIO DE JANEIRO.—Brazil's small scientific community is reeling from its second political purge in a year.

Ten scientists, including several known internationally, have been fired from the Oswaldo Cruz Institute here and stripped of their political rights.

A government spokesman said the decision had been made by President Emilio Garrastazu Medici after "careful investigation" had shown the scientists to be "agents of subversion and enemies of the regime."

The withdrawal of their political rights makes it virtually impossible for them to continue scientific work in Brazil. Anyone who loses his rights is forbidden to work for any government-supported organization and there are almost no private laboratories.

Less than a year ago, between 60 and 70 scientists were fired from research, technical and teaching posts and some also lost their political rights.

In Brazil, which has a scientific community of only about 5,000 in a population of 94 million, the effects of last year's purge was psychologically staggering.

"People were just beginning to settle down again after that when this latest blow fell," one Brazilian scientist said. "All the old fears have been awakened again. People are saying there are more lists. God knows who'll be next."

The director of the Cruz Institute, Guilherme Lacorte, is reluctant to discuss the case, which he describes as "one of those things that happens." He says only that the departure of the 10 men need not affect the working of the institute.

The victims, who are in an extremely vulnerable situation with accusations of subversion hanging over them, refuse to meet reporters.

The men were reported to be carrying out work on many diseases. The institute, founded at the beginning of the century, has made important contributions to world medicine, especially in the field of yellow fever.

Brazilian scientists say it is difficult to see how any of them could be accused of subversion. None was working on a job even remotely connected with national security.

As is the case with most of Brazil's scientific community, all 10 are known to have liberal ideas about society. "You'd have to stretch imagination a long way to see them as Communists," one eminent Brazilian scientist said.

Other scientists ridicule Lacorte's state-



ment. They say the 10 men were key figures in a small team of high-level researchers at Cruz. Without them, they add, some departments, including physiology and entomology, may have to close, the scientific standing of the institute will be damaged and Brazilian research in certain fields will be retarded.

# TRIBUTE TO THE HONORABLE JOHN W. McCORMACK

## HON. JOHN C. KLUCZYNSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 26, 1970

Mr. KLUCZYNSKI. Mr. Speaker, it is indeed a real pleasure for me to join in this warm and glowing tribute to our beloved Speaker, JOHN W. McCORMACK, who will retire from public life at the end of this Congress. His departure from this House will sadden us, his colleagues, his constituents, and his legion of friends throughout the country and the world.

He has been a Speaker who helped sustain the Republic during its recent, trying years. The cries for and against seniority, the cries for and against a more partisan form of government, the cries for and against a more "liberal" or a more "conservative" path of policy—all of these cries and counter-cries could only have been met and subsumed under the sort of moderate and enlightened leadership which JOHN McCORMACK brought to the House of Representatives during his tenure as Speaker. He has acted as this country's physician-in-residence to bind up political wounds. He has been the kind of man mentioned in the beatitudes:

Blessed are the peace-makers, for they shall see God.

JOHN McCORMACK was a poor, Irish boy who helped support his widowed mother by selling newspapers on the streets of South Boston. He grew up in a hard school to become a member of his State's house of representatives and its senate, and a Member of the U.S. House of Representatives during the 70th to 91st Congresses. He became Democratic majority leader under his great mentor and friend, the late Sam Rayburn, during the 79th Congress, and Speaker of the House upon the death of Mr. Rayburn in 1961.

His honorary degrees, awarded by such institutions as Tufts College and Georgetown University, are numerous. His honors include the Order of Malta First Class and the Order of Saint Gregory. JOHN McCORMACK, as a man and as a legislator, has, during a long and productive lifetime, well served his country and his faith.

We salute him, in a troubled and changing period, as a man who held back waves of irresponsibility so that we could achieve needed changes behind the dike of constitutional order. He takes with him into retirement the gratitude of his brothers in this House and the people of the United States.

Speaker McCORMACK, I wish you and Mrs. McCormack the greatest possible happiness and good health in the years ahead after your retirement.

# PRIEST TELLS OF COMMUNIST BRUTALITY IN LAOS

## HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. ICHORD. Mr. Speaker, we have heard a great deal of sound and fury from the Senate about the presence of 300 or so American military attachés in the little landlocked nation of Laos. We heard a great deal less about the presence there of more than 65,000 North Vietnamese.

We heard a great deal about alleged American casualties inadvertently caused when American planes flew in support of Laotian forces trying to keep their country from being overwhelmed by the North Vietnamese Communists. But we heard very little of coldblooded, purposeful, indiscriminate murder of civilians by North Vietnamese and Laotian Communists.

Therefore, I would like to bring to your attention this recent account in the St. Louis Globe Democrat of the experiences of a Catholic priest who has spent 14 years in Laos and tried recently to describe Communist terrorism and murder to a Senate Judiciary Subcommittee on Refugees.

Father Matt Menger says he expects to die in Laos. He says 15 of his fellow priests have been murdered by the Communists. But he says that of 11 witnesses, only the testimony of one was published in a Washington, D.C., newspaper—one concerning indiscriminate American bombing. The other 10, Father Menger says, stressed that U.S. bombing was not indiscriminate. He states that Communist-inflicted casualties were far more numerous than any caused by U.S. intervention.

The account in full follows:

SAYS REDS KILLED 15 COLLEAGUES—PRIEST  
TELLS OF MURDERS IN LAOS

(By Allan Hale)

Father Matt Menger expects to die in Laos. Since 1960, he says, 15 of his colleagues have been murdered by the Communists.

He stood unnoticed and silent Friday at the rear of a crowded hall at St. Louis University while students talked of the future of ROTC and black students took over the meeting to present a list of demands.

A missionary priest who has been in Laos 14 years, he had never seen a militant student gathering before. He was in St. Louis on a visit after testifying at a Senate hearing in Washington Thursday.

Leaving the student meeting at Busch Memorial Center he walked away across the campus, a tall, lean man indistinguishable from other priests crossing the walks.

He was silent for a long time. Once he burst out: "We don't have a university in Laos. Not one. If only we had a university. We wouldn't burn it down."

He fell silent again for several minutes, then "I wouldn't have believed it. I'm glad I saw it. Otherwise, I wouldn't have believed it."

He had heard of the St. Louis University meeting by chance and had gone to listen, not to participate. "It is not my university," he said carefully. . . . "and I know more about the problems of Laos than I do those of America."

He had been summoned to a hearing Thursday conducted by Sen. Edward M. Ken-

nedy, chairman of the Judiciary Subcommittee on Refugees, on civilian war casualty problems in Indochina.

He did not think, he said Friday, that the committee had liked his answers to questions.

"I stated, when Sen. Kennedy was pressing me about the casualties, I stated just one little example of 15 civilians I knew very well. I've lived with these men for some years, who were actually murdered by the Communists—15 Catholic priests. We are only 100 in the whole country, but they have killed 15, not in any bombing or village-shelling but in cold blood."

