"President Eisenhower has something to answer for to the wives and children of the Navy men"—

The quote of Butler's ends here—who died in the air collision over Rio de Janeiro on February 25.

Mr. Lawrence then resumes his quote of Mr. Butler:

What right has he (the President) to take the Navy band on a trip around the world? Was this trip a political show or something?

Mr. President, to this Senator SCOTT replied—and his reply applies to Mr. O'Brien today as well:

This attempt on your part to bloody the hands of the President is not very creditable.

Following this episode, Mr. Butler quickly retracted. He told the world that "for any such inference, I want to apologize to the President and the American people."

He went on to say:

I want to make it perfectly clear that I am not blaming the President for the tragic accident or the decision which brought the Navy band to Brazil.

Mr. President, Paul Butler, a Democratic national chairman, said a wrong thing in anger. But he had the courage and the integrity and the decency to apologize. We have waited in vain for Mr. O'Brien to follow suit.

It is to the shame of the Democratic Party that Lawrence O'Brien lacks those qualities of courage, and integrity and decency held by Paul Butler.

The Democratic Party and the Nation are the poorer for it.

ADJOURNMENT

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 50 minutes p.m.) the Senate adjourned until tomorrow, Thursday, June 4, 1970, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate June 3, 1970:

U.S. ARMY

The following-named officers to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. James Dyce Alger, [redacted], Army of the United States (major general, U.S. Army).

Lt. Gen. Andrew Jackson Boyle, [redacted] Army of the United States (major general, U.S. Army).

Lt. Gen. John Edward Kelly [redacted] Army of the United States (major general, U.S. Army).

Lt. Gen. Charles Wythe Gleaves Rich, [redacted] Army of the United States (major general, U.S. Army).

CONFIRMATIONS

Executive nominations confirmed by the Senate June 3, 1970:

FEDERAL FARM CREDIT BOARD

The following-named persons to be members of the Federal Farm Credit Board, Farm Credit Administration, for terms expiring March 31, 1976:

Kenneth N. Probasco, of Ohio.

E. G. Schuhart II, of Texas.

FEDERAL MARITIME COMMISSION

Helen D. Bentley, of Maryland, to be a Federal Maritime Commissioner for the term expiring June 30, 1975.

U.S. COAST GUARD

Rear Adm. Thomas R. Sargent III (1670), U.S. Coast Guard, to be Assistant Commandant of the U.S. Coast Guard with the rank of vice admiral.

HOUSE OF REPRESENTATIVES—*Wednesday, June 3, 1970*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let all the ends of the earth remember and turn again to the Lord.—Psalms 22: 27.

Almighty and eternal God, who exaltest the nations that follow the way of righteousness, we pray for our President, our Speaker, Members of Congress, and all to whom have been committed the government of this Nation. Grant unto them wisdom, understanding, and strength that, upholding what is right, supporting what is good, and following what is true, they may fulfill Thy purpose for mankind.

We pray for the President of Venezuela and the people of that great land. May we be one in spirit as we seek to promote peace in the world, cooperation between the nations, and good will among all people.

In the spirit of the Prince of Peace, we offer our morning prayer. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

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

H.R. 12619. An act to amend section 11 of an act approved August 4, 1950, entitled "An act relating to the policing of the buildings and grounds of the Library of Congress."

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1519) entitled "An act to establish a National Commission on Libraries and Information Science, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PELL, Mr. YARBOROUGH, Mr. RANDOLPH, Mr. WILLIAMS of New Jersey, Mr. KENNEDY, Mr. MONDALE, Mr. EAGLETON, Mr. PROUTY, Mr. JAVITS, Mr. DOMINICK, Mr. MURPHY, and Mr. SCHWEIKER to be the conferees on the part of the Senate.

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 12 o'clock and 2 minutes p.m.), the House stood in recess subject to the call of the Chair.

JOINT MEETING OF THE HOUSE AND SENATE TO HEAR AN ADDRESS BY THE PRESIDENT OF THE REPUBLIC OF VENEZUELA, DR. RAFAEL CALDERA

The SPEAKER of the House presided.

The Doorkeeper (Hon. William M. Miller) announced the President pro tempore and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the President pro tempore taking the chair at the left of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to conduct the President of the Republic of Venezuela into the Chamber: the gentleman from Oklahoma, Mr. ALBERT; the gentleman from Louisiana, Mr. BOGGS; the gentleman from Pennsylvania, Mr. MORGAN; the gentleman from Michigan, Mr. GERALD R. FORD; the gentleman from Illinois, Mr. ARENDS; and the gentleman from Indiana, Mr. ADAIR.

The PRESIDENT pro tempore. On behalf of the Senate, the Chair appoints as members of the committee to escort the President of the Republic of Venezuela into the Chamber the Senator from Massachusetts, Mr. KENNEDY; the Senator from West Virginia, Mr. BYRD; the Senator from Arkansas, Mr. FULBRIGHT; the Senator from Idaho, Mr. CHURCH; the Senator from Pennsylvania, Mr. SCOTT; the Senator from Michigan, Mr. GRIFFIN; the Senator from Colorado, Mr. ALLOTT; the Senator from North Dakota, Mr. YOUNG; and the Senator from Vermont, Mr. AIKEN.

The Doorkeeper announced the ambassadors, ministers, and chargés d'affaires of foreign governments.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 12 o'clock and 32 minutes p.m., the Doorkeeper announced the President of the Republic of Venezuela.

The President of the Republic of Venezuela, escorted by the committee of Sena-

tors and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the Congress, it is my great privilege and I deem it a great honor and pleasure to present to you His Excellency, Rafael Caldera, President of the Republic of Venezuela.

[Applause, the Members rising.]

ADDRESS BY THE PRESIDENT OF THE REPUBLIC OF VENEZUELA, DR. RAFAEL CALDERA

President CALDERA. Mr. Speaker, Mr. President, Honorable Senators, Honorable Congressmen, the honor which the Congress of the United States confers upon me by inviting me to this special joint session, is above all, out of deference to Venezuela, and to the Latin American family of nations. This gesture deserves my deepest appreciation.

We are living a decisive moment in people's confidence in free society, not only in Latin America, but perhaps all over the world. The outcome will depend on the possibility of proving that democracy, better than any other system, is capable of attaining justice and of achieving development.

Perhaps the fact that I come from the fatherland of Bolivar, a country filled with glorious achievements in the search for independence; a country with darker moments in the arduous process of organizing itself politically; a country where peace is maintained through irrevocable conviction and inexhaustible faith in the democratic system. Perhaps these facts explain why friendly eyes are observing us today, sympathetic to our words.

Speaking from this forum, I am aware that the people of the United States are listening to me; since every citizen of this country, whatever his political persuasion, his ideology, or his economic interests, knows that the vital issues which concern the Nation are debated within these walls.

The Congress of this country will soon be 200 years old. It met for the first time in Philadelphia in 1774. In 1776 its Declaration of Independence marked a new chapter in the political history of the world. We have evidence that in Caracas the Spanish translation of the Philadelphia documents was known and written by his own hand by the Director of our University as soon as 1777. For two centuries, in spite of profound modifications in the geography, in commerce, and especially in the attitudes of the people, the Congress has functioned with incredible consistency.

It is important to stress this long and continuous vitality because many times the justification for other political systems has been their continuity. There are those who permit themselves to be impressed by the survival of systems which have arisen out of violence and that are maintained by force, the net result of which is ephemeral, and is soon destroyed by the pendular movement of history's contradictions. On the other hand, the democratic system has proven its capacity to stay alive in the midst of the vicissitudes of time and its capacity to adapt itself to new needs and to new ideas.

During this long political experience, the United States has undergone profound transformations, having suffered the agonizing rigors of a civil war, and the immense sacrifices of international war. It has lived periods of intense anguish; it has felt justifiable pride in its extraordinary achievements, and it has suffered frustrations yet unresolved which worry its finest minds.

While the United States was living these 200 years of democratic continuity and political freedom, some other parts of the world, were witnessing different experiences.

Some time after the meeting in Philadelphia of America's First Congress, Napoleon Bonaparte overran Europe, ever imposing his all-embracing will. His brilliant ascent lasted 15 years, a rather short time in the lifespan of nations.

In recent times, another empire was built; imposed by legions of brown shirts, which propagated myths through blitzkrieg movements, and proclaimed the bankruptcy of representative democracy. The Nazis failed as will every system which denies human dignity and freedom. Meanwhile, democracy survives and will continue to survive.

But it is also true, honorable Senators and Congressmen, that at the present moment, humanity feels the urgent need for fundamental changes in its institutional life. The incredible advances in technology have accelerated the need for these changes and those who do not fully share in the economic benefits, urgently demand it. This is an undisputable fact and there is no exception in any part of the world. There are countries where these anomalies are buried under gravelike silence but this does not mean that growing unrest cannot be detected by close observation. The time is gone when demonstrations and riots were the shameful patrimony of those countries which have not acquired membership in the exclusive club of civilized nations. Today, ferment is evident everywhere. Great advances in communications, deadly skills acquired in war, the crisis of some moral patterns, contribute to favor those who try to push nations toward a whirlwind of violence; be they motivated by ambition or by erroneous thinking.

We know that great majorities in the United States, in our Latin America, as in Europe, Asia or Africa long for peace. A fertile peace which permits families to raise their children without anxiety, to further their endeavors with the assurance that the fruit of their labor will be permanently enjoyed. However, in order that we may fortify and channel the will of these great majorities, that we may renew their wavering faith in the future so that we may render useless the dissent caused by adventurers and warmongers, it is necessary that we convert a new message into reality.

A free society, in order to survive and justify its survival, must ever strive to prevent any of its sectors, even though a minority, from wallowing in poverty and cultural underdevelopment. In like manner, the community of nations, and concretely, that of our hemisphere, in order to guarantee freedom and peace, must strive to close the ever-widening gap between opulence and misery, between fantastic technological advances and underdevelopment.

Large segments of our youth are convinced of this truth, although their behavior may vary. Many dedicate themselves to the analysis of social and political systems, to the study of the cycles in economic life, and to the technical possibilities for transforming the world. Others allow themselves to be seduced by an overwhelming desire to destroy, being imbued with the naive idea that the destruction of that which exists will automatically bring about a new order for making man happier. It is perhaps the latter whose commotion is most clearly heard, amplified as it is through the sound tracks of industrial civilization. The former are expecting us to produce a clear and convincing program, a behavior which is compatible with popular aspirations and an optimistic outlook for confronting the future with confidence.

A well-recognized fact in our era is the existence of the international community. There is no longer a place for isolationism. In a world in which physical distances become shorter as each day passes, it is absolutely anachronistic to widen ideological gaps between human beings. If within each country, it has become unacceptable for a group of privileged people to look down upon the subhuman living conditions in which others may find themselves, in like manner the idea that some powerful and wealthy nation can be oblivious to the plight of other nations is obsolete.

Venezuela, for example, exports petroleum. Our economy is largely based upon our petroleum exports. Any decision related to the access of Venezuelan petroleum to the North American market has grave repercussions on our possibilities for livelihood and development. In the last decade the relative position of our petroleum in the U.S. market has deteriorated. Our people cannot understand being made the object of discriminatory treatment. At those times when the world saw the anguish of liberty in the face of the totalitarian threat, in the dangerous situations that the world, and this hemisphere in particular, experienced, the assurance of a supply of fuel from Venezuela constituted the best guarantee of the availability of energy for the decisive confrontations. On the other hand, the foreign exchange generated by our petroleum exports has been the basis of our monetary stability and it has allowed us to make an important contribution to international commerce.

We rank third in the Western Hemisphere and ninth in the world as customers of goods and services provided by the United States, despite our small population.

A just and nondiscriminatory treatment, that can guarantee a secure place

for Venezuelan petroleum in the North American market and a reasonable participation in its expansion, goes beyond the terms of a simple commercial arrangement. It is a condition for the fulfillment of the development programs of a neighboring and friendly country and a key to the direction that future relations between the United States and Latin America will take.

The aspects I mentioned are facts. I note, however, with pleasure that the issue of Venezuelan petroleum is on its way to being duly acknowledged in the United States. Venezuela's thesis is to air in the clearest possible manner those matters related to petroleum, a product whose use is of common interest to all mankind. We seek no special privileges. Our national interest can withstand the closest scrutiny and is available for verification in the depth.

The other countries of Latin America face similar problems. Producers of raw materials see their prices stagnating or declining, while the prices of manufactured goods rise. How many schools and hospitals will close, how many workers be dismissed, how much pain be inflicted, how many rebellions engendered in peace-loving nations, by the reduction of a single cent per pound of coffee, bananas, lead or copper? And yet, these nations have a right to fulfill their own destiny.

Powerful arguments for a new hemispheric treatment are found in the comparisons between the quantity of primary products that needed to be delivered to a developed country 10 years ago—for the acquisition of a tractor or for the tuition of a young man at a technological institute—and the quantity which is demanded of us now for the same purpose. The prices of manufactured goods keep rising, partly because it is necessary and just to improve the standard of living and working conditions of the laborers who participate in their production. Meanwhile, great pressure is brought to bear to lower the price of the products from which the developing countries derive their means of subsistence.

The formula for achieving cordial relations, which in turn will direct the influence of the hemisphere on the rest of the world toward friendship and international cooperation, cannot be the merciless attempts at forever lowering the prices of our goods while increasing the price of the commodities we have to import. The thesis that more trade diminishes the need for aid is correct as long as the trade is a just one, and is converted into a greater possibility for attaining the urgently needed changes in developing nations.

I believe in international social justice. Recalling Aristotle's old aphorism that justice demands that we render "to each his own," may I remind you that in the transformation of his thought in Christian philosophy "his own" does not evoke exclusively that which belongs to each individual but also the idea of that which belongs to "society" for the "common good."

No difficulty lies in transferring this concept onto the international community.

Just as "society" in the international ambit has the right to impose distinct types of relationships on its members, so the "international community" if it exists demands that the various nations participate in proportion to their capacity in order that "all" may lead what could be termed a human existence. The rights and the obligations of the different countries should be measured, therefore, in terms of the potential and the needs of each one, making peace, progress, and harmony viable, and making it possible for us all to advance within a true friendship.

I remarked at the beginning that I felt I was speaking to all the people of the United States. I am convinced that the future of the hemisphere depends on the extent to which this great nation reaches a decision to become a pioneer in social international justice. The measure to which your people, so deserving of our admiration and our friendship become conscious of the fact that with the cost of one of its Apollo moon shots it could contribute to the prosperity and happiness of nations like ours on whose security its own security depends; in that measure, the way would be open to new endeavours and your 200 years of political experiment would be barely the threshold of many centuries of the democratic way of life in the Western Hemisphere.

We hope that the Apollos will continue exploring space. But the result of these explorations make the need for a better life for men on earth more urgent.

With this objective we can inspire youth to an attitude in which all that is negative will depart from the scene and the positive will prevail. We can inflame the spirit of the new generations towards the rescue of the idea of freedom. Two hundred years ago, young men like the Frenchman Lafayette, the Pole Kosciusko and the Venezuelan Miranda came to North America seeking liberty. Bolivar, the Liberator, said of this Nation in his memorable address to the Congress of Angostura in 1819, that it "was cradled in liberty, reared on freedom, and maintained by liberty alone." Freedom could suffer its most severe crisis if it is not nourished with the accomplishments of social justice. The skepticism of youth towards liberty during the decade of the thirties produced the intrusion of fascism and nazism, which threatened to raze the very foundations of our present civilizations. We cannot allow our youth today to succumb to the call of violence and to the denial of the fundamental values which gave democracy its forcefulness.

I have sustained and still sustain, honorable Senators and Congressmen, that a robust friendship with a new outlook between the United States and Latin America is a necessity not only for the hemisphere but for the whole planet which we inhabit.

We must commence with an effort to reach mutual understanding. We must repeat a thousand and one times that being different implies neither being better nor worse. We Latin Americans have our own way of life and we have no wish to adopt in a servile manner a way of life which is current elsewhere. We have a fierce love of independence, we place full recognition of our dignity above that of our needs. For us as for you—as you have proved in decisive moments of your history—spiritual values take precedence over material interests. We know that we can count on your understanding; because as a great contemporary philosopher, Jacques Maritain, has said:

> The American people is the least materialistic of the modern peoples which have reached the industrial stage.

I am proud of being a Latin American. This does not prevent my understanding and admiring other cultures among which yours occupies a prominent place. As a Latin American, I can affirm before this representative assembly of the people of the United States, that there is still time to seek out solid ground upon which to construct genuine foundations for the understanding that we so desire.

There are people in our countries, as there are in every country, whose only current aim is a "strategic hatred" for the United States. They consist of minorities who are ideologically committed to a struggle which they aspire to turn into a veritable international civil war. But their success would be very small, despite their noisy activity, if it were not for large sectors whose feelings could easily be converted into antagonism.