Still talking of the Senate committee hearing, Father Menger went on:

"Of the 11 witnesses who testified, the testimony of only one was published, at least in the Washington Post, entitled 'Indiscriminate Bombing of Civilians in Laos Alleged'. The other witnesses, all of them, including myself, testified that the U.S. bombing in Laos was not indiscriminate. On the contrary."

"In my testimony I brought out the large number of civilians wounded and killed by the North Vietnamese in our country. The Communist-inflicted casualties were far, far more numerous than any inflicted by the American intervention."

There are believed to be 67,000 North Vietnamese troops in Laos, he said. "In addition, it is very rarely printed that there are 12,000 to 14,000 Chinese Communist troops who are building a road in Laos. The news media today stress the presence of 300 American military advisers."

President Nixon's move into Cambodia has not extended the war, he said. It had already been extended throughout the entire region by the North Vietnamese.

For years Father Menger has given Laotian villagers medical treatment for anything from malaria to wild animal bites. He has helped rebuild churches and schools and homes after the tide of war has rolled over them and organized distribution of emergency food.

They call him "The Tall Priest" in Laos, and with his fluent Lao he has interpreted at high-level conferences between American and Laotian officials. Therefore he is a marked man. He intends to return to Laos as soon as possible.

"I don't expect to live," he says calmly. "But it does not matter if I die next month, at the age of 40, with a bullet in the back of the head, or at 95 on an inner-spring mattress. I am doing something."

# THE SYSTEMS APPROACH

## HON. JOHN O. MARSH, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 27, 1970

Mr. MARSH. Mr. Speaker, I should like to conclude at this time my presentation of portions of a report of a pilot study of possible applications of the systems approach to the appropriations process of the Congress.

It may be recalled that this study—entirely unofficial—was undertaken by a seminar group at American University under the direction of Dr. George K. Chacko, professorial lecturer and systems scientist.

I believe this interesting voluntary effort represents a useful contribution to our current active consideration of ways in which modern informational analysis techniques might be used to improve the efficiency of the legislative branch.

The final portion of the paper produced by Dr. Chacko and his associates follows:

## THE SYSTEMS APPROACH

ASSUME EACH ELEMENT HIERARCHY TO BE  
EQUALLY CONSISTENT

As was mentioned earlier, no attempts were made to straight-jacket illustrative scores at the horizontal or vertical levels. The members of the Seminar had very little knowledge of the preferences that the administrative personnel of the Department of the Interior would have employed in either achieving the goals that have been set or in weighing them. Nevertheless, each Study Team Group that pursued the different hierarchical choices corresponding to the elements tried conscientiously to relate it in a responsible manner to the overall objective of averting national ecological disaster.

Owing to the differences in professional and personal background, the nonfulfillment of the organismic objectives of averting ecological disaster was given the penalty ranging from one billion to 50 billion. Assuming that the protagonist of each element was equally consistent, how would the Congressional decision-maker decide among the competing claims for the same limited resources?

SET ORGANISMIC OBJECTIVE NONFULFILLMENT  
PENALTY AT  $50 \times 10^9$ 

The preferred tactical choice in Element 1 was: Improve fire prevention/fighting techniques with a weighted penalty of 150, compared with the weighted penalty for nonfulfillment of the organismic objective of one billion.

TABLE 10.—EQUALIZING THE 5-BUDGET ELEMENT PENALTIES FOR NONFULFILLMENT:

SET ORGANISMIC OBJECTIVE NONFULFILLMENT PENALTY AT  $50 \times 10^9$ 

1. Tactical choice: Improve fire prevention/fighting techniques: $\frac{50 \times 10^9}{1 \times 10^9} \times 150 =$	7,500	4. Tactical choice: Preserve trees by better farming: $\frac{50 \times 10^9}{10 \times 10^9} \times 90 =$	450
2. Tactical choice: Create new cities in semiwild forests: $\frac{50 \times 10^9}{8 \times 10^9} \times 50 =$	311	5. Tactical choice: State assistance for land acquisition: $\frac{50 \times 10^9}{12 \times 10^9} \times 20 =$	83
3. Tactical choice: Improve routes to more distant areas: $\frac{50 \times 10^9}{50 \times 10^9} \times 300 =$	300	Total for 5 tactical choices.....	8,644

## COMPUTER PROGRAM

Once the tactical choices are each related to the organismic objective of averting national ecological disaster, the relative allocation of resources to each can be determined on the basis of:

1. Penalty score.
2. Weighted penalty.
3. Organismic level penalty.

The change by the Congressional decision-maker of the organismic objectives would change the organismic level penalties and corresponding tactical level penalty scores. Should the agencies of the Government change the number and/or importance of alternative strategic and tactical choices to accomplish the organismic objective, that would be reflected in the penalty scores and/or penalty levels by hierarchy.

It bears repetition that:

1. The Congressional decision-maker decides what the organismic objectives should be, and can change them;
  2. The agencies of the Government decide upon the best means of accomplishing the organismic objectives and can change them.
- In this study, there are 14 tactical choices identified as competing for the achievement of the overall objective. They are listed in Table 11. The weighted penalty scores for the 14 tactical choices together came to 30,712.

TABLE 11

I. Avert ecological disaster.....	100
II. Improve the environment.....	80

ELEMENT 1. FOREST PROTECTION UTILIZATION  
Improve fire prevention/fighting techniques.

- Prevent strip mining.
- Prevent strip logging.

## ELEMENT 2. ACQUISITION OF LAND

Create new cities in semiwild forests.  
Move to suburban areas with civil systems electronic products.

## ELEMENT 3. NATIONAL PARK SERVICE

Improve routes to more distant areas.  
Education of the public on fire protection.  
Demonstration of effects of violating environmental ethic.

## ELEMENT 4. BUREAU OF LAND MANAGEMENT

Preserve trees by better farming.  
Establish criteria on fossil fuels (e.g. oil) mining.  
Improve seed inventory replenishment to restore land.

## ELEMENT 5. BUREAU OF OUTDOOR RECREATION

State assistance for land acquisition.  
State assistance to acquisition of urban land for recreation.

State assistance to acquisition of industrial land for recreation.

As a first approximation, consider that the 14 tactical choices are the only measures open to the Department of the Interior to accomplish the organismic objective. In that case, improved fire prevention/fighting techniques with its score of 7,500 claims 24.2% of the total budget.

Similarly, prevent strip mining with its score of 9,500 claims 30.2% of the total budget allocation, and so on.

For illustrative purposes, a simplified computer program was written, and the budgetary allocation based on these hypothetical hierarchic objectives was made for both FY 1970 and FY 1971.

## CREED

Turning now from the tactical choices open to the pursuit of the organic objective to their logical groupings, what can be said about the 14 tactical choices employed in this study?