When the statements of certain political leaders reach the columns of our press, when the actions of certain businessmen are not what they should be, an uncomfortable feeling engulfs our people, because, for better or for worse, we are very emotional.

In the same fashion, the North American man in the street receives an unfavorable image of the ordinary Latin American citizen. The "Ugly Latin American" has come to be, unaided by a best seller to promote him, the incarnation of those difficult neighbors to the South. This should not be.

The fact that at a time of intense internal political activity, the House of Representatives and the Senate of the United States have joined in order to listen kindly to the sincere remarks of the Chief Executive of a Latin American Republic, will be received, down there, as a token of good will and a sign that foretells great possibilities for a renewed friendship.

The gallant attempts which are made on both sides for the purpose of reaching an authentic understanding must be submitted to the opinion of our respective peoples whose decision, in the democratic system of government, is the final one. This makes it necessary for us, political, cultural and economic leaders, to make a sustained effort to convey the concept of a new hemispheric policy into the very hearts of our fellow citizens.

It is not enough that Presidents exchange ideas: it is necessary that their agreements receive full backing from the

Congress, and that it in turn may rely on the support of the citizens.

As I said, you live in democracy, and in democracies the real will of the citizens has the final word.

We are convinced that if the United States and Latin America are unable to achieve a true and lasting friendship based on justice and the honest examination of events, mankind in general could not aspire toward an organization founded on universal comprehension.

On the other hand, we are absolutely certain that a new, vigorous, and fruitful hemispheric relationship, inspired by the brave repudiation of everything that in the past obstructed the just norms of good relations, will have a great influence on world peace.

As democracy reaches its 200th anniversary, let it give this new evidence that it continues to be the best system of government.

Thank you.

[Applause, the Members rising.]

At 1 o'clock and 8 minutes p.m., the President of the Republic of Venezuela, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Ambassadors, Ministers, and Charges d'Affaires of foreign governments.

JOINT MEETING DISSOLVED

The SPEAKER. The Chair declares the joint meeting of the two Houses now dissolved.

Accordingly (at 1 o'clock and 11 minutes p.m.), the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

The SPEAKER. The House will continue in recess until 1:45 p.m. today.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 1 o'clock and 47 minutes p.m.

PRINTING OF PROCEEDINGS HAD DURING THE RECESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

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

There was no objection.

PRESIDENT RAFAEL CALDERA OF VENEZUELA

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

Mr. FASCELL. Mr. Speaker, the Congress of the United States, assembled in the Chamber of the House of Representatives, has greeted and heard a very distinguished visitor to our country: President Rafael Caldera of Venezuela. His expressed belief and faith in the need for human dignity, a free society, and the inter-American system is inspirational.

This has been a historic occasion. For President Caldera, an eminent lawyer, legislator, author, professor, and leader of his country's Social Christian Party, is also one of the leading champions of representative democracy in the Western Hemisphere.

A man who is no stranger to the United States, having lived here in exile during the reign of Dictator Marcos Perez Jimenez, Dr. Caldera is the third consecutive President of the Republic of Venezuela to have been elected to that office in a free, democratic election.

In this respect, he follows in the footsteps of his two recent distinguished predecessors—President Romulo Betancourt and Raoul Leoni.

Mr. Speaker, as chairman of the Subcommittee on Inter-American Affairs, I extend our warmest welcome to President Caldera and to point out that his visit to our country is most timely and opportune.

As we embark upon the decade of the 1970's, many serious challenges confront us in the Western Hemisphere. The foremost among them is the task of devising jointly a new strategy of development which, carried within the framework of democratic principles and institutions, will hasten the achievement of the economic, social, and political goals of the Alliance for Progress.

President Caldera will continue to play a leading role in those processes. It is fitting, therefore, that we have an opportunity to consult with him and to have the benefit of his views regarding the solution of the problems that lie ahead.

INCREASING THE PUBLIC DEBT CEILING—LETTER FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 91-345)

The SPEAKER laid before the House the following letter from the President of the United States, which was read and referred to the Committee on Ways and Means and ordered to be printed:

THE WHITE HOUSE,
Washington, June 3, 1970.

Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I ask the Congress to enact promptly the legislation reported by the Committee on Ways and Means which will temporarily increase the debt ceiling to $395 billion through fiscal year 1971, and provide for a permanent ceiling of $380 billion. The present temporary ceiling of $377 billion reverts to the existing permanent limit of $365 billion on June 30. On that date, the debt subject to limit is expected to exceed $365 billion by approximately $6 billion. In the absence of legislation, the Government would be unable to issue new securities, and thus would be put in the untenable position of not being able to meet its payment obligations.

As you know, this Administration has been pursuing a policy of fiscal restraint as an essential step toward the restoration of economic stability. The budget for fiscal year 1971, as I have recently revised it, is a tight budget, a budget which is fiscally responsible in the environment we expect to prevail during the next year. I want, and indeed I must have, the support of the Congress to stay within this budget.

Even with the tight restraints on controllable outlays contained in this budget, however, the debt will unavoidably rise significantly next year. While the trust funds will be in substantial surplus, there will be a deficit in the Government's own accounts—the so-called Federal Funds Accounts—of about $10 billion. The new ceiling recommended by this Administration and approved by the Committee on Ways and Means will permit the financing of this deficit, and at the same time restore a reasonable margin for contingencies.

In order to assure the orderly management of the Government's finances, I respectfully enlist the cooperation of the Congress on the prompt enactment of the bill reported by the Committee on Ways and Means.

Sincerely,

RICHARD NIXON.

PERMISSION FOR COMMITTEE ON RULES TO HAVE UNTIL MIDNIGHT TONIGHT TO FILE CERTAIN REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain reports.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 17802, TO INCREASE PUBLIC DEBT LIMIT

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1051 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1051

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 17802) to increase the public debt limit set forth in section 21 of the Second Liberty Bond Act, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendments shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means,

and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. SMITH), pending which I yield myself such time as I may consume.

Mr. Speaker, this is a closed rule providing for 4 hours of general debate.

There is one unusual feature in the rule. All points of order are waived against the bill. That is not because of the Ramseyer rule because in this case I understand that the committee has complied with the Ramseyer rule. It is, as I understand it, because of the nature of the Second Liberty Bond Act which the committee was informed is an act which provides for bond legislation and appropriations. The Committee on Rules was informed that failure to waive the points of order would make an amendment to the Second Liberty Bond Act subject to a point of order. For that reason, the Committee on Rules decided to grant the waiver.

With that exception is is the normal rule for this type of matter.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in connection with the consideration of H.R. 17802, the public debt ceiling, the resolution under consideration now, House Resolution 1051, provides a rule for 4 hours of general debate under a closed rule. Only committee amendments are in order, and such amendments are not themselves subject to amendment. All points of order against the bill are waived.

The reason for the waiver as explained by the distinguished gentleman from Louisiana (Mr. BOGGS) is that in the statute which is being amended by the bill, which is the Second Liberty Bond Act, section 10, is actually appropriation type language.

Because the act is permanent legislation and not a general appropriation bill, it is believed that the text of the bill, that is, H.R. 17802, because it amends the Second Liberty Bond Act, would be subject to a point of order due to the problems of the original act in appropriating on a legislative bill.

This particular bill increases both the permanent debt ceiling and the temporary debt ceiling. The present law provides a permanent debt ceiling of $365 billion. On June 30, the close of the fiscal year, the public debt of the United States may not exceed that amount. Under current law, however, it is also provided that during the remainder of the fiscal year a temporary ceiling is in effect. This temporary ceiling currently is set at $377 billion, and that will expire at the close of fiscal 1970.

The bill changes both these debt ceiling figures. It provides an increase in the permanent debt ceiling of $15 billion to a new permanent ceiling figure of $380 billion. Second, the bill provides that for the fiscal year beginning July 1, 1970, the temporary debt ceiling is increased from the present figure of $377 billion to a new figure of $395 billion. After June 30, 1971, however, which is the end of fiscal year 1971, the ceiling will be $380 billion with no further temporary ceiling provided at that time.

Mr. Speaker, I urge the adoption of the rule, and I reserve the balance of my time.

Mr. GROSS. Mr. Speaker, would the gentleman yield for a question?

Mr. SMITH of California. I yield to the gentleman from Iowa.

Mr. GROSS. Do I understand that the points of order are waived because this bill, H.R. 17802, amends the Second Liberty Bond Act, and, therefore, the act would be in question if the waiver was not granted in this rule?

Mr. SMITH of California. I think particularly section 10 would be in question because it is appropriation type language, and if a waiver is not made then in all probability the Second Liberty Bond Act would be subject to a point of order, and would probably be open for amendment. I think that is correct; at least, that is the way it was explained to the Committee on Rules by the distinguished gentleman from Louisiana, and I understand that to be the parliamentary situation as we were told it.

Mr. GROSS. I would say to the gentleman from California that that seems to be really stretching the necessity for a waiver. I had not thought that waivers of points of order were necessary for the reasons given today because we amend a lot of statutes on the floor of the House, and never think in terms of invalidating the act itself.

Mr. SMITH of California. I think also we are appropriating actually on a legislative bill in this particular instance, and that would be wrong, to appropriate on a legislative bill. That is my understanding of the rule, but I may be wrong. Maybe the distinguished gentleman from Arkansas (Mr. MILLS) can explain it.

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

Mr. SMITH of California. I yield to the gentleman from Arkansas.

Mr. MILLS. Mr. Speaker, there is one provision in the original Second Liberty Loan Act which does appropriate funds, and thus it was originally subject to a point of order.

So far as I am aware, it was considered at that time under a rule which waived points of order.

Section 10 of the Second Liberty Bond Act contains this language:

> The amount of . . . certificates of indebtedness herein authorized is hereby appropriated, . . .

Members should note that this language does not merely authorize an appropriation; the section says, "is hereby appropriated."

It is my understanding from discussing the matter with the parliamentarian that any time you amend an original act which was subject to a point of order, then the amendment itself would be subject to a point of order—or it is possible that that is the case.

Mr. BOLLING. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. VANIK) for purposes of debate.

Mr. VANIK. Mr. Speaker, I urge the defeat of the previous question on the rule. If the previous question is defeated, I expect to offer an amendment to the rule to provide a debt ceiling of $389 billion and a $66 billion limitation on military spending in fiscal 1971. If the bill can be amended to permit a vote on a ceiling of $389 billion and an expenditure ceiling of $66 billion, I will vote for the debt ceiling. If the closed rule is sustained, providing the House with no other choice, I expect to vote against this debt ceiling.

In the skimpy 2-day hearing on the debt ceiling before the Ways and Means Committee, we heard only from Treasury officials. There was no testimony provided by economists or by representatives of the Defense Department.

In recent years, this Nation's deficits and debt have been determined at the Pentagon rather than Capitol Hill. The Expenditure Control Act of 1968 rolled back all controllable expenditures except interest rates and military costs. In spite of all our talk, the Pentagon has not yet gotten the word.

The administration budgets $71.8 billion for military spending in fiscal 1971. If the 150,000 troops are removed from Southeast Asia during the course of this year and if the Armed Forces are reduced by a like amount, the projected savings will exceed $4 billion. Certainly the Department of Defense should be able to find ways to reduce the remainder of its projected spending by 2½ percent. A defense spending reduction of $6 billion is both reasonable and consistent with the national security. In addition, there is $40 billion in the defense pipeline—waiting to be used at the will of the Executive.

Today, Secretary Laird announced in Colorado Springs that this administration proposes a 1-million-man reduction in our military manpower. At $20,000 to $25,000 per man, this could represent a Treasury saving of $20 billion per year. This announcement by Secretary Laird was never contemplated and was never considered by the Committee on Ways and Means. It seems all the more imperative to send this bill back to committee to relate the debt ceiling to the possibility and timetable of troop-strength reductions.

Our deficits and our debts are planned and ordered in the Pentagon—which directs the deployment of 300,000 military men in Western Europe, another contingent almost as large in Japan, Okinawa, and the western Pacific. To this must be added the horrendous cost of men and material in Vietnam and Cambodia. These costs are a secret to almost everyone. Neither operation or incursion ap-

pears in the Federal deficit or in an explanation of the Federal debt.

Neither the Ways and Means Committee nor the Congress has an accurate idea of the fiscal 1970 costs of either Vietnam or Cambodia or the cost projections for fiscal 1971.

This is an incredible way to run a country. The most crucial costs are confounded and concealed. In the past there were great, secret spendings of our Government—and now there are more.

Although the debt ceiling must be raised, I do not believe that this Congress has received either adequate or convincing evidence of the need for a $395 billion debt ceiling. Is there clear and convincing evidence that the Treasury needs $18 billion within the next fiscal year? The administration requested and the Ways and Means Committee has provided a $6 billion cash accounts cushion within the debt ceiling—$2 billion more than was ever before allowed. There is enough leeway in the debt ceiling to fund several more incursions and trespasses into other places.

Congressional impotence to control foreign policy has been demonstrated. Congressional impotence to control either deficit or debt is being further demonstrated by this debt ceiling bill. Are we really here to exercise our constitutional power to legislate?

Must this House be denied an opportunity to decide whether this debt ceiling is to be $395 billion, $390 billion, $389 billion, or $378 billion? Are we here to rubberstamp approval on the wrongs of extended commitment and waste? What is our role and when do we begin our work? The answer is "Now."

Vote against the previous question. Let us open up the rule and exercise our constitutional authority to control expenditures, limit our deficits, and hold down our debt.

Mr. MOORHEAD. Mr. Speaker, I rise to express support for the proposal of the gentleman from Ohio (Mr. VANIK) to limit the temporary debt ceiling to $389 billion including a limitation on defense expenditures for fiscal year 1971 of $66 billion.

Mr. Speaker, I have always voted for increases in the debt ceiling because to do otherwise in my opinion would be irresponsible. Congress cannot responsibly vote for appropriations in excess of revenues and then pretend we did not do so by refusing to raise the debt ceiling.

The Vanik proposal is not irresponsible because under it Congress makes the decision to limit expenditures to a degree that a lower debt ceiling can be justified.

Limiting defense expenditures to $66 billion in fiscal year 1971 makes good sense, considering our disengagement from Southeast Asia, the Guam doctrine, the revision of our contingency planning assumptions from 2½ to 1½ wars and hopefully our hard learned lesson from the Southeast Asian experience, that there are severe limits to what can be accomplished in the world— in the interest of the United States—with the exercise of our military power.

I am fully confident that a cut of $6 billion can be effected in defense expenditures over the next fiscal year without adversely affecting the national security of this Nation.

Before the Joint Economic Committee early this week Charles L. Schultze, the former Budget Director, testified that we could cut the conventional force budget alone by $10 billion over the next 2 fiscal years without affecting our national security. He testified that this could be done with no major budgetary or force deployment disruption. So I would conclude that this is a reasonable and workable amendment.

Here are the kinds of cuts that Mr. Schultze identified that could be made in our existing general purpose forces considering a revision of our 2½- to a 1½-war policy. Both Mr. Nixon and Mr. Laird have recently stated that this is indeed our current policy. A change in policy of this magnitude should be worth something in terms of forces and dollars.

One would first want to look at the pre-Vietnam general purpose forces deployed on a 2½-war assumption. The conventional forces to meet these contingencies would be something like the following major elements: 19⅓ active divisions and seven high-priority Reserve divisions; 23 tactical air wings; 15 attack carrier task forces; and appropriate accompaniment of antisubmarine warfare, antiaircraft, airlift, sealift communications, and general support.

Now, if one went from a 2½- to a 1½-war assumption Mr. Schultze suggests that reductions could be made on the magnitude of five or six divisions with their equipment, training, and so forth; three to five air wings; six carriers and their task forces, and pro rata accompanying amount of antisubmarine, antiaircraft, communications support, and the like.

When you total up the costs of these divisions and air wings and attack carriers and the task force accompaniment and all that goes with it, it comes out to just about $10 billion in today's prices. This I would add would still leave the United States with very substantial conventional forces.