Improving fire prevention/fighting techniques; preserving trees by better farming; and improving seed inventory replenishment clearly conserve natural resources. Similarly, prevention of strip logging, strip mining and the establishment of criteria on fossil fuel mining was designed to regulate. The education of the public on fire prevention and the demonstration of the effects of violating environmental ethics are designed to educate. The tactical choices to improve roads to more distant areas, state assistance for land acquisition in general and urban and industrial land in particular, accent the facility to enjoy. Finally the creation of cities in semi-wild forests and the move to suburban areas of electronic product industries are designed to develop the environment.

Combining the first letter of these five activities, the acronym CREED is evolved.

The Congressional decision-maker can look at the allocation of resources under each of these categories as shown in Table 12 and decide, for instance, that the allocation of 65% of resources to regulate the use of the environment may be too much and the allocation of 1.5% to facilitate the enjoyment of the environment too little. He could instruct that certain other percentages, say

To make a valid comparison between the claims of this particular tactical choice and, say, the tactical choice of improving routes to more distant areas in the national forests, its weighted penalty score of 300 must be related to the corresponding penalty for nonfulfillment of not one billion but 50 billions. Although the weighted penalty score itself is twice that of the first tactical choice, the much larger base against which it has to be compared in fact reduced the resource allocation for the same. In Table 10 the organismic objective nonfulfillment penalty is set at the highest level of 50 billion. Accordingly, the tactical choice of fire prevention/fighting techniques gets a score of 7,500 compared with only 300 for improving the roads to more distant areas.

37% and 25% may be more appropriate. He can ask for the decreasing of the allocation to regulatory activities from 65% to 37%, and the increase of the allocation of the facilitation of the enjoyment of the environment from 1.5% to 25%. The methodology of the present study requires the indication from the decision-maker as to where he would want to make the change, so that the total of resources to all of CREED is 100%

TABLE 12. CREED

CONSERVE, 27.19%

	Percent
Improve fire prevention/fighting techniques.....	24.42
Preserve trees by better farming.....	1.47
Improve seed inventory replenishment to restore land.....	1.30
REGULATE, 65.43%	
Prevent strip logging.....	32.55
Prevent strip mining.....	30.93
Establish criteria on fossil fuel (e.g. oil) mining.....	1.95
EDUCATE, 4.88%	
Education of the public on fire prevention.....	3.74
Demonstration of effects of violating environmental ethics.....	1.14
ENJOY, 1.50%	
Improve routes to more distant areas.....	0.98
State assistance for land acquisition.....	0.26
State assistance to acquisition of urban land.....	0.13
State assistance to acquisition of industrial land.....	0.13
DEVELOP, 1.00%	
Create new cities in semiwild forests.....	0.98
Move to suburban areas with civil systems electronic products.....	0.02

## CONCLUSIONS

The purpose of this introductory study has been to explore the use of the systems approach to help the systematic evaluation of the budget request by the Congressional decision-makers on the Appropriations Committee. The Department of the Interior Budget figures for FY 1970 and FY 1971 were selected, and some 55% of the total budget (NOA) represented in five elements was identified for analysis.

Using the organismic, strategic and tactical hierarchy of objectives, the five elements were associated with a single, overall objective: Averting national ecological disaster.



aster. Alternative measures of meeting this overall objective were systematically developed for each of the five elements.

A systematic comparison was made of different tactical level choices, horizontally; and also of each tactical choice with its higher level of objectives at the strategic and organismic level, vertically.

The consequence of nonfulfillment of each of the tactical level choices upon the organismic objective were illustratively put into numerical terms. Based upon the relationship of each tactical objective to each other and each tactical objective to the corresponding strategic and organismic objectives, the allocations of the Interior Budget were demonstrated.

The strength of the systems approach explored with respect to the appropriate evaluation lies in the consistency of its methodology which forces the user to make explicit his hidden assumptions and values, so that alternative means of accomplishing the same objective can be identified and evaluated; and also courses and consequences corresponding to altogether different sets of overall objective themes.

#### A YOUNG MAN IN VIETNAM WRITES HIS PARENTS

**HON. MARK ANDREWS**

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. ANDREWS of North Dakota. Mr. Speaker, the war in Vietnam and the President's recent decision to send troops into Cambodia to destroy enemy concentrations have been the subjects of major controversy over the past several weeks. Everyone is hearing what the students on our campuses are saying, but too few have heard what our young men who are serving in Vietnam have to say.

I was pleased to receive a copy of a letter from Philip Foss to his mother and father, Mr. and Mrs. William Foss of Michigan, N. Dak. Philip is serving his country in Vietnam and his letter speaks for itself.

I include the letter at this point in the RECORD:

DEAR MOM AND DAD: I know you've waited a long time for this letter, and that I should have written sooner but I'll get this one in the mail.

I got both of your packages. The bread was in fine shape as was the sausage and cheese. It didn't last 20 minutes once it got here. I ate about 8 or 10 sandwiches myself and let the other fellows have the rest. It was the best sandwich I've had in nearly a year. I suppose you're wondering what is going on over here. Well, Nixon made the best move of anyone so far. He is going to finish it. Over where you are, you don't know all that is happening, but from here, I can hear the 52's bombing in Cambodia. It sounds like drums rolling. The only way to end this is to go after them. But the main thing is that the people at home stand together whether Nixon is right or wrong. We are in Cambodia now and it's too late to back out. So we must go ahead and finish the mission and hope we have done right. In my own mind, this will be the turning point. I would have made the same decision if it were for me to decide.

My time is nearly over. It's been ten months now and they've gone fairly fast. One day I'll be walking in the door. I can't wait

to eat some food again. I never gave it much thought until I didn't have it anymore. I miss all that food, vegetable soup with dumplings, chile. I could go on forever.

This is the busy time at home, I suppose. The farmers with their crops and you with insurance. When the grain is ripe, I'll see it this year.

Hope you're both in the best of health. Tell the people you finally got a letter from me. Take good care of yourselves.

Love, your son

PHILIP.

#### THE HARD HATS—FOR GOD AND COUNTRY

**HON. JOHN R. RARICK**

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. RARICK. Mr. Speaker, for years I have been saying that when the American workingman becomes fed up with what is going on in our country, we can expect a change for the better.

In New York City, upward of 150,000 hard hats—workingmen—recently paraded in a show of American flags to pledge unity for our country and support for its leaders. Their shouts "All the Way U.S.A." have echoed around the world.

Now we in Washington understand that the hard hats are to come to our Nation's Capital—not to protest against but to demonstrate for the United States, for our fighting men, for our flag, and even for police officers.

I predict that when the builders—the workers of our country—start being heard we can anticipate a stiffening in the attitudes of many of the liberal-left politicians. And, when our patriotic labor Americans join forces with the farmers and the other concerned loyal Americans, along with patriotic youth, there will arise a ground swell of Americanism from the once silent majority which may yet save our country.