Therefore, I think we should vote down the previous question so that the Vanik amendment can be considered.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. VANIK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 273, nays 86, not voting 70, as follows:

[Roll No. 149]

YEAS—273

Abbitt	Anderson, Tenn.	Arends
Abernethy	Andrews, N. Dak.	Ashley
Adair	Annunzio	Aspinall
Albert		Ayres
Alexander		Beall, Md.
Belcher	Gettys	Patten
Bennett	Giaimo	Pelly
Berry	Gibbons	Pepper
Betts	Goodling	Perkins
Bevill	Gray	Pettis
Biester	Green, Oreg.	Philbin
Blackburn	Griffin	Pickle
Blanton	Griffiths	Pirnie
Blatnik	Gross	Poage
Boggs	Grover	Poff
Bolling	Hagan	Pollock
Bow	Haley	Preyer, N.C.
Brinkley	Hall	Price, Tex.
Brooks	Hammer-schmidt	Pryor, Ark.
Broomfield		Purcell
Brotzman	Hanley	Quie
Brown, Mich.	Hansen, Idaho	Quillen
Brown, Ohio	Harsha	Railsback
Broyhill, Va.	Harvey	Reid, Ill.
Buchanan	Hays	Rhodes
Burke, Fla.	Hébert	Rivers
Burke, Mass.	Henderson	Roberts
Burleson, Tex.	Hogan	Robison
Burlison, Mo.	Horton	Rodino
Burton, Utah	Howard	Roe
Bush	Hull	Rogers, Colo.
Byrnes, Wis.	Hunt	Rostenkowski
Cabell	Hutchinson	Roth
Caffery	Jarman	Ruppe
Carter	Johnson, Calif.	Ruth
Casey	Johnson, Pa.	Sandman
Cederberg	Jonas	Satterfield
Chamberlain	Jones, Ala.	Schadeberg
Chappell	Jones, N.C.	Scherle
Clancy	Jones, Tenn.	Schneebeli
Clausen, Don H.	Kazen	Schwengel
	Kee	Scott
Collins	Keith	Sebelius
Colmer	King	Shriver
Conable	Kleppe	Sikes
Corbett	Kluczynski	Sisk
Corman	Kuykendall	Skubitz
Coughlin	Kyl	Slack
Cowger	Landgrebe	Smith, Calif.
Cramer	Landrum	Smith, N.Y.
Crane	Langen	Snyder
Cunningham	Latta	Springer
Daddario	Lennon	Stafford
Daniel, Va.	Lloyd	Staggers
Daniels, N.J.	Long, Md.	Stanton
Davis, Ga.	McClory	Steed
Davis, Wis.	McClure	Steiger, Ariz.
Delaney	McCulloch	Steiger, Wis.
Dellenback	McDade	Stephens
Denney	McDonald, Mich.	Stubblefield
Dennis		Stuckey
Dent	McEwen	Sullivan
Derwinski	McFall	Taft
Devine	MacGregor	Talcott
Dickinson	Madden	Taylor
Dingell	Mahon	Teague, Calif.
Donohue	Mann	Teague, Tex.
Dorn	Marsh	Thompson, Ga.
Downing	Martin	Thomson, Wis.
Duncan	Mathias	Ullman
Edmondson	May	Waggonner
Edwards, Ala.	Mayne	Wampler
Edwards, La.	Meeds	Watkins
Erlenborn	Melcher	Watson
Esch	Meskill	Watts
Eshleman	Michel	Weicker
Fallon	Mills	Whalley
Fascell	Minish	Whitten
Findley	Minshall	Widnall
Fish	Mize	Wiggins
Flood	Mizell	Williams
Flowers	Mollohan	Wilson, Bob
Ford, Gerald R.	Monagan	Winn
Foreman	Montgomery	Wold
Fountain	Morgan	Wright
Frelinghuysen	Murphy, Ill.	Wyatt
Frey	Murphy, N.Y.	Wylie
Friedel	Myers	Wyman
Fulton, Pa.	Natcher	Young
Fulton, Tenn.	Nelsen	Zablocki
Fuqua	Nichols	Zion
Galifianakis	O'Neill, Mass.	Zwach
Garmatz	Passman	

NAYS—86

Adams	Conyers	Harrington
Anderson, Calif.	Culver	Hathaway
	Diggs	Hechler, W. Va.
Barrett	Eckhardt	Heckler, Mass.
Biaggi	Edwards, Calif.	Hicks
Bingham	Eilberg	Hungate
Boland	Evans, Colo.	Ichord
Brademas	Farbstein	Jacobs
Burton, Calif.	Foley	Karth
Button	Fraser	Kastenmeier
Byrne, Pa.	Gallagher	Koch
Carey	Gonzalez	Kyros
Celler	Green, Pa.	Long, La.
Clark	Gude	Lowenstein
Cleveland	Halpern	Macdonald, Mass.
Conte	Hamilton	

Matsunaga	Patman	Shipley
Mikva	Pike	Smith, Iowa
Miller, Ohio	Podell	Stokes
Mink	Pucinski	Symington
Moorhead	Randall	Vanik
Morse	Rarick	Vigorito
Mosher	Reid, N.Y.	Whalen
Moss	Reuss	White
Nedzi	Riegle	Wolff
Nix	Rogers, Fla.	Wydler
Obey	Rooney, Pa.	Yates
O'Hara	Rosenthal	Yatron
O'Konski	Ryan	
Olsen	St Germain	

NOT VOTING—70

Addabbo	Flynt	O'Neal, Ga.
Anderson, Ill.	Ford,	Ottinger
Andrews, Ala.	William D.	Powell
Ashbrook	Gaydos	Price, Ill.
Baring	Gilbert	Rees
Bell, Calif.	Goldwater	Reifel
Brasco	Gubser	Rooney, N.Y.
Bray	Hanna	Roudebush
Brock	Hansen, Wash.	Roybal
Brown, Calif.	Hastings	Saylor
Broyhill, N.C.	Hawkins	Scheuer
Camp	Helstoski	Stratton
Chisholm	Holifield	Thompson, N.J.
Clawson, Del	Hosmer	Tiernan
Clay	Kirwan	Tunney
Cohelan	Leggett	Udall
Collier	Lujan	Van Deerlin
Dawson	Lukens	Vander Jagt
de la Garza	McCarthy	Waldie
Dowdy	McCloskey	Whitehurst
Dulski	McKneally	Wilson,
Dwyer	McMillan	Charles H.
Evins, Tenn.	Mailliard	
Feighan	Miller, Calif.	
Fisher	Morton	

So the previous question was ordered.

The Clerk announced the following pairs:

On this vote:

Mr. Morton for with Mr. Gaydos against.

Mr. Collier for with Mr. Rees against.

Mr. Saylor for with Mr. William D. Ford against.

Mr. McKneally for, with Mr. Ottinger against.

Mr. Andrews of Alabama for, with Mr. Roybal against.

Mr. Evins of Tennessee for, with Mr. Tunney against.

Mr. Holifield for, with Mrs. Dwyer against.

Mr. Fisher for, with Mr. Helstoski against.

Mr. McMillan for, with Mr. Clay against.

Mr. Gubser for, with Mr. McCarthy against.

Mr. Bray for, with Mr. Brown of California against.

Mr. Roudebush for, with Mr. Dawson against.

Until further notice:

Mr. Baring with Mr. Anderson of Illinois.

Mr. Rooney of New York with Mr. Del Clawson.

Mr. Miller of California with Mr. Goldwater.

Mr. Brasco with Mr. Hastings.

Mr. Gilbert with Mr. Camp.

Mr. Stratton with Mr. Mailliard.

Mr. Thompson of New Jersey with Mr. Vander Jagt.

Mr. Addabbo with Mr. McCloskey.

Mr. Price of Illinois with Mr. Hosmer.

Mr. Dowdy with Mr. Ashbrook.

Mrs. Hansen of Washington with Mr. Reifel.

Mr. Charles H. Wilson with Mr. Bell of California.

Mr. Leggett with Mr. Lukens.

Mr. Udall with Mr. Lujan.

Mr. de la Garza with Mr. Whitehurst.

Mr. Flynt with Mr. Broyhill of North Carolina.

Mr. O'Neal of Georgia with Mr. Brock.

Mr. Scheuer with Mrs. Chisholm.

Mr. Cohelan with Mr. Powell.

Mr. Kirwan with Mr. Hawkins.

Mr. Dulski with Mr. Hanna.

Mr. Waldie with Mr. Tiernan.

Messrs. ANDERSON of California, BYRNE of Pennsylvania, WHITE, HALPERN, and MILLER of Ohio changed their votes from "yea" to "nay."

Messrs. LONG of Maryland, PHILBIN and HENDERSON changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON HOUSING, COMMITTEE ON BANKING AND CURRENCY, TO SIT DURING GENERAL DEBATE TODAY

Mr. BARRETT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Housing of the Committee on Banking and Currency may be permitted to sit during general debate today.

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

There was no objection.

PERMISSION FOR SELECT SUBCOMMITTEE ON EDUCATION TO SIT DURING GENERAL DEBATE TODAY

Mr. MEEDS. Mr. Speaker, I ask unanimous consent that the Select Subcommittee on Education may be allowed to sit during general debate today.

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

There was no objection.

PUBLIC DEBT

Mr. MILLS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 17802) to increase the public debt limit set forth in section 21 of the Second Liberty Bond Act.

The SPEAKER. The question is on the motion offered by the gentleman from Arkansas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 17802, with Mr. FASCELL in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Arkansas (Mr. MILLS) will be recognized for 2 hours, and the gentleman from Wisconsin (Mr. BYRNES) will be recognized for 2 hours.

The Chair recognizes the gentleman from Arkansas.

Mr. MILLS. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman is recognized for 15 minutes.

Mr. MILLS. Mr. Chairman, the simplest way that I can describe the purpose of House Resolution 17802 is to say that it makes it possible for the Government to meet its financial obligations during the next fiscal year by raising the debt ceiling, whereas the Government would not be able to do so without the passage of this legislation. That something must be done is clearly demonstrated by the fact that on June 30 next the debt limitation will go from $377 billion down to $365 billion. While the debt limitation will revert to $365 billion on June 30 next, the actual debt at that time, subject to the limitation, is expected to be almost $372 billion. In other words, on July 1, the actual debt will be from $6 billion to $7 billion over the limitation, on that date if we take no action.

Of course, no one likes to say that he is in favor of increasing the debt ceiling. In that sense of the word, presenting a bill increasing the debt limitation is perhaps the most thankless task that this committee has to perform. Despite this, I believe that the debt limitation serves a useful purpose in that it directs our attention from time to time to the overall revenue and expenditure totals, and it has the useful effect of making us face up, a little more specifically than might otherwise be the case, to the issue of priorities in spending and in revenues.

In addition to what I have just said, in my estimation, one of our greatest fiscal needs today is for a device which better enables the Congress to control spending and to express its views as to priorities among different types of expenditures. The debt limitation is an imperfect tool in this respect, but, at least until we develop a more satisfactory method of dealing with the problem, I believe the debt limitation remains useful.

But while it is useful to keep a rein on spending, it serves no useful purpose to provide a debt limitation so severe as to deny the Government the ability to pay its bills. As a result, in considering debt limitations, I believe it is desirable to provide a limitation which is tight enough to keep control of spending while it is also flexible enough to enable the Government to pay its bills and manage its debts in accordance with sound debt management practices. I believe I can demonstrate that the debt limitation provided by this bill meets the standards I have outlined.

Let me turn now to specifics of the bill. The bill provides—it is unbelievable, I know—for an increase of $18 billion in the temporary debt ceiling, raising the ceiling from its present $377 billion to $395 billion effective July 1, 1970. On July 1, 1971, the debt limitation will revert to a permanent limitation level of $380 billion in place of the present permanent level of $365 billion.

I realize that the need to raise the debt limitation by $18 billion, from $377 billion to $395 billion, is something which frequently is not understood. It is not understood by the public, and I want to explain why. People are apt to read that even after the substantial revisions made on May 19 of this year, the administration is still only projecting a

unified budget deficit of $1.3 billion for fiscal year 1971. Of course, people are asking, with no more deficit than that, why does this ceiling have to go up by the $18 billion?

The answer is that the unified budget is highly misleading, in my opinion. While the unified budget may be useful to economists—and I am sure it is—in gauging the effect of Government actions on the economy as a whole, or as a device to indicate to bankers the debt financing requirements which must be obtained from the public—and it does that very adequately—it is not a good tool for measuring the balance or imbalance in the Federal Government's own operations apart from the operations which it carries on for others in a fiduciary capacity.

To measure the Federal Government's own operation we need to focus on the Federal funds budget, or what used to be called the administrative budget, which excludes trust fund receipts and disbursements. When we turn to the fiscal funds budget we find that the deficit for the fiscal year 1971, according to the administration, is not $1.3 billion but it is $10 billion, and the deficit for the Federal funds budget for fiscal year 1970 is $11 billion.

I am not criticizing the administration; I am only trying to explain why the debt ceiling has to go up by $18 billion when they say there is a deficit coming up in the unified budget of only $1.3 billion.

In other words, when we focus our attention on the Federal funds budget—the budget which is pertinent in determining the size and effect on the national debt—the problem takes on an entirely new dimension. This is because the Federal funds deficit, in contrast to the deficit under the unified budget, is not reduced by the trust fund surpluses which are expected to amount to nearly $9 billion in fiscal year 1971.

These trust fund surpluses are invested in U.S. Government securities. They have to be, under the provisions of existing law. This, of course, reduces the need to borrow from the public, but the Government obligations held by the trust funds are just as much a part of the debt of the Federal Government as any other debt obligations issued by the Government, and indeed are so counted for purposes of the statutory debt ceiling.

I dare say if we excluded these obligations from the debt there would be much criticism of our action by the Members of the House of Representatives. The Members would say that we were trying to camouflage a part of what we owed. Consequently, we must look not just at the Federal debt held by the public but also at the Federal debt which is held by trust funds, which is still owed to those trust funds by the general fund of the Treasury.

The Ways and Means Committee has sought to clarify this confusion and to provide better information to our citizenry to enable the people to better understand the relationship of the Federal budgetary deficits or surpluses to the Federal budgetary deficits or surpluses to the Federal debt. To this end the Ways and Means Committee in its report suggested that the Bureau of the Budget develop the Federal funds budget in the same way the present debt document develops the unified budget. I have discussed this with the gentleman from Texas (Mr. MAHON). He is aware of it. The Federal funds budget is pertinent to the public debt, but the relationship between the two must be explained and shown in one document to avoid this confusion which now exists.

We understand the Bureau of the Budget has agreed to do this. They said they will place a new section in the basic budget document which will be submitted in January, well toward the front of the document, that will be concerned with the Federal funds budget and the effect of spending from the general funds of the Treasury upon the debt itself and relate this to any needed change in the public debt limitation.

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

Mr. MILLS. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. The gentleman says, and he is correct, that the public does not understand the application of the Federal debt ceiling to the various budgets. If they do not understand this application—and I am sure they do not, as I am sure many Members of Congress do not; and I am one of them—how in the world can they understand the handling of the finances of this Government, when they deal interchangeably with Federal funds budgets, unified budgets, administrative budgets and I do not know how many more? When are we going to make some sense out of this business of budgets?

Mr. MILLS. I agree with my friend that it is very confusing. I think it is almost as confusing now as it was prior to the use of the new unified budget, when we really had three separate budget's statements sent up here. I am not asking that we forgo the use of the unified budget but that we have the budget document itself make very clear to the Members and to the public why it is that there can be a deficit of only $1.3 billion in the unified budget and there can still be a deficit in the Federal funds budget of $10 billion.

Mr. GROSS. Will the gentleman yield further?

Mr. MILLS. Yes.

Mr. GROSS. I do not know whether it is lack of intelligence on my part——

Mr. MILLS. No, it is not.

Mr. GROSS. But I can read your report on this report, backward and forward, and I will swear to you that when it jumps from a unified budget to some other budget to some other budget, I am lost.

Mr. MILLS. There is nothing we can do in the report except state the facts as they are.

Mr. GROSS. I am not critical of the gentleman or his committee, but I wish we could make some sense out of this budget business.

Mr. MILLS. Let us go back and talk for a second about this. I am taking more time than I expected to, but let me give you the story.

When President Johnson was in the White House he picked up three papers—I think it was the New York Times, Wall Street Journal, and some other paper. He had submitted his budget to the Congress, but each of these papers carried a detailed but different account of a budget, and when you put the three together they were as inconsistent as daylight and dark because neither of the three accounts referred to the same type of budget. There were three different budgets, and the three newspaper stories described a different one of the three budgets. So the people, President Johnson thought, were so confused that they would not know anything about what he asked. He thought maybe Congress itself would not know. So he developed the idea of appointing a commission of very eminent Americans, with—as it turns out now—the chairman being the present Secretary of the Treasury and the staff director, as I remember, being the present Director of the Bureau of the Budget, Mr. Mayo. It was a bipartisan group, and they were unanimous in the belief that something had to be done to get the budget back into proper focus and on an understandable basis.

In the process of submitting budgets—and that is what I am critical of here—they completely overlook the fact that there is such a thing as Federal funds, or an administrative budget, which is the budget, as you know and I know, which determines for debt issuance purposes whether you are in balance or whether you are in a deficit. That is what I wanted to focus attention on and make clear.

Now I will yield to the gentleman from North Carolina.

Mr. JONAS. I ask this question for clarification. My recollection is that the national debt today is above $370 billion.