Mr. Speaker, I have my hard hat in my office—I, too, have heard the cry "U.S.A., All the Way."

I include several news clippings, as follow:

[From the Washington (D.C.) Post, May 31, 1970]

FLAG'S DEFENDERS: HARD HATS MARCH FOR A WAY OF LIFE

(By Richard Harwood)

NEW YORK.—In lower Manhattan, the flags are everywhere. Little flags, taped to car antennas, overhead cranes and ice-cream carts. Big flags, whipping in the winds that blow through Wall Street. Metal flags stuck in coat lapels and shirt fronts. Paper flags, pasted to car windows and hard hats. There, by one of the unfinished skyscrapers rising up out of people's sweat and muscle, Leonard Bianca talks about patriotism. He is 64, big-bellied, and has been an operating engineer all of his life. He has a flag on his steel hat.

"That's why we marched," he explains, "for the flag. That flag is your mother and father, your home, your country, your president. When these people spit on the flag and tear it down, then I'm fed up. We wanted to show these hippies and college students how we felt."

Peter Brennan is the white-haired, red-

headed Irishman who runs the Greater New York Building and Construction Trades Council, 200,000 members, many assets both financial and political.

He gets close to tears as he talks about his country:

"You people in the newspapers say we are bums and hoodlums. You beat our brains out. But our people are decent people. They work in the church and the synagogue and the Little League and the Boy Scouts. They would tear up their union cards before they would do anything to hurt this country. We build this country. We build these beautiful buildings and churches and highways and bridges and schools. We love this country. We were afraid it was going down the drain and nobody was doing anything about it. That's why we marched."

Joe Catalano is an iron-worker at the huge World Trade Center complex now rising in lower Manhattan. His parents came from Italy and he went there to fight in World War II with the 82d Airborne Division.

"This is our country and we ain't gonna let anyone tear it down," he says. "I fought for that flag and when people start tearing it down, I'm gonna speak up. I'm for this country all the way. I'm for Nixon all the way. The Vietnam war isn't Nixon's fault. It started 12 years ago and I say we should stay in there and finish it. It shouldn't be like Korea, where we didn't finish it and where we have to talk at Panmunjom every day under a white flag."

About 150,000 of these men swept through the streets of New York 10 days ago in the largest, spontaneous demonstration in support of the war. They filled the city with flags and the bankers and clerks of Wall Street cheered them on and showered them with confetti and ticker tape.

New York's chic weekly journal, *The Village Voice*, described the marchers as "payday patriots" charged up on booze, the "grimy John Glenns and Tom Seavers, not only being accepted but adored by those they viewed as their betters . . . The most tragic placard in sight at these demonstrations was one proclaiming, 'God Bless the Establishment.' It's pathetic to think that the workers really believe they're a part of the power structure the same structure that indiscriminately uses their sons as cannon fodder in a war they don't really understand . . . But understanding their exploitation goes only so far. They still are men with singular minds and souls who consciously are selling both for acceptance to a dismal dream of 'respectability.'"

Their "dream of respectability," in the view of people such as Gus Tyler of the International Ladies Garment Workers Union, involves something more than the episodic approval by Wall Street bankers. It goes, he says, to a way of life and a system of belief that are threatened in the United States today.

"They have," Tyler says, "their own little piece of the American turf, their own possessions and values, and they defend these things by defending the flag. It is the traditional patriotic response of the American yeomanry."

This "yeomanry" or "white working class," by Tyler's calculation, represents 75 per cent of American society. They are people who, like Bianca and Catalano, work with their hands, earn between \$3,000 and \$15,000 a year, and share the "blue collar mood" even when they find themselves in "white-collar" jobs as clerks and salesmen.

That mood today, the ILGWU's Tyler believes, is compounded of "economic frustration, personal fear and political fury." It has been produced by the erosion of living standards that have been marginal at best in the 1960s, by the incompetence of government in dealing with social problems, and by the disorders and violence disrupting American

life. "They have been voting for 'progress' and paying their taxes for 'progress' since the 1930s," says Tyler. "And they look around them today and say, 'What in the hell is going on?'"

This angry bewilderment comes through in every conversation with the construction workers who marched in Manhattan: "What in the hell is going on? . . . These college kids have no respect . . . They use these four-letter words, spit on the flag, show disrespect to the cops, and burn down college buildings . . . Their fathers didn't bring them up with respect. They think they're more than equal to us."

Bill Scanlan, a steamfitter at the Trade Center, put the question in another way:

"Who in the hell wants to hurt students? We got sons and daughters or relatives in college. We give five college scholarships every year—\$1,000 each. But somebody must be leading these students. They don't know what they're doing. They're being brainwashed by teachers and everybody else. The newspapers and the TV are 100 per cent biased. I didn't vote for Nixon. But he's in there and you have to stay behind him and the country. Why don't they see that?"

The gulf between students and workers, Tyler insists, transcends politics or wars in Vietnam; it grows out of a profound cultural struggle.

The American "yeoman," in this formulation, believes that "life is sweet as God told Adam," that the work ethic is liberation rather than slavery, that stability is necessary for the good life, that conflicts must be resolved through compromise.

Those values, in the Tyler analysis, are under attack by new social forces symbolized in the workers' minds by "hippies" and "long-hairs." They look upon life as a "game" and regard work—even classwork, says Tyler—as "repression"; they equate stability with "conservatism" and see instability as a value in itself; they have developed the tactics of "polarization" and "confrontation" as life games that are "theatrically successful and may be physically good." They believe, he says, in sex "on camera" instead of "in camera."

All of this, he maintains, was involved in the hard-hat demonstrations including the fringe violence in which workers threw punches at antiwar demonstrators assembled at New York's City Hall on May 8. In those terms, he describes the demonstrations as "nonpolitical."

"The worker respects education. He will scrimp and save for it and his wife, too. And they don't understand the little intellectual revolutionary's contempt for education. To them, they are spoiled little bastards."

Brennan talks about "the spoiled ones" who are "so confused they join the mob. . . . If they don't like the government, let them attack the government. But how can they attack the flag? It's the symbol of democracy and freedom and what brought our parents to this country. . . . We're against the war for what it does to families and human lives. Who likes to look at a boy with his arms and legs shot off? But you've got to fight for your country."

That is the language of the men on the high buildings in lower Manhattan. Nearly all of them claim to be veterans of Korea or World War II and brothers to Vietnam. Charles Sall, putting up steel beams for the Tishman Construction Company, did his time in World War II, had a son and a nephew in Vietnam and says he understands the horror of war.

"I don't blame anyone for not wanting to go," says Sall. "Everybody gets afraid. But they're just like us. We had to serve and our sons had to serve. Why can't they?"

That is the question they are all asking in the fact of contempt from the intelligentsia, in the fact of hostility from the street revolutionaries.

Eric Severeid, in a CBS commentary, spoke of the hard-hat dilemma:

"This is a different kind of class conflict, not between workers and ownership this time; this is town versus gown with a vengeance."

"For some time, apologists for student violence have argued that they have attacked property only, no persons. But when they burn, bomb, and smash wood, brick, glass and steel, they affront and wound all those who build in this preeminent country of builders. They are expressing contempt for the monuments of their pride, their very religion."

"... The massing of construction workers (in New York) was surely a visceral reaction, long suppressed. They were men reacting not only out of the instinct of patriotism, however oversimplified, but in defense of their sense of personal worth, that is, their work in life."

The construction workers are not articulate men. The currency of the faith and belief, as the Blancas and Catalanos and Scanlans try to say, is a symbol. They wave the flag.

[From the New York Times, May 21, 1970]  
FOR THE FLAG AND FOR COUNTRY, THEY MARCH  
(By Francis X. Clines)

The rally and march in support of President Nixon's Indochina policy, held yesterday in lower Manhattan, included blue-collar workers, businessmen, secretaries and housewives. Here is a random sampling of some marchers and their views:

Richard Roeber, a crane operator from Queens:

"I think it's about time something like this has been done. Everybody grows up and everybody has somebody over them, and when the parents don't take over, things go wrong."

"And this is what's happening here: When your Congressmen and everybody else can't even stand up for America, what do they expect? And it can get worse and worse. The quicker Lindsay goes, the better. . . . When your leader's wrong, what do you expect from the people?"

John Nash, 48, a printer at The Evening News of Newark and a veteran of World War II:

"We've got to beat these Communists somewhere. So we're fighting them. Let's win. Victory. No substitute for victory."

"I'm backing the President all the way. My boy goes into service Dec. 7. . . . I'm proud of him. It's a chance we all had to take. It's his turn. With small wars, there will be no big ones as long as we stand up like they're doing now . . . small compared with 100,000 a year like we did in World War II. It has to be paid. It's a sad thing, but it has to be realized, or else we'll be by ourselves in this whole world and we can't stand up."

Of those killed at Kent State University: "I have no sympathy for them. I'm not a college man, I'm not smart. But I know one thing: When a guy's got a gun, I don't throw rocks at him. I go the other way. . . . If I attacked that cop over there, I'd expect him to shoot me."

Of the flag: "Outside of God, it's the most important thing I know. I know a lot of good friends died under this. It stands for the greatest: America."

Robert Geary, 50, an office worker for the Colonial Hardware Corporation: "I'm very proud to be an American, and I know my boy that was killed in Vietnam would be here today if he was alive, marching with us. . . . I know he died for the right cause, because in his letters he wrote to me he knew what he was fighting for: to keep America free and to avoid any taking over by Communists—atheistic Communists, by the way."

"I think most of them [college dissenters] are influenced by a few vile people. . . . I'll tell you one person who smudged the

name of my son and that was Mayor Lindsay. When he stands up and says men who refuse to serve in the armed forces are heroic, then I presume by the same category that my son was killed in Vietnam is a coward, the way he thinks."

"Eighty per cent of the people are behind America and the flag. . . . I believe that what we're fighting for is worth it, yes, but nobody likes war."

Of the flag: "It's me. It's part of me. I fought for it myself two or three years in the Second World War. . . . It's the greatest country in the world. All they [dissenters] have to do is move out."

Mrs. Allison Greaser, 411 100th Street, Brooklyn, marching with her children, Richard Nixon Greaser, 1, and Allison, 2:

"We're part of the silent majority that's finally speaking—and in answer to the creeps and the bums that have been hollering and marching against the President."

"I think he's doing everything he can to bring about an honorable peace. I think my kids are going to live better with Nixon in the White House."

"To stop Communist aggression [the war] has been worth it, yes. . . . If they had listened to Gen. Douglas MacArthur from the very beginning and gone into Manchuria, we wouldn't have had the problems we have. We would have put the Communists down back in 1952."

"I have a lot of faith in the college kids. . . . I think they're being heard enough, and we're answering them right now today. . . . They've tried to take over education, the Communists have, and I think this is where [the students are] getting their viewpoints from."

Robert Romano, 40, Princeton, N.J., general foreman for the Tishman Construction Company at World Trade Center site:

"I feel the children of today are getting carried away in their demonstrations. I don't think they're absolutely wrong. There are parts of things that they are right in, but most of the demonstrations do not have to be violent."

"I feel they [college dissenters] have been with the silver spoon in their mouths too long and somebody has to take a hand in this to stop them, because if not, the country itself will come to ruins. My opinion is that protesting is a family deal. If children in college and high school have gripes, do it as a family group. . . . The parents have to participate."

And if parents and children disagree? "Well let me tell you the old-fashioned way: Use your hand: My father didn't stop to hit me. If I said I didn't like something, he hit me. I learned to like it. That's the way it has to be."

James Tompkins, 50, World Trade Center excavation worker, veteran of World War II: "I'm not against the war policies. I figure the big leaders should know what they're doing. I support the President. If he were not too right, I think the Congress would straighten him out."

Of young war dissenters: "I think they went too far in what they were trying to do. I don't like violence."

Of violence by construction workers: "The kids started to fight with them. If someone comes throwing stones and things at you, what are you going to do? . . . That's what was happening, yes."

Of the Kent State deaths: "I think it was wrong to kill them, and the students could have been wrong on their part. . . . You have to work with them to understand how to deal with them."

Raymond Massaro, 25, electrician: "This is my country, and I'm going to support it to the highest limits. I have a lot of friends that are over there being killed, and I don't go for this [war dissenting]

"I'm on the 1-A list right now. My union



has been keeping me out because of school, but I should be called any day. My local gets a deferment for training. I'll definitely serve this country 100 per cent. If America feels [the war] is right, it's right. There's a purpose for being over there, and I feel it's right.

"People [dissenters] have a right to feel the way they do, especially if they have brothers and friends [in the war]. But when you're over there, I'm sure there's a difference. I can't give you that feeling. But people who have been there say we have to be there."

"I'm for this country. These are my people, right here."

[From the New York Times, May 21, 1970]

#### HUGE CITY HALL RALLY BACKS NIXON'S INDOCHINA POLICIES

(By Homer Bigart)

Marching under a sea of American flags, helmeted construction workers led tens of thousands of noisy but peaceful demonstrators yesterday in a rally and parade supporting the Vietnam policies of President Nixon and assailing Mayor Lindsay and other opponents of the war in Indochina.

Staged by the Building and Construction Trades Council of Greater New York to demonstrate "love of country and love and respect for our country's flag," the noontime rally on Broadway opposite City Hall drew a crowd estimated to number 60,000 to 150,000.

It was by far the largest pro-Administration rally since the construction workers began their almost daily demonstrations in the financial district May 8 to counter the anti-war rallies of students.

Today crowds at City Hall will rally to the sound of a different drum. A labor-student peace coalition will demonstrate at noon against the extension of the war into Cambodia.