Mr. MILLS. Approximately, yes. It was $374.9 billion around the 15th of April.

Mr. JONAS. It is above $370 billion?

Mr. MILLS. That is right.

Mr. JONAS. That means we are already above the permanent ceiling by about $5 billion or $6 billion.

Mr. MILLS. We will be $6 billion or $7 billion above the $365 billion when we end this fiscal year.

Mr. JONAS. If this bill is not enacted, we will revert to the permanent ceiling figure. Is that correct?

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. MILLS. Mr. Chairman, I yield myself 10 additional minutes.

If the gentleman will bear with me, I want to discuss what the situation will be when we are out of money and how the Government will be completely paralyzed if we do not pass this legislation.

Mr. JONAS. I will be happy to defer my question, then.

Mr. MILLS. I will be discussing it shortly. With the background that we have given of the budget, now let us look at the facts and see why it is necessary to raise the temporary debt ceiling to $395 billion. What I am going to do now is build up this $395 billion item by item so that you can see just how we came to this total. When you do that I believe that you will see we have kept a tight rein on expenditures.

We start with the fact that as of April

15, 1970, when the outstanding debt for fiscal year 1970 reached its highest level, the debt subject to the limitation amounted to $374.9 billion. The reason we start with this April figure is that the ceiling must be high enough to accommodate the debt at its peak for the fiscal year which generally comes around mid-April. This seasonal peak in the debt occurs because, while expenditures generally flow out relatively evenly during the year, receipts are highly concentrated in the last quarter of the fiscal year. In order to arrive at the needed debt limit for this next fiscal year, this $374.9 billion must then be increased by the current estimate of the Federal funds deficit for the period from April 1970 to April 1971. Measuring the debt over this specific period results in a larger Federal funds deficit; namely, $13.2 billion. Now, get your pencil and figure and see how it adds up. The $13.2 billion then for the Federal funds budget deficit for the period from mid April 1970 to mid April 1971, because of the unusual expenditures which occur during this period of time, such as in this instance—retroactive pay increases, plus the fact that certain expenditures for this next year are likely to be concentrated even more than usual in the first part of fiscal year 1971.

Next, in arriving at the needed debt limitation, we must take into account the fact that the cash balance on April 15, 1970, had declined to the inadequate level of $2.2 billion. Think of it. As of April 15, this was all the cash we had on hand. In the past we have assumed a cash balance at all times of at least $4 billion, but this has proved to be less than adequate as expenditures have been climbing from year to year. The Treasury representatives presented evidence to the committee that based upon past relationships, a cash balance of $6 billion is needed. By increasing the allowance for the cash balance from the $2.2 billion on hand on April 15 to $6 billion means we must increase the amount subject to the debt limit by a further $3.8 billion.

Finally, in arriving at the needed debt limit we have always made an allowance of $3 billion for unknown contingencies.

To anyone who feels we have been overly generous in allowing a $6 billion cash balance and $3 billion allowance for contingencies, let me remind you that this total of $9 billion is sufficient only to meet the Government's expenditures for—about what time would you say? Two and a half weeks is the answer. Think of it. Two and a half weeks. An amount representing expenditures for this time is what we allow them to have for contingencies and cash balances. What business, I ask, would any of you want to operate on such a narrow margin?

Mr. Chairman, let me repeat these figures indicating why we need the $395 billion for the debt limit. We start out with $374.9 billion of public debt subject to the limitation on April 15, 1970. Add to it $13.2 billion of deficit between April 1970 and 1971. Then add $3.8 billion to restore the cash balance to $6 billion. Finally we add $3 billion for contingencies. If you add up these figures you will get a total of $394.9 billion. This is the amount of debt subject to limitation that the administration expects to be outstanding on April 15, 1971. This is why we need the $395 billion temporary ceiling effective July 1, 1970.

The bill also increases the permanent debt limit from $365 billion to $380 billion. The figure of $380 billion is a conservative approximation of the debt likely to be outstanding at the end of fiscal year 1971. The debt outstanding at the end of fiscal year 1970 is expected to be $371 to $372 billion, and adding the administration's Federal funds deficit for fiscal year 1971 of $10 billion to this indicates a debt level of $381 to $382 billion on June 30, 1971.

Mr. Chairman, it would be unrealistic to provide a permanent debt limitation, therefore, that is below the $380 billion figure.

Actually, the proposed increase in the temporary debt ceiling to $395 billion is moderate considering all the circumstances. And, let me point you to some of the other problems—questions raised by the gentleman from North Carolina (Mr. JONAS), in part.

There are several imponderables in these estimates. Actually I think the administration is optimistic in feeling that the $395 billion limitation is capable of taking it through the next fiscal year because of these imponderables.

Let us look first at Government receipts. In the first place, the administration says that it has a deficit of $1.3 billion in the unified budget. Our own staff of the Joint Committee on Internal Revenue taxation thinks that receipts are overestimated by about $3 billion, and in place of $1.3 billion, the deficit would be about $4.3 billion. Second, estimating this $10 billion deficit, the administration assumes favorable action by Congress, on proposed revenue legislation which equals nearly $3.8 billion. This legislation has not even been considered as yet by either the committee or by the Congress. Whether the Congress will pass this legislation I do not know, and I do not think anybody knows. We have not yet passed judgment on it, anywhere along the line.

The two items that I have mentioned, the underestimate of receipts by about $3 billion plus the $3.8 billion in proposed legislation, add up to $6.8 billion of receipts which the administration takes into account in its estimates. All these expected funds could vanish and not be available to the administration.

In addition to these cash receipts, I believe it is fair for us—and I would like the attention of the gentleman from Texas (Mr. MAHON), if I am in error about this—to look at the expenditure side of the forecast. Spending for the fiscal year 1971 under the Federal funds budget will have to be held to the $158.9 billion estimate taking into account the Budget Bureau's May revision. I am hopeful, of course, that we will be able to hold expenditures down to this level, but we should be mindful of the fact that the outlays projected by the Bureau of the Budget in May were $4.8 billion above the February budget estimates by the Bureau of the Budget.

Mr. Chairman, let me insert at this point in the RECORD a table taken from the committee report indicating the nature of the expenditures programs which account for $4.8 billion in increased spending:

Changes in administration estimates from February budget in 1971 budget outlays

	In billions
Changes in uncontrollable programs:	
Interest on the public debt	+$1.00
Unemployment insurance benefits	+.50
Cash assistance grants, medicaid and medicare	+.20
Farm price supports	+.30
Veterans compensation and pensions	+.20
Disaster relief	+.10
Subtotal, changes in uncontrollable programs	+2.30
Other changes:	
Federal comparability (enacted Apr. 15, 1970) and postal pay raises	+1.40
New postal rate proposals	−.40
Increased postage for Federal mail	+.10
Withdrawal of voluntary State-local construction deferral	+.50
Housing and construction incentives	+.15
Environmental quality—revision in proposal and reestimate of budget program	+.20
Labor-HEW appropriation bill for 1970 as enacted—effect on 1971 outlays	+.20
Education appropriations—to maintain consistency with 1970 bill as enacted	+.20
School desegregation	+.15
Veterans education (GI bill)	+.20
School lunch and child nutrition, as enacted	+.20
Coal mine heath and safety bill, as enacted	+.10
Federal employee health benefits	+.10
Farmers Home Administration, net lending	+.30
Model cities—slower pace of outlays (no change in program level)	−.15
Highway trust fund	−.05
Delay in initiation of family assistance program	−.40
All other changes, net	−.30
Subtotal, other changes	+2.50
Total changes	+4.80

Because of the three reasons I have given you as to why the debt ceiling could well exceed the proposed $395 billion ceiling—and I want to hold to this level—I believe in all seriousness this new ceiling will be tight enough to help us retain an indirect rein on the spending of Government. It seems to me that there is virtually no margin for further increases in spending if we stay within the $395 billion debt ceiling. I believe that this is appropriate in view of existing circumstances. The debt limit as such may be a weak reed to lean on, but it is the best method that we have currently in helping us to control expenditure levels.

I have already pointed out to you that if Congress fails to act on a new debt

limit—and I am now getting to the inquiry of the gentleman from North Carolina (Mr. JONAS) the present ceiling of $377 billion as of July 1 of this year will revert to the $365 billion permanent ceiling. Since the debt subject to the ceiling is expected to be between $371 billion and $372 billion on July 1, this will result in a ceiling which is $6 to $7 billion under the actual debt itself. While of course there would be no question concerning the legality of any part of the outstanding debt, this would place our Government in the kind of fiscal straitjacket that I am sure none of us would want. The Treasury Department would be unable to issue any new Government obligations—not even securities—now get this——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MILLS. Mr. Chairman, I yield myself 5 additional minutes.

Not even securities to replace maturing issues. In addition, savings bonds could not be issued, and this will stop our payroll savings plans; it would be completely disrupted.

The Treasury cash balance would soon be exhausted. How long will it last? There will be a sizable balance on June 30, but how long will it last?

Substantial amounts of Treasury bills become due on a weekly basis during July and an additional amount would mature at the end of July. If new bills cannot be issued to replace those that are outstanding and coming due, the Treasury cash balance would be exhausted by July 9, a day on which $3.1 billion of Treasury bills mature.

Once the cash balance is exhausted, the Government has no more money. It has no authority to borrow money. It cannot force the prepayment of taxes, but it must wait until those taxes are due under the provisions of existing law.

So the Government would be compelled to delay payments on contract obligations, Government salaries, various State and local government, and public assistance payments.

Do we want that word to go out? Do we want to tell the States that, even though we are obligated to pay under a formula our portion of various benefit programs like medicaid programs and all of those, we cannot do it—we do not have the money. What will happen to the States? They cannot meet those burdens.

It is utterly unthinkable to me that we would permit these things to happen. They are just not going to happen. In times such as we now live in—with the uncertainties that are now in the marketplace and with the inflationary pressures that we have, we simply cannot play havoc with this Nation's finances, and this Nation's contracts, and this Nation's obligations.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman.

Mr. JONAS. Would the gentleman comment on what he thinks would happen in the financial markets of the country if the Federal Government could not pay bills as they come due?

Mr. MILLS. If the Federal Government cannot redeem its own bonds, and that would be the case before the end of July, then the Federal Government would be in the same situation that some of the States were in back during the depression when certain bond obligations of the States came due and they could not be paid. They said then that the States were broke; did they not? So the general impression would be that the Federal Government was broke—maybe temporarily—but nobody knows how permanent the damage would be to the morale of the people, and in the thinking of the people. No one knows what would happen to the temperamental stock market. No one knows. But I think you can predict the most serious consequences would occur.

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

Mr. MILLS. It would not stop the war in Southeast Asia, however, because we would not have any money to pay the costs of getting the boys back.

Mr. Chairman, I yield to the gentleman.

Mr. FRASER. Mr. Chairman, I was interested in the question being asked by the chairman because I wonder—I was looking in the CONGRESSIONAL RECORD at the vote in 1967 when the chairman made again an eloquent plea for responsibility and when the proposed debt ceiling was defeated.

I notice that the questioner voted against an increase in the debt ceiling at that time and not only did he vote against an increase in the debt ceiling, but he voted against the adoption of the rule.

Mr. Chairman, I wonder if something is happening today that makes a vote in favor of a higher debt ceiling more responsible than it was in 1967 when the questioner had voted against an increase.

Mr. MILLS. The gentleman from Minnesota will please accept my apologies for my reference to the war in Southeast Asia, but I know the gentleman like I am is anxious to get that situation over with.

I just wanted to point out you have to have some money in the Treasury if you are going to pay the cost of bringing the boys back home.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman.

Mr. JONAS. I would like to respond to the gentleman from Minnesota. The gentleman who asked the question voted against the increase last year when it was requested by the present administration and I have not decided how I shall vote today. The gentleman from Minnesota who is raising this question, however, voted to increase the debt ceiling last year.

Mr. MILLS. Please let us not get into an argument and expect Members of Congress to be consistent. That is the last thing in the world our constituents expect of us.

The CHAIRMAN. The gentleman from Arkansas (Mr. MILLS) has consumed 30 minutes.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman is recognized for 10 minutes.

Mr. BYRNES of Wisconsin. Mr. Chairman, the issue before us, as presented by this bill, is not a philosophical one. The issue is real, practical, and based on facts.

True, the facts which we have to face, in regard to this bill, are unpleasant. I think we all agree on that.

But we are up against a matter of mathematics. It is a question of what the cash flow of the United States is going to be in terms of its receipts and its expenditures in the 12 months following July 1, 1970.

The first fact that we have to face, as far as this legislation is concerned, is that if we make no change in the present law, the public debt, or the authority of the Government to borrow, will be limited legally to $365 billion. There are obligations outstanding, in bonds and in notes of the Government, in excess of that amount. As the chairman has said, these will total approximately $371 or $372 billion as of June 30.

On July 1, when the debt ceiling would go down, and the amount the Government could borrow would be fixed at $365 billion, we would have debts outstanding which would total some $6 billion more than the ceiling.

Now nobody questions that these would be legal obligations, because when they were issued they were legal. But the Treasury would have no authority to borrow any more money in order to redeem bonds that were presented for payment. All of the cash would be used up in trying to meet, to the degree possible, the day-to-day operations of Government. And on July 9 the Treasury would hit the crucial point at which it would be broke.

So, as I have said, there is no philosophical question involved here. There is instead, the practical requirement that we provide a borrowing authority in excess of that contained in the present law of $365 billion. We simply have to go higher than that.

We come down, then, to a secondary question that always confronts us as we consider legislation dealing with the borrowing authority of the Government: Are we using the proper figure? Is $395 billion the correct one? Or is some other figure more appropriate?

I say quite frankly that this has been the question which I have differed with the committee and with the administration many times in the past. I have never differed on the question of whether or not we had to act. But I have differed on whether the amount proposed was appropriate. It is my feeling that the debt limit provides a tool—admittedly crude—that Congress has to place fiscal restraint on the executive branch, and on ourselves. It was my feeling on many such occasions in the past that the ceiling recommended on this floor was too liberal, that it gave too much leeway to the executive branch and to the Congress to embark on new programs of expenditure. But I think we can all agree today that the figure established in this bill before us is one of the tightest figures that has ever been asked for by any administration. I cannot recall a time when an administration has come in and said it had to have an increase in the debt ceiling, and has established a level

of borrowing authority that has been as restrictive as this one.

As the chairman has said, there are several inherent assumptions, underlying the $395 billion ceiling recommended that are very speculative in nature. These assumptions are based on an optimistic view of financial developments.

For example, legislation has been requested which would produce approximately $3.7 billion; without this revenue, instead of having a $10-billion deficit, we would have more than a $13-billion deficit, and would, therefore, need a borrowing authority of $3.7 billion more than is called for in the bill before us.

The administration has made a proposal to Congress for accelerating the collection of estate and gift taxes that would produce an estimated $1,500,000,000. But if that proposal is not enacted into law, we would have an additional $1,500,000,000 shortfall in revenue, which means the deficit would increase that much more.

As the ranking minority member of the committee, I join the chairman in pointing out that we have no way of assuring the Members that our committee will approve, or that the House or Senate will pass, these two administration proposals for increased revenue. So they remain highly questionable items.

Another proposal for increased revenue, about which questions have been raised, is for a tax on lead used in gasoline. That would produce another $1,600,000,000. But if it is not enacted, we would have another substantial shortfall which would have a critical effect on calculations of what borrowing authority must be provided.

There is also the proposed extension of the excise tax rates on automobiles and telephone service involving $650,000,000.

And there is another $4 million item, which I would just as soon tell the administration right now it is not going to get. I do not think the committee is going to recommend it, and I do not think this Congress would pass it if the committee did recommend it. I refer to the user tax on the inland waterways. I simply do not think it is within the realm of possibility that this revenue will be forthcoming, yet it was a factor in the administration's determination of how much additional borrowing authority it would need. Fortunately, this is a relatively small amount, and I do not think that, by itself, it would seriously aggravate the situation.

Also figuring in the proposed ceiling is a postal rate increase. We know that the Post Office and Civil Service Committee is now studying that question, but is there anyone here who can guarantee that the administration's request for that increase is going to be enacted, and that the Post Office Department will have that additional revenue available to reduce the postal deficit?

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

Mr. BYRNES of Wisconsin. I am glad to yield to the gentleman from Iowa, who is a member of the Post Office and Civil Service Committee.

Mr. GROSS. Unless it has happened today, or in the past 24 hours, the administration has not yet found anyone to introduce the administration's postal rate increase bill—not even to introduce it in the Congress.

Mr. BYRNES of Wisconsin. I believe the gentleman makes the point very well that this is, therefore, a very tight ceiling, especially considering that the revenues and expenditures are based on items that are necessarily uncertain.