Flags, fervent oratory, patriotic tunes and a river of yellow, red and blue hard hats moving down Broadway marked yesterday's demonstration. It was a show of power that drew cascades of ticker tape in the financial district.

At Wall Street, three youths raised their arms in a peace salute; marchers booed them, but made no attempt to break through the police lines to get to them.

Mayor Lindsay, prime target of slogans carried by the marchers, had spent the morning at United Nations and at the scene of the subway accident in Queens that killed two persons.

The Mayor returned to the City Hall area at 12:30 P.M. when the rally was already in progress. Workers had hanged an effigy of the Mayor on the lamppost at Murray Street, but then removed it at the request of the police.

The Mayor stayed in his car near the Municipal Building for about three minutes, consulting with aides. Then, the aides left the car and entered City Hall through a basement door and the Mayor was driven back uptown. Hundreds of police, mounted and on foot, sealed off City Hall.

Later, the Mayor issued a statement praising the demonstration as a "spirited and orderly" exercise of the right to protest. He congratulated the organizers of the demonstration and the police "who performed so superbly."

He asked the workers to be tolerant: "It is especially important that those who demonstrated today uphold the right of other groups to demonstrate peacefully too, for this is the essence of the American way."

#### THERE WERE 3,800 POLICE IN THE AREA

Police Commissioner Howard R. Leary said he had assigned 3,800 men to the lower Manhattan area at a cost of \$275,400, of which \$175,000 represented overtime pay.

Hundreds of policemen in riot helmets marched at the rear of the parade. This led some spectators to believe that the police had joined the demonstration. A Police Department spokesman explained that they were there only as a "reserve" in case of disorders when the parade broke up at Bowling Green.

Exhorted by their leaders to keep cool and not behave "like roughnecks," the vast majority of workers avoided any show of bellicosity. Once, on lower Broadway, a youth perched on a building clock provoked the marchers by giving the V sign for peace. The workers booed, hurled beer cans at the young man and tried to charge police barricades.

A policeman made a human fly ascent up the side of the building and removed the young man from the clock. As the youth was led away in handcuffs, charged with disorderly conduct, he identified himself as James Mirrone, 20, of 1616 Ryder Street, Brooklyn, and said he was a student at St. Mary's College, Winona, Minn.

As the parade passed the Woolworth Building, someone dropped a cardboard box from a window on the 20th floor. It struck a marcher, Robert Conroy, 21, of 30-10 42d Street, Astoria, Queens. Mr. Conroy was taken to Beekman Downtown Hospital with a concussion.

Another man, Reuben Pearlman, 68, of 4716 14th Avenue, Brooklyn, suffered a leg fracture when he was either pushed or slipped off a curbstone outside 10 Warren Street.

Three others, including one woman, were collapsed in by the heat but declined hospital treatment.

The parade clogged lower Broadway for nearly two hours. A police source estimated the throng at 150,000, and some newsmen estimated the crowd at 60,000. But other observers said the turnout exceeded a 1967 outpouring of antiwar marchers, estimated by the police at the time to number 125,000.

There were few bands, no drum majorettes, no floats. A concrete mixer was covered with workers waving flags and a slogan: "Lindsay for Mayor of Hanoi." Elsewhere in the parade the Mayor was urged for "President of North Vietnam," "President of Red China," and "President of Russia."

Two Indians in full tribal regalia shared the platform with labor leaders at Broadway and Murray Street.

"Impeach Lindsay" petitions were circulated through the crowd. On a side street, Donald Crowell of Short Hills, N.J., who said he was a member of the John Birch Society, collected signatures for a statement condemning the export of strategic items to Communist countries.

"I'm scared," said Cliff Sloane of Brooklyn, a freshman at the University of Michigan. "If this is what the class struggle is all about," he added, surveying the flag-waving workers, "there's something wrong somewhere."

Peter J. Brennan, president of the Construction Trades Council, was the chief speaker at Murray Street.

"History is being made here today," he said, "because we are supporting the boys in Vietnam and President Nixon."

[From the New York Times, May 21, 1970]

#### BUFFALO WORKERS PROTEST

BUFFALO, May 20. About 1,500 construction workers demonstrated in support of the Nixon Administration's policies in southeast Asia at a rally this noon in front of City Hall.

They carried hundreds of American flags, sang patriotic songs and recited the Pledge of Allegiance. Leaders of the 20,000-member Building and Construction Trades Council of Buffalo and vicinity presented flags to Mayor Frank A. Sedita and to Erie County Executive B. John Tutuska on the City Hall steps.

The rally was marred by a small disturbance when a young man wearing a business suit shouted "War Mongers" at some of the construction workers. He was knocked down, struck with a construction man's hard hat and jabbed at with a wooden flag pole before the police escorted him away. He was apparently not hurt.

[From the Washington (D.C.) Evening Star, May 20, 1970]

#### WORKERS ATTEMPT TO RAISE FLAGS ON ILLINOIS CAMPUS

BLOOMINGTON, ILL.—A group of 30 to 40 blue collar workers twice brushed aside security police yesterday and raised flags on the Illinois State University campus that had been at half staff to mark the birthday anniversary of Malcolm X.

University officials lowered the flags after both instances in keeping with a promise made to black students to mark the anniversary of the slain Negro militant.

There were no arrests or injuries.

[From the Washington (D.C.) Evening Star, May 20, 1970]

#### NEW YORK'S HARD HAT WORKERS HANG LINDSAY IN EFFIGY

(By Duncan Spencer)

NEW YORK.—Massed construction workers roared their approval at noon today when a dummy labeled "Red Mayor Lindsay" was hanged in effigy on a lamppost as thousands waved American flags.

Workers rallied here in the largest show of force so far to oppose New York's liberal mayor and to support President Nixon's war policies.

Today's rally started peacefully. Most workers took half a day off to participate in the event, which is supported by almost 200 local construction workers' unions.

But black construction workers were noticeably absent. Their leaders announced last night that they would hold their own rally tomorrow—against the war and against union racial policies.

Some of the white workers here today spoke bitterly against the black union members for their refusal to show solidarity.

But the apparent split did not dampen the enthusiasm of today's demonstrators, who cheered patriotic songs, greeted each other with handshakes and slaps, and spoke of their new-born movement as the coming force in New York politics.

James Joseph Ross, straw boss for the 140 steam fitters of Local 638, said: "It took those students to make the construction workers have a little dignity—the hard hat is a status symbol now."

He said that violence, which marked a similar gathering a week and a half ago, is a thing of the past.

Mayor Lindsay and Peter J. Brennan, president of the Construction and Building Trades Council, both appealed for a "peaceful day."