I might point out also that the ceiling is based on expenditures at the level the administration has proposed. I am not now talking about obligational authority. Does anybody here sense a disposition in Congress to cut the budget of the President below present expenditure levels? I believe the complaint we have heard most often has been that cuts have been too deep, that there have not been sufficient funds allocated for programs to meet our needs in education, pollution control, and other areas. We know we still have ahead of us the potential for further pressures on the expenditure side.

Another factor that should be taken into consideration here is that the Treasury anticipates an upturn in business in the second and third quarters of the year. There are those who contend the upturn either will not occur, or that it will not occur to the extent the administration expects.

For example, the staff of the Joint Committee on Internal Revenue Taxation, declaring that the Treasury estimate of revenue is about $3 billion too low, has a different estimate as to economic activity.

In recommending the $395 billion ceiling, we assumed that all of the budgetary uncertainties will be revolved in a manner having a favorable budgetary impact. All the expectations have to be fulfilled in order for the Government to be able to live within that ceiling. If any of these calculations fall short, then we will, in all likelihood, be here in October, November, or December, or sometime before next April 15, to consider a further increase.

I do not believe, therefore, we can have a real argument today, as we have had in the past, that we are granting a borrowing authority that puts no pressure on the expenditure side of our budget. I believe this does put pressure on it.

Mr. Chairman, I would summarize by saying flatly and firmly that we do not have the luxury of an alternative—we simply must pass this legislation as recommended by the committee.

We have to act. The ceiling that is proposed, is tight. It will maintain restraint on the expenditure side of the budget.

But we cannot rest with this action. If we forget the distastefulness of today's action, and tomorrow or the next day vote for higher appropriations and higher expenditures than are called for in the budget, then we are inviting ourselves to come back here in October or November and pass a further increase in the debt ceiling. The job is not completely done today. What we do in the days to come, in terms of holding the line on expenditures, will determine whether we have to face another disagreeable day later on in the year.

Mr. MILLS. Mr. Chairman, I yield 5 minutes to the distinguished member of the committee, the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Chairman, I believe, contrary to some other Members of the House, that it is responsible to give a Republican President as well as a Democratic President the funding authority to pay the bills of the United States. I do not think that it is ever wise to play politics with this particular bill. But I want it clearly on the RECORD that my vote for this increase in the debt ceiling is in no way a vote of confidence in the economic and monetary policies of this administration. In my judgment, the economy is in a worse state of disarray than I have seen it since I have been in public life. The administration is wrong on count after count in its management of the monetary and economic policies of this Nation. Irrespective of that fact, the bills do have to be paid, and we must pass this legislation.

Almost from its inception, the administration has engaged in wishful thinking rather than decisionmaking. The administration "plan"—almost entirely based on severely restricting the Nation's money supply—has proved a blueprint for economic disruption and instability. The record speaks abundantly for itself.

Inflation is booming along today at a rapid clip despite promises from the administration for more than a year that it would soon be brought under control. The cost of living has shot ahead by one-third in the past year compared to the rate of inflation in the last years of the Johnson administration. Economic indicators show consumer prices continuing to rise at the rate of 6 percent a year, a high-water mark that has been maintained over most of the past 12 months. The wholesale price index, bellwether of trends to come in consumer prices, holds steady at intolerably high levels.

For the housewife, it is no longer a question of whether steak is too expensive. Now she must decide if she can afford hamburger. The manufacturer faces a continued upswing of prices on industrial commodities at the rate of nearly 5 percent a year.

Business sales are off by more than $1 billion a month. Corporation profits are down 11 percent in the first quarter of this year.

The decline in gross national product over the last quarter of 1969 and the first quarter of this year constitutes a financial recession—whether the administration likes the word or not. It ends an 8-year period of consecutive growth in the economy, the longest in the Nation's history.

Trading in the stock market borders on hysteria as investors try to get a handle on the prospects for the economy. As the Dow Jones indicator last week plunged wildly down to its lowest point in 8 years, and then upward again, it became apparent that Wall Street has no clearer idea of where we are headed than the administration.

Unemployment is up by nearly 50 percent since early last year, with forecasters

predicting that many more Americans will be out of work this summer.

Last, but hardly least, the economy is badly strained by the exorbitant cost of money and credit, the most direct result of the administration's one-weapon economic policy. Interest rates are at record levels. The municipal bond market last week pushed to an all-time high in yields of over 7 percent. In the face of today's heavy demand pressure from Government and corporations, the bond market may well be headed for financial collapse. High-interest rates also continue to bleed the housing market. Interest payments on a new $25,000 house amount to as much as double the purchase price.

We are told we should not be too hard on the administration, that it inherited an economy with problems from the preceding administration and needs time to stabilize it. A year ago, I was willing to buy this argument. I was willing to join my colleagues on a honeymoon with the administration. But 17 months is ample time to set a new course. Yet we are still drifting aimlessly and dangerously. The administration must accept the blame for today's economic disarray.

The thing that bothers me probably more than anything else in the whole economic picture is this: Certainly we can see the economy going in two directions at once. On the one hand, we are going toward recession, toward rising unemployment, which has climbed in my State; toward segmented recession, with many segments of the economy being in extremely hazardous situations. The housing industry is going down, down, down, when it should be going up, we are building houses at less than half the rate that we should be building them in order to take care of the very minimum needs in this Nation. Of course, that is directly traceable to the money market and to the interest rate structure.

I think the No. 1 problem in our economy is the exorbitant price of money in our money markets. In my judgment, this Nation today is in a financial recession. It is not a full-blown recession, according to all of the economic indicators, but it very clearly and very definitely is a financial recession. Whenever tax-exempt bonds are selling at 7 percent, this country is in trouble. How in the world can we finance a Federal Government at the kind of interest rates we are having to pay today?

Mr. Chairman, if we issued any 6-year notes or 7-year notes, we would probably have to pay 8.5 percent. We would have to pay 8.5 percent in the money market. We are paying 7¾ percent now for 18-month notes. Further, every year remember we are refunding more and more debt and the market of the old 4-percent bonds is running out and will have to be replaced at 8 percent.

The interest cost to the Federal Government this year will be $20 billion. In my judgment it will be $22 billion next year. No nation is rich enough to afford that or to afford the interest rates we are paying in this economy.

The administration's reliance on monetary policy as a cure-all is in the classic manner of traditional Republican shortsightedness on economics. We saw it in the 1950's when the Eisenhower administration, clinging to the concept of a balanced budget, relied heavily on monetary policy to muddle through. At least twice—in the recessions of 1954 and 1958–1959—the Republicans should have learned that tight money has no economic magic.

A year ago, as the present administration began to turn to the old Republican formula, I wrote to Secretary of the Treasury David Kennedy urging caution. I warned that the kind of pernicious inflation we were facing could not be stopped by monetary policy alone, or indeed, by the mix of monetary and fiscal policies proposed at that time by the administration's economic advisers. The tax surcharge—at 5 or 10 percent was ineffective.

The inflation we faced then and still face today is fed by the tens of billions of dollars of wartime expenditures, and cannot be controlled by peacetime economic policies.

In my letter of June 18, 1969, to the Secretary, in which I opposed further extension of the surcharge because, in my judgment, it was clearly having no impact, I said:

> I strongly urge you and the President to make abundantly clear to the American people that you will not stand by and permit unfettered excesses in the economy to bring about the abandonment of important national goals. I urge the following specific actions:
>
> 1. Declare a national policy of monetary priorities based upon the investment needs of a balanced economy.
>
> 2. Declare a national policy of inflation control, establishing limits of acceptability in price, wage and interest rate increases.
>
> 3. Use the full force of the Administration to implement such priorities, making them fully known to the financial community and taking a more responsible stance in support of roll-backs in interest rates.
>
> 4. Establish firm agreements with the Federal Reserve Board to implement a more realistic set of priorities within the banking and monetary systems.

The need a year ago and now is for positive and active involvement by the administration in monetary policy through the employment of selective credit controls, for which Congress gave the President authority last December, and through the establishment of enforceable price and wage guidelines.

Though Secretary Kennedy has ignored this advice, I see in the morning papers today that his chief economist is now inclined to agree with me.

The measures I propose are necessary because of our continued participation in the Indochina war. The war is certainly the most important factor in the Nation's present economic difficulties. We are fighting an undeclared war while attempting to run a peacetime economy. This is an impossible task to accomplish successfully, as the current state of the economy attests. There can be no such thing as a "business-as-usual" war for the United States.

The measures I propose are also necessary to reverse the dangerous pervasion of high interest rates throughout the entire fiber of the economy. High interest rates are undermining our whole process, making a mockery of economic opportunity for the homeowner, the investor and the small businessman, and making a travesty of fiscal responsibility for the Federal Government.

Let us look now just very quickly at the deficit situation because there has been so much confusion about the problem of the budget.

The administration says that in fiscal year 1971 we will have a $10 billion deficit and this is in the Federal funding budget. Heretofore we have always talked for years in considering the deficit about the administrative budget. Only this past year the committee implemented this new combined, or unified, budget. In my judgment it is a misrepresentation of the actual spending and deficit situation insofar as the U.S. Government is concerned. In the Federal funding budget the administration estimates a $10 billion deficit in fiscal year 1971. In my judgment, they are off at least $6 billion. In place of it being $10 billion, it will be closer to $17 billion.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. MILLS. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. ULLMAN. Mr. Chairman, what we have done in the first place is to assume that this Congress was going to enact their tax increase recommendations, first in the area of gift and estate taxes; and, second, in the area of leaded gasoline taxes. Both of their recommendations are highly controversial and, in my judgment, with the state of the economy as it is today it may very well be the height of folly to enact them, so, I think their assumptions are totally wrong. I do not think this Congress is going to do it. In my judgment their recommendations are not sound.

Second, they have estimated an upturn in revenue, particularly in corporate revenue, in the second half. As I look at the economy, I have to agree with the Joint Committee on Internal Revenue Taxation which says that they have about a $3 billion deficit over the estimate as to the amount of revenue.

So, if you take those two factors into consideration, we will have close to a $17-billion deficit in this fiscal 1971 budget.

Now, because of that I am willing to vote for this bill which gives the President more leeway than we have ever given a President in the way of cash on hand and more flexibility. But because of those two factors which I mentioned, I think the administration has grossly miscalculated both the revenue and the tax side ledger as to the amount that we are giving them. The $395 billion in my judgment will just barely see us through. For that reason, I think it is wise for this House to enact this legislation. But I hope that the administration will see the light and start changing its monetary and economic policies. If it does not, we are going to be back here early next year with a far larger increase in the debt ceiling than anyone could possibly anticipate today.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the distinguished gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. In other words, the gentleman would agree to what I said: that it is an awfully tight figure that is used in this particular piece of legislation?

Mr. ULLMAN. I would say to the gentleman from Wisconsin that I do agree, but I agree only because of what I consider gross miscalculations on the part of the administration in both the tax proposals and their revenue estimates.

The CHAIRMAN. The time of the gentleman from Oregon has again expired.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas (Mr. MIZE).

Mr. MIZE. Mr. Chairman, there is probably very little that I can add to what has been said by the distinguished Chairman of the committee, the gentleman from Arkansas (Mr. MILLS) and the distinguished ranking minority member, the gentleman from Wisconsin (Mr. BYRNES) but I think it is absolutely essential that we face up to the problem that we have to increase the permanent debt limitation from $365 billion to $380 billion, and to increase the temporary debt ceiling by an additional $15 billion, or an overall limitation of $395 billion for the fiscal year 1971, for the various reasons that have already been given.

As has been pointed out, Mr. Chairman, many members of the public do not understand the basis for this increase, for they know that the President has forecast a very slight deficit in his budget for fiscal years 1970 and 1971, less than $2 billion in each case. But as has been pointed out, the President's budget is called the unified budget, and it reflects the total income and total outgo of the Government for a fiscal year. When the income exceeds or equals the outgo, the President quite properly can claim credit for a balanced budget, but due to slightly reduced estimates of receipts from income taxes, President Nixon has announced recently in a very forthright manner, I believe, that his unified budget will be about 1 percent in deficit this year, and again next year.

But the public debt is figured differently, Mr. Chairman, and the public should be made fully aware of this distinction. The public debt is figured on a Federal funds basis instead of this unified budget basis.

Now, since the Government acts in a fiduciary capacity in management of the various trust funds in its custody, I think we would all agree that it is appropriate that the Treasury Department borrow from the surplus of these trust funds, and later repay these debts with interest. Through this device the Treasury assures the trust funds, such as social security and medicare, a modest interest income paid on the paid-in principal.

Mr. Chairman, the Treasury will borrow about $10 billion this year, and again next year, from these trust funds. To be precisely accurate in documenting the public debt, these borrowings should be reflected in its calculation.

Now, further, the distinguished chairman of the Committee on Ways and Means, the gentleman from Arkansas (Mr. MILLS) and the ranking minority member, the gentleman from Wisconsin (Mr. BYRNES) and the Secretary of the Treasury I think have been prudent to recommend an increase in the cash balance of the Treasury to a level of $6 billion, because in the recent past the cash balance has been drawn down, as has been pointed out, to less than $3 billion.

So these and other adjustments require the statutory level of the public debt to be increased at a time when the income of the Federal Government is roughly comparable—roughly comparable—to the Government's outgo.

When the pressures of the war abate, let us hope that the Congress will find it appropriate to retire a portion of the public debt.

At that time no doubt it will still be advisable to borrow from the trust funds in order to assure the beneficiaries of these trust funds an income on their paid-in equity. But that decision, of course, we can make later.

Today, Mr. Chairman, we should act promptly to increase the statutory level of the Federal funds account public debt—and that is what we are being asked to do here today.

As has been pointed out, should we fail to do so the payroll savings program will be disrupted after July 1 for U.S. savings bonds could not be issued after the date, and further Government contracts and payrolls would be threatened.

It is a difficult decision that we face, but we certainly hope and pray that the majority of our colleagues will do what is right for the country at this time and then let us all redouble our efforts to bring Federal spending within reason in the years immediately ahead.

Mrs. GRIFFITHS. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Chairman, in the some 8 years that I have been here, I have always voted along with the Committee on Ways and Means and with the majority of the Members of the House to increase the debt ceiling. I shall do so now because I think it is the only responsible thing to do.

But I want to go clearly on record and say that next year I may change my voting pattern because of something that disturbs me very deeply. That is because I do not think we have been told the whole truth and nothing but the truth about this debt and about the financial operations of our Government. I am not pointing an accusing finger at anybody in the executive branch or in the legislative branch, but I am just trying to state a basis, as I understand it.

Every year, and I will use this year as an illustration, we see statements by the executive and by his chief financial officers that we probably are going to have a slight surplus or slight deficit in the budget of the Federal Government. Well—that just is not so, Mr. Chairman. The deficit is not slight. As the gentleman from Kansas pointed out a while ago and as the gentleman from Wisconsin pointed out a while ago, the deficit is a lot more than slight. In fact, it is quite a few billion dollars.

The deficit in the budget is really, if it may be accurately measured, it is really the difference between what you are levying in taxes to pay your bills, and what you have to go out and borrow in the market to finish paying your bills after you run out of money.

Last year it was about $12 billion. This year it is going to be about $18 billion. That is really the amount of the deficit that we are having and that is what so worries me about going on and saying, and allowing people in the executive department to get away with it, that we are just having a slight deficit or perhaps even a slight surplus.

I think this failure to tell the whole truth creates the wrong kind of climate in the Congress and in the minds of the public to do what needs to be done to bring this Federal spending and Federal taxing into proper balance.

So I say right now that while I have voted for this in the past and I will vote for it today, I am going to be watching as to how the story is told next year of whether or not we are actually operating at a deficit.

In order to make the record completely accurate as to what my position is, I want to call the committee's attention to the committee report on page 3, table 2, and show here that the actual deficit for 1969 was $5.5 billion and that the actual deficit estimated for the fiscal year 1970, which is only 27 days from now, will be $11.2 billion. Then next year, a year from now, the actual deficit will be roughly $13.8 billion. That $13.8 billion assumes what probably Congress is not going to do anyway, and that is to pass these different tax increases that have been proposed, such as an increased tax on gasoline, and a tax on some other people that the Congress probably is not going to go ahead and tax. So I think in order to create a kind of political responsibility in the country, the Chief Executive and his chief fiscal officers are going to have to talk plainly and state that the country is not operating at a slight deficit, but that the country right now is operating at a deficit that approaches $18 billion a year.

I think the most accurate statement of what the situation is going to be during the remainder of this year is contained in the hearings of the committee on page 3. It was a statement appended to Secretary Kennedy's testimony.

As Mr. BYRNES, the ranking minority member, said this is a very tight ceiling. To show how tight it is I point out table 1 at the bottom of page 3 of the committee hearings. On April 15 next year just before that large influx of money comes on April 15 of next year, assuming that even the $4 billion worth of additional taxes have been levied, and I doubt very seriously that that is going to happen, the debt picture of this country will be within two-tenths of a billion dollars from the temporary ceiling. Mr. Kennedy's testimony shows

that at that time, on April 15, 1971, we will have in debt and in cash balance, in the Treasury, outstanding $394.8 billion, or within two-tenths of a billion dollars of what is going to be set by this legislature today.

So I think the fiscal responsible thing to do this year and right now is to vote for this debt limitation, but I would hope that the Executive and all Members of the Congress would tell it like it is, that the budget is badly out of balance, that it is not out of balance by just $1 billion, but it is out of balance for fiscal 1970, the year we are now in, by about $11 billion, and that next year it is going to be out of balance between $10 and $15 billion unless something very dramatic is done.

Mrs. GRIFFITHS. Mr. Chairman, I yield 10 minutes to the distinguished chairman of the Committee on Banking and Currency, the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Chairman, it occurs to me that we should expect the budget to be unbalanced when we allow the Federal Reserve System to operate in its present manner.

THE CONGRESS SHOULD CANCEL THE FEDERAL RESERVE'S $57 BILLION BOND BONANZA

Do the Members of the House of Representatives approve of giving a Federal agency $3.2 billion of public moneys to do with as it pleases—without any questions being asked, without any audit, without any review?

That is the basic question before us. This Congress, through its inaction and refusal to step on the toes of the big money managers, gives the Federal Reserve System this $3.2 billion slush fund and never asks a single question about what is happening to this public money.

Mr. Chairman, this is wrong. It is immoral and it is against every precept of good government. It is a shame on the Congress that this is allowed to go on.

There is absolutely no question about it. The Federal Reserve finances its far-flung—and often questionable—activities through the interest payments which are given it by the U.S. Treasury Department. At the moment, these are amounting to more than $3.2 billion annually. And there is not a single Member of this House of Representatives who can tell their constituents what happens to this money. There is not a single hearing record in the Appropriations Committees that will reveal a single fact about what happens to $3.2 billion of the taxpayers' money.

The Federal Reserve uses what it desires of the $3.2 billion and then gives the remainder back to the Treasury.

The truth is this House of Representatives does not have any information or any control over what has been happening to this money—this slush fund paid for by the American taxpayer—the taxpayer that we are charged with the responsibility of protecting.

How does the Federal Reserve amass this fantastic sum? The device is unique among Government agencies and at the same time, quite simple.

Here is the way it works:

The Federal Reserve System, through its Open Market Committee purchases—with the credit of the United States—Government securities in the open market. Using the credit of the United States, the Federal Reserve has purchased $57.3 billion worth of these Government securities. These securities, paid for by the credit of the United States, reside in the portfolio of the Open Market Committee in the New York Federal Reserve Bank—the real nerve center of the entire Federal Reserve System.

Mr. Chairman, these are Government bonds that have been paid for with the credit of the United States. They have been paid for once. But, the Federal Reserve System continues to hold them in the portfolio of its Open Market Committee and it continues to charge the U.S. Government interest on these securities. I repeat, the Federal Reserve System charges the U.S. Government interest on bonds that the U.S. Government has already paid for.

Mr. Chairman, I cannot think of anything more absurd than such a system. Here we have a system where the U.S. Government has paid for a bond and yet an agency of that same Government collects interest on this same obligation.

I am at a loss to explain why the Members of this Congress, fine, outstanding Members, would allow something like this to go on.

This is like a home buyer who engages a broker to pay off his mortgage and then finds that the broker, after paying the mortgage holder with the home buyer's money, has retained the mortgage for himself * * * continuing to collect the interest and asserting the right to come around and collect the principal again when the mortgage matures.

This device, of course, enables the Federal Reserve to carry on its operations without coming to the Congress for appropriations. Thus it escapes an annual review of its activities. Every other agency of the Federal Government must come to the Congress for appropriations and they must undergo a full review of their expenditures of public moneys. But in its benevolence, the Congress has exempted the Federal Reserve from this scrutiny.

Mr. Chairman, through the years the officials of the Federal Reserve System have made no attempt to hide the reasons that they want to hang onto these bonds—these paid-up bonds. They admit that it is for the purpose of avoiding the appropriations process.

For example, Mr. Chairman, former Federal Reserve Chairman Marriner Eccles, conceded this point to me when he appeared before the Banking and Currency Committee back in 1941 and I quote from the record of the Committee's hearing of June 21, 1941:

Mr. PATMAN. Have you had in mind keeping a certain amount of securities, the interest from which would be sufficient to pay the operating expenses of the Federal Reserve banks?

Mr. ECCLES. I certainly have.

Mr. PATMAN. You say you certainly have?

Mr. ECCLES. Yes.

Mr. PATMAN. In other words, keeping enough Government securities to pay operating expenses?

Mr. ECCLES. Yes, sir.

Mr. PATMAN. That is, in order to prevent you from having to come to Congress for an appropriation to maintain you?

Mr. ECCLES. Well, if Congress desires to have the Reserve System operate on a basis of appropriations, of course, it is up to Congress to do that; but until Congress determines that the Reserve System should come to Congress for its operating appropriations, it seems to me that it would be the duty of those responsible for the operation of the System to provide that the income will maintain the outgo.

Mr. PATMAN. It occurs to me, though, that that is no more reasonable in your case than it would be in the case of any other agency in the Government. In other words, if it is right to permit you to transfer non-interest-bearing obligations of the Government for other Government obligations that bear interest, and to permit you to keep those obligations and receive interest on them annually, in order, as one of the main reasons, to maintain and pay your operating expenses, there would be just as much reason and logic to support their contention that they be allowed to do so.

Without the income from these bonds, the Federal Reserve would be in the same boat with every other major Federal agency. They would have to come to the U.S. Congress for appropriations. And should this happen, the Members of the Appropriations Committees and the Members of Congress would have an opportunity—their first—to review the activities of the Federal Reserve and its expenditures.

This kind of public accountability, the Federal Reserve wants to avoid at all costs.

The Congress has always taken the position that the regulatory agencies—such as the Federal Power Commission, the ICC, the FTC, the FCC—should come to Capitol Hill for their money. The Congress has rightfully regarded this appropriations process as an opportunity to review these agencies as well as provide control over expenditure of public moneys.

In recent years, the Federal Reserve has been spending around a quarter of a billion dollars for various activities including its support of the bankers lobby. Yes, support of the bankers lobby.

About $100,000 of the U.S. Treasury dole to the Federal Reserve—your money, the taxpayers' money—goes to pay dues to the American Bankers Association and various State and local bankers associations. These groups are nothing more than lobbying organizations—organizations that come right here to Congress and lobby us on monetary and banking policy.

The Federal Reserve System—a Federal agency—is a full-fledged, card-carrying and dues-paying member of the bankers lobby, courtesy of the U.S. taxpayers and thanks to the laxness of the Congress.

After the Federal Reserve gets through spending the money for what it pleases, the remainder is turned back to the Treasury at the end of each month. The fact is the money should never have left the Treasury in this form in the first place.

There is no accounting—in the true sense of the word—for the difference between the $3.2 billion paid out by the

Treasury and the varying sums returned at the end of the year by the Federal Reserve.

Mr. Chairman, I realize that these facts are startling, shocking to many Members. Many may think such a situation could not really be allowed under our form of government.

But, let me quote from a hearing of the Banking and Currency Committee on July 7, 1965, at a time when the bonds in the open market portfolio amounted to only about $39 billion. At that time, William McChesney Martin, Chairman of the Federal Reserve Board, made no attempt to hide what was happening. Here is the way he described the situation in answer to my questions:

Chairman PATMAN. I want to clarify this for the record one more time, Mr. Martin. How in the world can you insist that bonds that are paid for once should continue in existence with the taxpayers having to pay interest on them after they have been paid for once? Now, of course, you claim that these bonds have to be there to back up Federal Reserve notes. But that does not conform with your reasoning in 1959 when you presented to Congress a bill, and it was passed on by this committee, which said that you wanted the power to lower reserve requirements and count vault cash as reserves; and that, if you got that power, you would transfer $15 billion of the then portfolio of $24 billion to the private banks. You further stated that the private banks needed the income from these bonds, and that the Federal Reserve does not need it. You do not need the $15 billion. The remaining $9 billion in the portfolio, as you stated in a staff report, would provide enough flexibility for you to operate. Now, then, when the Open Market Committee owns $38.5 billion worth of bonds—which of course is about $14.5 billion more than it was then, you insist that it is impossible for those bonds to be canceled, although $15 billion under the same circumstances could be given to the private banks, after giving them (through reducing reserves) the reserves to buy the bonds.

The Fed pays nothing for them; it merely creates new reserves. Then it continues to get interest on those bonds and, when the bonds become due, they can collect the principal again.

I cannot get the reasoning there at all, Mr. Martin. If that makes sense, I am unable to comprehend it. Of course, there may be something in my background—lack of knowledge—that would account for it, but I do know this: No one should be compelled to pay his debts more than once, but in this instance you would compel the Government to pay its debts more than once. You would compel the Government to continue to pay interest on bonds that have already been paid for. When you bought these bonds, you paid for them. You will admit that, will you not, Mr. Martin?

Mr. MARTIN. The bonds were paid for in the normal course of business.

Chairman PATMAN. That is right.

Mr. MARTIN. And that is the only time they were paid for.

Chairman PATMAN. Just like we pay debts with checks and credits.

Mr. MARTIN. Exactly.

Chairman PATMAN. In the normal course they were paid for once; you will admit that, will you not?

Mr. MARTIN. They were paid for once, and that is all.

Chairman PATMAN. That is right.

Mr. Chairman, the truth is no one has ever denied that this is the way the Federal Reserve System operates. All of the officials of the Federal Reserve have conceded the facts. For example, Mr. Chairman, Senator Paul Douglas interrogated Mr. Martin before the Joint Economic Committee in February 1952. And Mr. Martin admitted that the bonds had been paid for by the credit of the U.S. Government. Here is the way that exchange went:

Senator DOUGLAS. When the Open Market Committee buys Government bonds, how are these bonds paid for?

Mr. MARTIN. They are paid for by a check, by deposit.

Senator DOUGLAS. You mean that the banks, the Federal Reserve banks, create credit—

Mr. MARTIN. That is right, sir.

Senator DOUGLAS (continuing). With which they buy Government bonds from private parties.

Mr. MARTIN. That is right, sir.

Senator DOUGLAS. What happens to these checks which the Federal draws from a created credit account? What happens to those checks?

Mr. MARTIN. They go into the reserve account.

Senator DOUGLAS. Yes; that is the second step. What is the first step? They are given to the holders of securities; is that true?

Mr. MARTIN. That is right.

Senator DOUGLAS. Then they are presented through member banks to the Federal Reserve System; is that not true?

Mr. MARTIN. That is right.

Senator DOUGLAS. When they are deposited in the Federal Reserve System, how are they set up as a credit?

Mr. MARTIN. To the reserve account of the bank, of the depositing bank.

Mr. Chairman, another former Chairman of the Federal Reserve, Marriner Eccles, was also quite candid. Here is what he said back in 1943 in hearings before the House Banking and Currency Committee on April 5 of that year:

Mr. ECCLES. What we do, if we purchase Government securities in the market, is we credit the account of the bank that turns them in. They usually come through the banks.

Mr. PATMAN. That is right.

Mr. ECCLES. Even though they may be individuals who are selling the securities and we debit the bond purchase account, showing that the Federal Reserve has a liability to the banks to the extent of $1,000,000,000, which represents their reserves on the one hand, and that they own $1,000,000,000 of bonds in what we call the portfolio, on the other hand.

Mr. PATMAN. I know in practice that is exactly the way it is done, Mr. Eccles, but suppose the banks want the billion dollars in currency, you would pay it in Federal Reserve notes, would you not?

Mr. ECCLES. That is right.

Mr. PATMAN. Those Federal Reserve notes, as we have often discussed, are obligations of the United States Government?

Mr. ECCLES. That is right.

Mr. Chairman, I also interrogated Chairman Eccles on this point on June 21, 1941, before the House Banking and Currency Committee and I place in the RECORD two excerpts from this testimony as further evidence of the point that I am making here today.

TESTIMONY OF MARRINER ECCLES REGARDING TRANSFER OF NONINTEREST GOVERNMENT OBLIGATION FOR INTEREST BEARING

Mr. ECCLES. The Open Market Committee can buy either those bonds or any other bond either from the bank that you indicate or from a dealer or from any other bank.

Mr. PATMAN. I am just giving that as an illustration, not as a specific case.

Mr. ECCLES. But the System does not operate that way. No Reserve bank buys Government bonds from any bank. The Open Market Committee does the purchasing, and they do the purchasing in the open market because the law requires that they do the purchasing in the open market, and requires that they cannot buy directly.

Mr. PATMAN. Of course I am not taking that into consideration, but the effect of it is the same. If the bank sold a million dollars in bonds, although it was through the open market, the effect is the same. You have transferred—

Mr. ECCLES. Credit. As a practical matter, the bank that sold the bonds would sell those bonds in the market.

Mr. PATMAN. In the open market; that is right.

Mr. ECCLES. And would get credit either at the Reserve bank or at a correspondent bank, for which they could get Federal Reserve notes if they wanted them.

Mr. PATMAN. So if the statement that you are transferring one Government obligation that is noninterest bearing for another Government obligation that is interest bearing is correct, then you continue to draw interest until those bonds are due and payable?

Mr. ECCLES. That is correct; yes, sir.

* * * * *

FEDERAL RESERVE NOTES A GOVERNMENT OBLIGATION THE SAME AS INTEREST-BEARING GOVERNMENT SECURITIES

Mr. PATMAN. Now, I want to ask you about these Federal Reserve notes. You consider them obligations of the U.S. Government, do you not, Governor Eccles?

Mr. ECCLES. I do.

Mr. PATMAN. They are just as much an obligation of the Government as a Treasury bond or any security that is issued by the Government?

Mr. ECCLES. They are just as much an obligation as, say, the silver certificates or what we speak of as the greenbacks, of which some are still out.

Mr. PATMAN. Or the bonds that have coupons on them that you clip?

Mr. ECCLES. That is right. They are just a little different form of obligation.

Mr. PATMAN. I understand they are a different form of obligation, but at the same time they are Government obligations and a Government responsibility?

Mr. ECCLES. That is right.

Mr. Chairman, these bonds should be canceled and retired as obligations of the U.S. Government. They should be subtracted from the national debt.

In other words, the debt ceiling bill that we are considering here today is actually unnecessary. We could, by doing the right thing concerning the Federal Reserve, cancel these bonds and subtract $57.3 billion from the national debt. Thus we would have a national debt of less than $320 billion and we would not need the increase that is being proposed here today.

By doing this we would be forcing the Federal Reserve to come to Congress for appropriations and to face an annual review by the elected representatives of the people.

The Congress should require this action without delay. And as I told the House earlier this week, we should pile up these paid-up bonds and have an old-fashioned bond burning at the Capitol. This would signify that the Congress of the United States was asserting its constitutional power over monetary affairs

and would no longer allow the Federal Reserve to thumb its nose at the American people and their elected representatives.

We would be taking a giant step forward toward a sane monetary policy and lower interest rates for everyone in the economy.

We will never know all the facts about the Federal Reserve unless there is a Government audit by the General Accounting Office. But that is resisted. It has been impossible to get a provision through Congress to get the Federal Reserve audited. That should create some suspicion, but it has not so far, not enough to get anything done.

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

Mr. PATMAN. I yield briefly to the gentleman from Iowa. I have only a short time.

Mr. GROSS. Is this the same unaudited Federal Reserve Board to which the Banking and Currency Committee of the House and its chairman delegated the power to impose credit restrictions on every living citizen in this country?

Mr. PATMAN. Actually we gave the power to the President and he may have the Federal Reserve administer the authorities. We have been unable to get a bill through that contained a provision for an audit of the Federal Reserve.

I went before the Rules Committee on this bill and tried to get the Rules Committee to permit me to offer an amendment that would require an audit of the Federal Reserve. If we had an audit, it would show we have overpaid our debts $57 billion.

We should cancel those. We should have an old-fashioned bond burning, like the church usually has when it has paid off its bonds. They are happy and pleased the debt is paid, and they have a bond burning.

How can any government have any budget except an unbalanced budget when it pays its debts twice or three times or more, allowing the Federal Reserve to hold on to these paid-up bonds.

That is going on, my friends, right here in broad daylight. It is true the Ways and Means Committee has not had time to study the question. I was told last Monday the only time I could be heard would be Monday. Of course, the Secretary of the Treasury and the Director of the Bureau of the Budget took up all Monday morning. Monday afternoon I had two bills on the floor. One of them was the numbered bank account bill—H.R. 15073. And I had no opportunity to testify.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. PATMAN. May I have 5 more minutes?