#### LETTERS TO THE EDITOR: CONSTRUCTION WORKERS

Sir: While we cannot condone the violent actions of the working men and women of America, we must admit that the turnout of 150,000 in New York on May 20 showed that worker dissent is deeply felt and widespread. Their appearance was frighteningly straight—short hair, clean-shaven. It won't help to call these fascist, racist, extremist, murdering pigs insulting names such as "effete snobs." One student leader is reported to have gone as far as to refer to workers as "bums," but this reference alluded only to those who engaged in violence and was quickly denounced by other students.

Perhaps the workers were trying to tell us something. Despite their strange lifestyle (they work for a living) they, in their own

way, simply want a better world. Although anti-Communist, they are not necessarily pro-war.

They might be pointing out some of the hypocrisy of the student generation. They feel that burying new cars in the ground will do less to solve the problem of pollution than burying noses in chemistry books. They feel that the New Left is making its martyrs out of the victims of New Left-instigated violence. They feel that our "expansion of the war" was simply the belated recognition that the enemy had expanded it many years ago.

Perhaps they just feel that, while America isn't perfect, it's a great country and well worth fighting for.

KENNETH E. GEISINGER,  
Graduate Student, GWU.

SIR: I fail to appreciate why the eloquence of the four-letter-word generation should prove so much more appealing than that of the oft-times unpolished construction worker of New York. Obviously the vendetta that the press has for the middle class, so called, is too blinding to allow the natural thinking of writers in the press, such as you are, to grasp the desires of the majority of the people of this country. You leave us but one alternative, to discount everything you say as bigoted, which leaves you without readers to influence.

MAYNARD S. FADER.

ANNANDALE, VA.

SIR: I do not condone the beating of the peace demonstrators but I think any patriotic American at one time or another has felt the urge to clobber a few of them.

M. E. HUDSON.

SILVER SPRING, Md.

SIR: I am a sophomore at the University of Maryland, active in student government, but I have also worn the hardhat of the construction worker, and I have nothing but the greatest respect for those who spend their lives giving the rest of us places to live and work.

I consider myself a patriotic American and I fill my patriotic duty by doing my best for my country. I feel that the war in Vietnam is not in the best interest of country, and I feel it is my patriotic duty to oppose it. It worries me when people confuse politics with patriotism. Neither students nor construction workers have a monopoly on patriotism. Both sides should realize that the other also has the best interest of the country at heart, though their tactics, words, and goals may differ. Every move that increases the divisions between the two makes reconciliation much more difficult.

VINCENT BRANNIGAN.

SIR: A hearty handshake to the New York City construction workers. It was about time someone tried to knock some sense into the heads of the bums. The construction workers should now take a week's vacation—come to Washington and take a few pokes at about 25 or more Congressmen.

E. D. R.

FALLS CHURCH, VA.

SIR: Despite the inferences of your lead editorial of May 22, the primary problem of our society is not "overexcitement," not "fissures that have opened," not the vague cry of polarization that is so often used to label differing opinions. The dilemma, instead, is the causes of the above reactions, the issues behind the protest. For students and construction workers to put down their placards and flags and to converse with each other will not be a panacea for American woes.

Too many today hold faith that the lowering of voices will bring the end of unrest. Communication between factions may not mean an end to demonstrations but rather problems on a larger front.

MATTHEW McKENNA.

SIR: The workers who are the taxpayers who support the schools are getting fed up with parading, rioting, display of the Vietcong and other communist flags, desecration of our own flag by burning, disfiguring, using it for a handkerchief, and by long-hairs who think they know everything. This was amply displayed when the construction workers were cheered by onlookers when they broke up a parade which was more appropriate for Moscow than the United States. Are these people who give such aid and comfort to the enemy by wishing for a Vietcong victory patriots? Patriots for whom?

What is obscene about waiving our flag, raising it to the top of the staff? Would the mayor of New York have directed the flying of the flag at half-staff for National Guardsmen had any been killed at Kent State University?

The answer is disclosed by his boycott of the Armed Forces Day parade in New York.

I applaud the construction workers. May their movement spread. May patriotism, respect for the flag, and honor return.

OTIS McCORMICK.

ARLINGTON, VA.

SIR: What a beautiful sight the other day to see those construction workers marching down that New York street. I actually stood up and cheered!

Of course, already there are allegations of a "conspiracy." Some people are always looking for deep, dark plots, not believing people can act from deep convictions and idealism.

MARY MCC. STEWART.

SILVER SPRING, Md.

SIR: I hope the leftist agitators took note of what happened on Wall Street when the red-blooded American working class was provoked into action. And it is a certainty that there are more of us than there are of them. It is also a certainty we are nobody's fools—and if we feel threatened in our wonderful way of life, I'm sure we'll take the threats head-on.

M. LEE ROBINSON.

FALLS CHURCH, VA.

SIR: I was moved to inexpressable pride by the "workers" demonstration in New York. These are the real people, not the pseudo-intellectual sophomores of the campuses, or the sophomoric pseudo-intellectuals of the New York legal community. These men speak for the real America, as the Churches, the McGoverns' Goodells and the Gores will find out ere this year is over.

Let the over-privileged students and the rich lawyers spend their daddys' and their clients' money on their frantic lobbies. We will express ourselves at the polls, as we and our fathers and our grandfathers have before. That, not rock-throwing or obscenity-shouting or even chartering of special trains, is what democracy is all about.

LEON M. STEVENSON, Jr.

OXON HILL, Md.

#### QUESTIONS ON VIETNAM: I. THE GENEVA AGREEMENTS OF 1954 AND THE SEATO PACT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1970

Mr. FRASER. Mr. Speaker, many Americans are confused about the consequences of our recent invasion of Cambodia, the President's proper role in war-making, and the impact of the war on American society.

Twelve common questions about our policy in Southeast Asia are posed by

the Committee of Concerned Asian Scholars at Cornell University. Their answers are a clear indictment against the wisdom and integrity of President Nixon's war policies.

The first two questions deal with the extent of our legal commitment to Southeast Asian defense. The nature of the Geneva agreement and the SEATO pact are often distorted, but the limits of our commitment are clearly indicated here.

The questions follow:

#### QUESTIONS ON SOUTHEAST ASIA

1. What were the Geneva agreements?

Two agreements were concluded at the Geneva conference of 1954.

(1) the signed armistice agreement between Ho Chi Minh's Vietminh government and the French Military forces, which provided for the regroupment of forces on either side of a provisional military demarcation line at the 17th parallel, a line which was specifically stated not to constitute a political or territorial boundary, and for overall French administrative responsibility south of the 17th parallel until the holding of elections in 1956 for the re-unification of Vietnam.

(2) the Geneva accords, which endorsed this bi-lateral armistice agreement and gave particular emphasis to the re-unification of Vietnam through free elections to be held in July 1956. This was agreed to by all conference participants but the U.S. and the observer delegation from the French-controlled Bao Dai regime in the south.

Though the U.S. did not register assent to the accords it pledged to "refrain from the threat or use of force to disturb them," and spoke of its traditional support for elections as a means of reunifying divided countries.