Mrs. GRIFFITHS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. PATMAN. I could not go over to the Ways and Means Committee. Of course, the hearings closed.

How can we go into these matters if we do not get consideration? The Rules Committee did not give me the power to offer an amendment calling for an audit of the Federal Reserve. I also wanted an amendment that would give consideration to cancelling those bonds, with the understanding that I would show and document with adequate proof that they have been paid for once. But that amendment was not permitted, either. So how are we ever going into these things to get the right things done unless we get consideration?

I suggest, my friends, that we give real consideration to this. It is not just a story of a mysterious thing. It is something that is real. It is not imaginary. It can be documented. It can be proved.

We have plenty of evidence of this. There is no reason why we should have to raise the debt ceiling, when we have $57 billion of bonds that have been paid for once and, in addition to that, we are paying $3 billion a year interest to people that have no responsibility as to how that money is spent.

Listen to this. They have no responsibility as to how that money is spent and they are spending it for things that no other agency would be allowed to spend money for. I will place in the RECORD in a few days some startling expenditures that I have discovered in some records of the Federal Reserve. This is money that would go right into the Treasury were it not intercepted.

The CHAIRMAN. The time of the gentleman has expired

Mrs. GRIFFITHS. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I do not have time. I only have 3 minutes left now. I am speaking tomorrow afternoon when I have a special order, and if you are here, I will yield to you then. I cannot yield now.

Now, then, yesterday I made a speech, and this is all in the RECORD of yesterday, and I hope you will look it over and see all of the material that is in there. Today I have documented this speech with what Mr. Eccles said and what William McChesney Martin said and all of the rest of them. None of them have contradicted a word of what I have said about those bonds.

We are paying our debts twice. Not only paying interest on debts that have already been paid. We should not do that. It is not sensible to do it. It does not make any kind of sense. It is just senseless. But that is what we are doing. Therefore, if we will have the Federal Reserve audited and have them report just like all other agencies of the Federal Government do, we will discover this very quickly without any guesswork. So I ask this fine Committee on Ways and Means, before you ever bring another bill in here, to get an audit of the Federal Reserve and look into these charges that I am making now. I can prove and document the fact that the national debt is $57.3 billion more than it should be because we refuse to cancel these paid-up bonds in the portfolio of the Federal Reserve's open market committee.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania (Mr. WILLIAMS).

Mr. WILLIAMS. Mr. Chairman, I rise in categorical opposition to H.R. 17802 or to any other measure that would further increase the Federal debt limit.

Conversely, I am in absolute favor of any measure that would begin, at once, to decrease the Federal debt; it is mandatory that we take such action.

To approve this proposed exercise of H.R. 17802 in a too-long-permitted pattern of fiscal irresponsibility can only do further violence to this Nation's economic status and security.

To pass H.R. 17802 to increase the permanent Federal debt limit to $380 billion would be to further intensify the lack of public confidence already suffered with regard to the national fiscal picture; and it would be an act of total irresponsibility on the part of this distinguished body, the U.S. House of Representatives.

To add this proposed "one more for the road" to this too-long-permitted train of increase upon increase in the public debt limit would be to apply, once again, the tragic medicine of proved failure to a potentially lethal disease which began to head toward the terminal stage the day that impotent medicine was first applied.

As we look about us at the myriad of problems suffered in both the public and the private sectors of our national economy, it is perfectly obvious that the old medicine of economic permissiveness must, at once, be discarded, and that the new medicine of economic sanity must be applied.

In 1917, the public debt was $3 billion. In 1941, the limit on the public debt was set at $65 billion. Almost every year since, Congress has raised the national debt limit. Today, we are asked to raise it a total of another $18 billion above the current temporary limit of $377 billion to the new high of a total of $395 billion.

That, as the measure stipulates, this would raise the limit only temporarily is of no assurance nor comfort to me—nor to millions of other increasingly more concerned American citizens. It is recalled that so, too, were the previous increases in that same temporary debt limit; but, in order to attempt to keep pace with continued high and deficit Federal spending, that which was temporary has, in fact, become a permanent and progressively worsening economic way of national life. Consequently, our very way of life suffers ominous threat and increasing jeopardy.

It is time for the Congress to take action to stop our spiraling national debt if we are to protect our economy, and reduce the burden on our taxpayers.

During my congressional tenure, I have never voted for any increase in the national debt. Now, I find even more compelling cause to oppose an increase. As we look about us, we find fiscal problems that lack of congressional action has only permitted to deepen.

It was in my long-established serious concern over this problem that, on February 26, 1970, I introduced in this body a concurrent resolution—House Concurrent Resolution 517—which would provide that—

Each budget submitted to the Congress . . . should include specific provisions for bringing about a net reduction in the na-

tional debt of at least $10 billion during the fiscal year for which such budget is submitted.

I noted then that—

In fiscal year 1971, the American people will be compelled to spend more than $18 billion in interest, alone, on the ever-growing national debt which is now in excess of $360 billion.

Today, little more than 3 months later, we find that, as of May 20, 1970, that debt stood at $374 billion, with the American people now confronted with an interest cost of nearly $20 billion in fiscal year 1971, which starts July 1, 1970. That is $20 billion down the drain as the price for past and continuing Federal fiscal irresponsibility on the part of the Congress.

I ask you to consider these additional facts: The national debt must now be refinanced every 3 years and 6 months. If we are fortunate enough to refinance the entire national debt at 8 percent interest we will be paying more than $30 billion annually in interest alone.

Over $110 billion in Federal obligations are maturing in fiscal year 1971, and we will not pay off a penny of them. They will all be refinanced on short terms. In addition, we will borrow an additional $10 to $15 billion.

This will only serve to further siphon money from the capital market, will cause higher interest rates, tighter money, and accelerate inflation.

That this is incredible is demonstrated by the fact that every political jurisdiction below that of the Federal Government carefully amortizes its debts. For example, when a State, county, or municipal government raises money by floating a 25-year bond issue, principle and interest payments are made annually. Thus, in 25 years, the full obligation represented by the 25-year bonds has been paid off.

But not so at the Federal level, where the long-established pattern is the constant practice of refinancing ever-growing old debts at higher interest rates and borrowing more money. This only further drains off money from the capital market which should be available for new housing starts, mortgages, and industrial and commercial expansion that provides new jobs.

Further, this total fiscal irresponsibility on the part of the Congress has now made it difficult, and impossible in some cases, for States, counties, and municipalities to borrow money for schools, sanitary sewage treatment plants, incinerators for solid waste management, and other sorely needed improvements.

Let us not delude ourselves with the old fallacy that we only owe the national debt to ourselves. Try telling that to the banks and insurance companies whose depositors' and policyholders' money is invested in Federal securities. Even better, try telling that to the American workingman who tries to cash in his U.S. Treasury savings bonds at maturity and walks away empty handed.

I submit that this continuing parade of gloomy economic facts must serve to underscore that our Government must begin to practice what every American breadwinner knows he must practice if he is to survive financially; namely, that he cannot spend more money than he earns, and that when he borrows money, he must know how, and from what source, he is going to be able to repay it.

It is against this background, these facts of fiscal life, these threats to our national economic survival, that I ask that the Members of this House assert their responsibility to turn back this tide of inevitable disaster by refusing to pass H.R. 17802 as the first step toward cutting Government spending, reducing national debt, and giving our too long overburdened taxpayers cause for desperately needed confidence in our economic intelligence and fiscal integrity.

Mrs. GRIFFITHS. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Chairman, I rise in opposition to this bill, and I plan to vote against the bill. I do not rise in a partisan sense, although I could not help but be struck by the earlier, somewhat pious pleas for responsibility by those who consistently voted against debt increases in the past.

Both in 1966 and in 1967 the vast majority of the Republicans voted against the debt increase. In fact, in 1966, 121 Republicans voted against the increase, and only one voted for it.

Perhaps we might have a rule when we get up to speak on these matters that we should take into account what our past position might have been so we can introduce some consistency into the political dialog of this country.

Last year when the debt increase came before us, I voted for it despite the fact that it came from a Republican administration.

I rise to oppose it this year—not because it is not needed—because I think it is—even with the generous $6 billion cash provision and the $3 billion margin which are provided for. I do agree with the gentleman from Oregon (Mr. ULLMAN). I expect that the estimates are not very good and that probably the full amount of this $18 billion debt increase will be required before the end of the fiscal year 1971.

I rise to oppose this measure to impress upon the President the need to move more rapidly toward disengagement in Southeastern Asia.

Since the President took office in January of 1969, we have incurred expenditures in connection with the Vietnam war in excess of $37 billion. What we will incur in the fiscal year 1971 is unclear. The President said that he was going to take 150,000 troops out, but he also told us that the reason he provided for a year's period in which to do this was because the generals did not want the troops to come out in the next 3 or 4 months.

So it may well be that for most of the fiscal year 1971, we shall continue to have the same level of troops in Vietnam as we have today.

So that figure of $37 billion-plus may be closer to $50 billion by the end of fiscal year 1971.

The United States can disengage more rapidly from Vietnam.

Those in the U.S. Government who played the principal role in turning this country around on the war in 1968: Secretary Clark Clifford, Ambassador Averell Harriman, Under Secretary of State George Ball, and Assistant Secretary of Defense for International Security Affairs Paul C. Warnke, all say it is in the interest of the United States to get our troops out by the end of fiscal year 1971.

We spent over $100 billion in Vietnam trying to chase an ideology over the landscape. Why the President persists in attempting a continuation of the war through Vietnamization instead of trying to negotiate a settlement escapes my understanding completely.

But I am not going to vote for a debt increase which would have been unnecessary had the President moved more rapidly toward disengagement.

I am not going to vote for a debt increase until the President at least commits himself toward disengagement to be completed within the next 12 to 14 months.

Finally, I have another reason for voting against this debt increase. In Colorado last fall, the President said that there would be no post-Vietnam dividend. He said that the $28 to $30 billion a year for Vietnam would be used up by other military expenditures. So, on the plate served to us this year, we have a whole range of new strategic nuclear programs—the MIRV, the ABM and the new B–1. We persist in providing for new aircraft carriers despite the Pentagon's study committee saying that it is unnecessary.

This President and this administration seem to be preoccupied and fascinated by the glitter—the power—of military arms. We seem anxious to spread those glorious goods around the world.

I see that by today's paper we are going to resume full military aid to Greece, a totalitarian society, the Fascist society that was repudiated by the Council of Europe.

So the facts are, Mr. Chairman, that this administration is not committed to an end of this war, although perhaps the President will seek to disengage us from it in another 3 years—that is before the election. We stand committed to an increased level of arms deliveries around the world, and we stand uncommitted to a reversal of national priorities. We are cutting education while we build new armaments. I could not go back to my district and tell my voters that these are the kinds of policies, that these are the kinds of programs for which I am going to vote an $18 billion increase in our debt ceiling. At some point the conscience must cry out that enough is enough.

Mr. Chairman, if the President would simply say that he was going to accept the advice of those who have lived longest with this war and who helped turn it around, and say that he was going to disengage the United States from that war by mid-1971, I would then be prepared to support whatever debt limit was

necessary for a continuation of responsible government in the United States.

Mrs. GRIFFITHS. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, first of all, I would like to express my deep regret that once again today we are operating under a closed rule. This procedure is not understood in the country. It contributes to a lack of satisfaction with the Congress and its procedures and a lack of trust in our form of government. I think it would have been wise to let the House work its will on the amendment that would have been proposed by the gentleman from Ohio (Mr. VANIK).

On the merits of the bill before us, I have always supported such legislation in the past, but I rise against it today, and I would like to be associated with the eloquent statement just made by the gentleman from Minnesota (Mr. FRASER).

I hope the Congress will reject this proposed increase in the debt limit. If it does so, I do not visualize that we will be suffering the terrible consequences that are so vividly described in the committee's report—failure to pay Federal payrolls and the like. What will happen is that the President will have to come in with a new proposal, and I hope very much that that proposal will reflect some new thinking on military spending in general and on the Vietnam War in particular. I hope that in that event the President will come back with a plan incorporating specific assurances for a more rapid pullout from Vietnam and a new policy toward the Thieu Government in South Vietnam.

Messrs. Thieu and Ky—Generals Thieu and Ky—are riding high today. They are operating all over Cambodia, at a time when we are supposed to be doing the fighting for them in Vietnam. They should be told that the United States and the American people are not going to tolerate this. They should be told that the United States is not going to tolerate their continuing to exercise a veto power over any reasonable compromise settlement that might be made.

These two men have never been for a compromise. They have never really been for negotiations, and that is natural, because without negotiations they hold onto the power. But there is no reason that American boys should be fighting and dying to keep these generals in power.

There are great opportunities facing the country today for other cuts in military spending, as well as in Vietnam; for example, with respect to the ABM and the MIRV. Why has not the country been told that there have been no new starts on the Soviet SS–9's since October? And yet Secretary Laird has built his whole case for the ABM and the MIRV on the threat that the Soviets were going on building these SS–9's, to the point at which they could wipe out our Minutemen. But there have been no new starts since October. The Soviets are showing some restraint and some interest in the SALT talks. It is time that we do likewise. And we could save substantial sums of money for the taxpayers at the same time.

Are we engaging in rough tactics here in opposing this bill? I will plead guilty to that charge. It is rough tactics if we can defeat this bill. But the President engaged in very rough tactics when he moved into Cambodia, when he moved U.S. troops into Cambodia without consulting the Congress.

Mrs. GRIFFITHS. Mr. Chairman, I yield 10 minutes to the distinguished chairman of the Appropriations Committee.

Mr. MAHON. Mr. Chairman, the subject matter of the pending bill is such that I felt I should make a few comments at this time.

THE DEBT CEILING

I wish to commend the gentleman from Arkansas (Mr. MILLS) and the Committee on Ways and Means for following through with this procedure of establishing a new statutory debt ceiling.

There are Members of the House who feel that they should not be dragged through this exercise every year, that it would be better if we did not have a public debt ceiling. It is true that actually the debt ceiling, except for psychological reasons, causes no expenditures and saves no money.

The debt ceiling exercise in a former year was described by a colleague as a meaningless annual gesture. It has been said that this procedure tends easily to give Members who wish to do so the liberty to vote for increased appropriations throughout the year and then undertake to prove how strong they are for the economy by voting against increasing the debt ceiling.

But actually we do not save money by voting against the debt ceiling. Expenditures are the result of actions on appropriation bills and related legislation, not debt ceiling legislation.

I believe the practice of setting a debt ceiling was begun in 1917, and it has been continued throughout the years. I think it is good practice, and I want to compliment the gentleman from Arkansas (Mr. MILLS) and the committee for their tenacity in holding onto this procedure, which many think is an unnecessary agony for Members of the House, but I think it is good, because it makes us face up to the consequences of our actions in accelerating, year after year after year, our defense spending and our nondefense spending and all Federal spending, spending in all sectors, spending from the Federal funds, and spending from the trust funds.

There is no logical alternative to passing the pending bill.

What would happen if we did not pass this measure? On July 1, if we did not pass this measure, the debt ceiling would revert to $365 billion.

So, by the passage of this measure as of that date we will increase, for the fiscal year 1971, the authority of the administration to borrow, by $30 billion. That is quite a sizable sum at a time when we are talking about a thin budget balance, or a slight deficit.

THE PSYCHOLOGY OF A PROJECTED BUDGET SURPLUS

I am inclined to say in a certain sense that any President who submits a projected balanced budget under precarious fiscal situations is probably doing the country a disservice. I say this because there is a certain psychological effect which is very bad indeed. When the President submits such a budget and the screaming headlines go out that we are in the black, that we have a surplus, even though it is a small surplus, people who feel that they, themselves, are the most fiscally responsible, lean back in their chairs and say, "Thank Heaven, things are better now. We do not have to be so concerned. Maybe there is at last some room for complacency."

The spenders, the people who want to spend more and more and more and more, are given a great deal of support by the fact that there is a projected surplus.

So these types of citizens, in all sincerity I agree begin to look around, and say, "How can we spend this surplus?"

Of course, projected budgets are not self enacting. They have to be considered and acted upon by the Congress.

Original budgets are generally optimistic in outlook. For a variety of reasons, they do not turn out as originally projected. The realizations often do not match the expectations or projections. Projected revenues may not—and often do not—come up to expectations. Expenditures may exceed—and often do exceed—original budget estimates. And so on. In other words, original surplus projections not infrequently vanish and turn into deficits.