2. Doesn't the U.S. have a commitment under SEATO to defend Southeast Asia?

Only two Southeast Asian states—Thailand and the Philippines—even signed the SEATO treaty. The extension of a SEATO "protective umbrella" to southern Vietnam and Laos was inconsistent with the prohibition on military alliances stipulated by the 1954 Geneva Agreements, and Cambodia specifically repudiated the SEATO powers' right to extend their protection to it, since it insisted on remaining neutral.

SEATO does not constitute a U.S. commitment to Saigon. All that was actually provided for under SEATO was that in cases of aggression by armed attack from outside, each SEATO power was "to meet the common danger in accordance with its constitutional processes" and that in cases of subversion each SEATO party was to "consult" with the other signatories "in order to agree on the measures which should be taken for the common defense."

SEATO was utilized to encourage the development of a separate south Vietnamese state (established in direct contravention to the understanding arrived at in the 1954 Geneva Conference) and to provide some international support for maintenance of an American military presence in part of Southeast Asia.

However, it provides no legal basis for any military commitment by the U.S. to South Vietnam, and in the 1954 Senate hearings on the then prospective SEATO treaty it was made clear by Secretary of State Dulles and the Senate that it provided no such commitment.

Moreover, in those Senate hearings it was made explicit by Secretary Dulles that the U.S. would not under SEATO be drawn into revolutionary struggles in Southeast Asia.

In response to the question posed by the senior member of the Senate Foreign Rela-



tions Committee (Senator Green) as to whether the U.S. was "obliged to put down a revolutionary movement," Dulles stated: "No. If there is a revolutionary movement in

Vietnam or in Thailand, we would consult together as to what to do about it, because if that were a subversive movement that was in fact propagated by communism, it

would be a very grave threat to us. But we have no undertaking to put it down; all we have is an undertaking to consult together as to what to do about it."

## SENATE—Tuesday, June 2, 1970

The Senate met at 11 o'clock a.m. and was called to order by Hon. THOMAS F. EAGLETON, a Senator from the State of Missouri.

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

O God, the source of our being, and the guide of our pilgrim days, we hush our busy thoughts that we may learn in silence what we cannot know by speaking. Put out all lesser lights that we may have Thy light upon our pathway. Subdue our pride, our passion, our sin, and all finite frailties and set our spirits free, in tune with the infinite, at home with the eternal. Give us faith to see behind the tangle of human affairs and beneath the collision of world forces, some mighty purpose working toward Thy coming kingdom, in the fulfillment of which we have a part.

O God, our life, our hope, our strength, make us sure of Thee. Amen.

### DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. RUSSELL).

The assistant legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, D.C., June 2, 1970.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. THOMAS F. EAGLETON, a Senator from the State of Missouri, to perform the duties of the Chair during my absence.

RICHARD B. RUSSELL,  
President pro tempore.

Mr. EAGLETON thereupon took the chair as Acting President pro tempore.

### THE JOURNAL

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, June 1, 1970, be dispensed with.

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

### VACATING OF ORDER FOR SENATOR HRUSKA TO SPEAK THIS MORNING

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the previous order, under which the able Senator from Nebraska (Mr. HRUSKA) would be recognized for a period of 1 hour, be vacated.

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

### ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the time prior to recognizing the able Senator from New York (Mr. GOODELL) at 12 o'clock be utilized for the transaction of routine morning business, with statements therein being limited to 3 minutes.

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

### COMMITTEE MEETINGS DURING SENATE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

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

### SENATE RESOLUTION 415—SUBMISSION OF A RESOLUTION EXPRESSING THE SENSE OF THE SENATE ON THE GROWING THREAT POSED BY SOVIET PILOTS AND TECHNICIANS IN THE MIDDLE EAST

Mr. SCOTT. Mr. President, the distinguished Senator from Minnesota (Mr. MONDALE) is in the Chamber. I submit for appropriate reference a resolution on behalf of myself and the Senator from Minnesota (Mr. MONDALE).

It has been virtually axiomatic that the Middle East is the No. 1 trouble spot in a troubled world, and I submit that the presence of Soviet personnel in the cockpits of United Arab Republic aircraft and in the surface-to-air missile sites on the ground has turned a dangerous situation into a critical one.

The Russians already have done too much, and this resolution urges the President to call upon the Soviet Union—in the interest of peace and as a means of encouraging peace in the Middle East and in the world—to withdraw its personnel from the United Arab Republic.

Passage of this resolution, Mr. President, will enable the President to make such representations to the Soviet Union, and should the Russians comply, such action would aid immeasurably the cause of peace which we all seek.

Mr. President, I submit that this resolution—in which Senator MONDALE and I ask all our colleagues to join—could go a long way toward cooling down the hot spot of the Middle East and could lead to a deescalation of war activity. Indeed such action by the Soviet Union could avoid the confrontation which conceivably could lead to all-out war.

I cannot emphasize too strongly, Mr. President, that the balance of power in the Middle East is crucial to the security of the United States. The Soviets now

have warships in the warm waters of the Mediterranean in numbers which should alarm all of us.

And their entry into the missile picture is another example of the type of escalation we all decry.

Similarly, the presence of Soviet pilots in United Arab Republic aircraft is a situation which should not only be discouraged, but one which should be acted upon by the United States. It is the President who can best handle such a situation, and this resolution will express to President Nixon the sense of the Senate in this respect.

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

The ACTING PRESIDENT pro tempore (Mr. EAGLETON). The resolution will be received and appropriately referred; and, without objection, the resolution will be printed in the RECORD.

The resolution (S. Res. 415) expressing the sense of the Senate on the growing threat posed by Soviet pilots and technicians in the Middle East, was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

S. RES. 415

*Resolved*, That it is the sense of the Senate that the introduction of Russian pilots and the manning of missile sites by Russian technicians in the United Arab Republic is contributing to the increasing tension in the Middle East, and the President is strongly urged to call upon the Soviet Union to withdraw all Russian personnel as a major step toward the encouragement of peace in the Middle East.

Mr. MONDALE. Mr. President, I am proud to join the distinguished minority leader (Mr. SCOTT) in submitting this resolution, urging the President to call upon the Soviet Union to withdraw its pilots and technicians from the United Arab Republic.

It would be a tragic mistake if the current Senate debate over our involvement in Indochina were interpreted by any other nation as an indication of a growing isolationism or as a weakening of American determination to stand firm wherever our real interests and real commitments are at stake.

It is no secret that I strongly doubt whether either national interests or, by this stage, real commitments are at stake in Vietnam or Indochina. Upon this matter there is honest debate in the Senate, and that is a most healthy and encouraging development.

But there is no debate of which I am aware over our firm commitment to the balance of power in the Middle East or to the need to stand by the beleaguered nation of Israel. Here, at the crossroads of three continents, in the face of an aggressive Soviet move for Middle Eastern