A PRESIDENT CAN SUBMIT A BALANCED BUDGET

I doubt that every American citizen understands that any President can submit a balanced budget any year he wants to submit it. Any President cannot only submit a balanced budget, but also he can submit a balanced budget with a budget surplus as large as he wants to make it. He can do it by the stroke of a pen. I do not believe that is as well understood as it might be, but of course that is true. He can submit a balanced budget anytime he wants to.

He can do it by this process: He can reduce his proposed spending, or he can make recommendations for increased revenues. He can recommend raising postage on first-class mail to any sum, say 50 cents, if he wants to, as a part of his budget proposal, even though he would know he would never get it. I exaggerate for the purpose of making my point clear.

I make the point that it is no trick at all to submit a balanced budget, if one is willing to put himself in a position of being hardly supportable from the standpoint of credibility.

I hasten to say that the budget before us this year, in my opinion, represents the sincere views of the administration. Budget in previous years have, likewise, represented the honest views and desires of prior administrations.

DEFENSE APPROPRIATIONS AND EXPENDITURES

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I am glad to yield to the gentleman from Ohio.

Mr. VANIK. I wonder if the distinguished chairman of the Appropriations Committee can give this Committee some idea as to what we have in the pipeline over and beyond appropriations? I understand that in the Defense pipeline we have about $40 billion. Is that a correct figure?

Mr. MAHON. The unexpended balance as presently estimated by the Defense Department is about $44 billion, but of course in various other departments and agencies, such as Housing and Urban Development, and so on, we have unexpended funds running to approximately $81.5 billion. There are in the Federal funds portion of the overall budget; I exclude trust fund balances from these amounts. This general situation has existed for years. We could rescind appropriations and cancel projects throughout the Government if we wished.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Arkansas.

Mr. MILLS. On the question asked by my friend from Ohio, the budget shows "defense-military" at the end of 1970 with an obligated carryover of $30 billion and an unobligated carryover of $10 billion plus.

Mr. VANIK. Mr. Chairman, will the gentleman yield further?

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

Mr. VANIK. If that much money is in the pipeline, is it not possible for defense expenditures in fiscal year 1971, to exceed the $71.8 billion by whatever is spent out of the $40 billion?

Mr. MAHON. Theoretically, funds that are carried over from year to year could be spent instantly, and vastly increase expenditures in a given year, but as a practical matter, of course, this sort of thing does not develop.

Mr. MILLS. Mr. Chairman, will the gentleman yield on that point?

Mr. MAHON. I am glad to yield to the gentleman from Arkansas.

Mr. MILLS. I believe it is interesting to point out here that assurances were given us by the Director of the Bureau of the Budget that the administratiaon had no intention to, and would not, exceed the amount it had budgeted in February for military defense.

Mr. MAHON. This is correct. We have an expenditure ceiling enacted into law for fiscal year 1970. We have modified it in the second supplemental appropriation bill, which has gone to the Senate, to give additional leeway. But it is a ceiling on spending for fiscal 1970.

We have an expenditure ceiling fixed for fiscal year 1971 at something over $200 billion. The point is that, regardless of the availability of funds, there is a fixed maximum amount that can be expended in a given fiscal year.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MILLS. Mr. Chairman, I yield the gentleman 5 additional minutes.

DEFENSE FUNDS REPROGRAMING

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. VANIK. Does the Defense Appropriations Subcommittee, without consulting the rest of the Members of Congress, have the internal authority to approve or disapprove transfers in the allocation of military funds within the appropriated funds for military spending?

Mr. MAHON. The gentleman refers to reprograming. Transfers are not made from one appropriation to another through reprograming.

There is a practice that has obtained for many years requiring that even though funds are not appropriated on a line item basis, any substantial program changes within individual appropriations must be cleared by the Committees on Armed Services and Appropriations, even though, under the letter of the law, the Defense Department has the authority to make these program changes.

An example of reprograming is, if it is determined that one aircraft development program is moving along more rapidly and effectively than another one, you could increase the amount of expenditure for one and decrease the other, as long as you are within the total authorization and appropriation limit for aircraft. That is an example of what is referred to as reprograming. It is a procedure which tightens congressional control.

Mr. VANIK. I thank the gentleman.

But do the members of the Defense Subcommittee have authority to move around the utilization of billions of dollars, if that is involved in a program change, without consulting the House or without consulting the rest of the Congress.

Mr. MAHON. This is not the authority of the Committee on Appropriations. Reprograming pertains only to those items within individual appropriations. It never involves billions or anything close to billions.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. MILLS. The point in the gentleman's mind is—and I know he is disturbed about this, as he was in the executive sessions of our committee—if it is appropriated for aircraft, could it then be used for tanks or any other object?

Mr. MAHON. It could be used only for the purposes for which it is appropriated.

Mr. VANIK. Within the class?

Mr. MAHON. Within the paragraph of the bill making the appropriations. That is the only way. In the bill there are certain funds available, and there is a certain flexibility within the individual appropriations paragraphs.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. HALL. The answer to the gentleman's question is "No." It cannot be done within the subcommittee and every reprograming action by "line item" comes back to the full legislative committee of the Committee on Armed Services before it is approved for changes in expenditures.

Mr. JONAS. Mr. Chairman, will the gentleman yield to me?

Mr. MAHON. I yield to the gentleman from North Carolina.

Mr. JONAS. I asked the gentleman from Texas to yield in order to make this comment with respect to the first question asked by the gentleman from Ohio and the response of the gentleman from Arkansas.

Mr. VANIK. $40 billion, I said.

Mr. JONAS. In the entire Government operations there are unspent but previously appropriated moneys amounting to $233 billion, and that is at the end of 1970. So you have money in every pipeline of the Government—public works, dams, and all of the other activities of the Government—and it is not restricted to the Department of Defense.

Mr. MAHON. The gentleman is correct. Under the unified budget concept, some $233.7 billion remains unexpended throughout the Government. With regard to Federal funds only, about $126.1 billion remains unexpended.

THE DEBT CEILING IS A RIGID CEILING

Mr. MILLS. Mr. Chairman, will the gentleman yield further?

Mr. MAHON. I yield to the chairman.

Mr. MILLS. I want to emphasize one point that the gentleman is emphasizing.

This, too, is a ceiling and do not forget it. I do not want anyone in the House to forget it, but this ceiling of $395 billion on the debt is also a ceiling on spending if we do not agree to further increase the debt ceiling during the fiscal year. I do not have any intention of doing it unless some great emergency comes up.

Mr. MAHON. The point the gentleman makes is that this is an inflexible ceiling. It is the law of the land. It cannot legally be exceeded. But like a ceiling otherwise, anything that Congress can do today it can undo tomorrow or modify it tomorrow.

Mr. MILLS. Oh, yes.

Mr. MAHON. But the ceiling, while not binding on Congress, is binding on the executive branch and the executive branch chafes at the ceiling which applies to the executive branch but does not apply to the Congress. But under our system of government this is inevitable.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MILLS. Mr. Chairman, I yield the gentleman 5 additional minutes.

The CHAIRMAN. The gentleman from Texas is recognized for 5 additional minutes.

Mr. MILLS. What I am talking about is that the ceiling now on the debt—and it is a fixed matter——

Mr. MAHON. Right.

Mr. MILLS. Is only subject to change by another enactment. A bill has to be passed by the Congress and signed by the President.

Mr. MAHON. Yes.

Mr. MILLS. So it is even more rigid

than the ceiling on expenditures that the gentleman is talking about.

Mr. MAHON. I think the gentleman is correct.

Mr. MILLS. And there is no room for any more spending out of the general fund other than the $158.9 billion to which we refer.

THE UNIFIED BUDGET CONCEPT

Mr. MAHON. Mr. Chairman, reference has been made to the unified budget plan on which the annual budget is now submitted.

In 1967, President Johnson appointed a Commission on Budget Concepts. We had had a most complex and confusing system for reporting the budget as was pointed out by Chairman MILLS.

For instance, in one paper it would say that the President's administrative budget totaled so much. Another paper would say the cash budget is so much. Another commentator or newspaper would say the national income budget is so much. There were in use three or four different concepts of what the budget total was. The figures were billions of dollars apart. It was a very confusing picture. The challenge of this Commission was to try to bring some order out of this very confusing situation. The objective was to settle on one budget concept in lieu of three or four separate concepts then in use.

I must say that the Commission did not fully succeed in bringing order out of chaos. I, along with other Members of the House and the Senate, was a member of this Commission. We sought to be as unanimous as possible. We did not want to file various minority reports. We wanted this to be as serviceable as possible to the President. But we did, within the framework of the report, try to make known the position of those of us in the legislative branch.

In the letter transmitting the Commission report to the President, at our insistence some qualifying language was used. Under leave granted, I include this excerpt:

As might be expected in a group of men with such diverse backgrounds, philosophies, and responsibilities as the members of the Commission, there have been differing opinions regarding particulars of the many budgetary, fiscal, and economic questions considered. Thus, not every member of the Commission subscribes to each and every observation, premise, conclusion, or recommendation in the Report. Nevertheless, there is complete unanimity regarding the main objective of a unified budget system. Through free discussion and the process of give and take we have put together a general body of recommendations about which there is a very substantial consensus among the members. However, it should be pointed out that several members occupy dual official positions, as members of the Commission and as members of the legislative or executive branches. In their latter capacities, these members have continuing responsibilities in the areas being dealt with, a fact which in the nature of the situation requires that the right be reserved to them to take differing positions on individual issues and recommendations encompassed by this report.

Members of Congress serving on the Commission did not approve the Commission's suggestion to make the debt limit consistent with the unified budget concept by eliminating from the debt ceiling the amounts owed to trust funds. I quote briefly from page 61 of the report of the Commission and the footnote reserving on this recommendation:

THE PUBLIC DEBT LIMIT

Since the statutory public debt limit is likely to continue to be used by the Congress, the Commission suggests that the executive branch may wish to ask that consideration be given to changes that will make the debt limit consistent with the Federal budget concepts herein recommended.[1]

Now, Mr. Chairman, one has to admit that the unified budget plan is a good thing from the standpoint of studying the economy and considering the overall relation of the budget to the economy. From that standpoint it is more useful than the old administrative or Federal funds budget. It is a good thing from that standpoint because the unified budget is simply this—it deals with all Government income, Federal funds and trust funds. It deals with all income; it deals with all outgo, Federal funds and trust funds, such as highways and social security. So it does give one an accurate picture of the income and the outgo of the entire Government. But the trouble is that from the standpoint of processing the legislative and appropriation bills and the debt ceiling bill, we have a somewhat distorted picture unless one reads the fine print.

In recent years there has been a surplus in the trust funds that tends to confuse the situation. The estimated trust funds surplus in fiscal 1971 is now $8.7 billion; the estimated surplus in 1970 is $9.2 billion and in 1969, the surplus was $8.7 billion. Under the unified budget plan, those surpluses tend to constitute something of a windfall, so to speak, in putting the totals together. In submitting his budget the President, in all candor and within the framework of the law and of the commission's recommendations, submits a balanced budget which was balanced only by the technique of borrowing the surpluses from the trust funds to help pay the regular Federal expenditures of Government. This has blurred the true situation as to the Federal funds portion of the budget, which are in considerable deficit, and thus has tended to be somewhat misleading.

We have got to find a way to clarify this picture for the Congress and for the country.

Mr. Chairman, on February 10, 1970, shortly after the President submitted his budget, I made a statement to the House on the precarious budget situation facing us, as I saw it at that time. In connection with those remarks I addressed myself to the failure of the unified budget concept to reflect this picture clearly. I include the relevant portions of those remarks in the RECORD at this point:

THE PRECARIOUS BUDGET SITUATION—NEED FOR DRAMATIZATION

Mr. Speaker, all Members and all citizens, and this certainly includes the press, need to understand the precarious fiscal situation confronting the country.

We need to understand that had the fiscal 1971 budget now before Congress been submitted under the same budget guidelines that was obtained under the Eisenhower and Kennedy administrations, and under the first 3 years of the Johnson administration, the new budget, submitted last week, would show a deficit for fiscal year 1971 of $7.3 billion, not the $1.3 billion surplus in the headlines.

That blunt statement of fact will seem strange and perhaps incredible to people who have read the big headlines and who have not studied and understood the fine print. I am not charging bad faith. I know of none.

I am charging that there is a lack of information as to the facts.

Let me follow my blunt statement of fact with a few other statements of fact:

First. We talk about a balanced budget, and it is balanced under the new unified budget system, which seems to mislead a lot of people. The Federal debt continues to go up. The administration estimates that the gross Federal debt will increase by nearly $8 billion in the next fiscal year. This means that the debt ceiling will have to be raised at this session of Congress. If there were a balance of outgo and income in the federally owned funds of the Government, the Federal debt would not, of course, go up.

Second. The fiscal 1971 budget requests new spending authority—"budget authority" is the technical term—in excess of fiscal year 1970 in the sum of $9 billion. The gross increase is several billions higher than $9 billion as I shall in a few moments show in some detail, but there are certain nonrecurring offsets.

Third. Under the unified budget which became effective for fiscal year 1969, and which includes 6 months under the previous administration, the so-called surplus is dwindling. The trend is in the wrong direction. Here it is:

Under the unified budget, the fiscal 1969 surplus was $3.2 billion. It is estimated to sag to $1.5 billion in the current fiscal year, and it is estimated to sag further in the forthcoming fiscal year to $1.3 billion.

Trust funds are dedicated to specific programs, such as social security and highway construction. These revenues are not available for regular Federal programs. They can be borrowed, however, by the Government and used to pay the regular expenses of the Government, and this is what has been and is being done. The Government borrows these funds, paying appropriate interest, and uses them for the regular functions of the Government.

I am not opposing the practice of borrowing surplus trust funds and using them for the operation of the Government. These sums earn interest, of course, paid by the taxpayer. But the Congress and the citizen must not overlook the fact that these funds will have to be repaid and that a budget surplus based solely on trust fund borrowings is not a very comforting situation.

I am not making a partisan appeal. It was not this administration which first advocated the unified budget procedure. This was done by the previous administration. I am not even making a plea for the abandonment of the unified budget plan. I am just advocating that a way be found to display the full truth to the Congress and to the American people.

The unified budget plan was designed to promote understanding by use of a single,

[1] While they do not, of course, have any objection to the Commission's suggestion that the executive branch may wish to recommend that the structure of the statutory public debt limit be reexamined in the light of the Commission's proposed new budget and debt concepts, the congressional members of the Commission would not want to be understood as now subscribing to the thought of any change in the overall debt limit in advance of careful study by the appropriate committees of the Congress.

comprehensive measurement in lieu of the three or four separate sets of figures used previously. It tends to obscure the actual situation in relation to general Federal funds but it does provide a picture of total budgetary income and outgo for economic analysis and other purposes.

What concerns me and many others is that the so-called surplus for fiscal year 1970 will probably dwindle further, and the so-called surplus for 1971 will undoubtedly vanish, and we will be in the red under the new unified budget plan in 1971. Under the former budget plan which obtained in the previous administration, we would be in the red for the 3 fiscal years 1969, 1970, and 1971 in the total sum of $19.9 billion. The actual figures by years are: 1969, $5.5 billion; 1970, estimated, $7.1 billion; 1971, estimated, $7.3 billion.

The practical facts which I have recited are not understood generally, but they must be understood if we are to be able to take off the cloak of complacency in regard to fiscal matters. Under the facts there is no possible basis for comfort in regard to the budgetary situation.

It must be understood how the unified budget surplus is arrived at. As a result of the actions of Congress, increasing social security and other trust funds, trust funds have sharply increased during the past few years. Receipts of trust funds have exceeded expenditures of trust funds, thereby creating large surpluses. The estimated surplus for 1971 is $8.6 billion. The estimated surplus for 1970 is $8.6 billion. The surplus for 1969 was $8.7 billion.

I would like to contribute to the awakening of the American people on this issue. Some way must be found to dramatize the seriousness of the situation confronting the country.

A TENUOUS BUDGET BALANCE

I share the President's concern that pressures for increased spending could unhorse the razor-thin unified budget surplus of $1.3 billion which he has presented. In fact, I say—regretfully—that in my opinion the razor-thin unified budget surplus projected for fiscal 1971 will disappear.

I would have preferred to see a much larger surplus projection. The $1.3 billion figure stands uncomfortably close to the edge of a zero balance. It is a fragile, precarious balance. It can disappear with a single miscalculation—and there are always miscalculations in budgets.

Original budget projections are often highly fragile. They rest on major assumptions and contingencies. They not infrequently fail to allow prudent margins of safety as hedges against miscalculations and failures. They are prospective only. They are not self-enacting. They never materialize exactly according to plan. They are, characteristically and understandably, optimistic in tone and outlook.

I would say that the current budget message is no exception in these regards.

Whether this budget reflects a strong budget position is a matter of opinion, open to debate.

The unified budget position in the current year has deteriorated considerably. The administration's original April 15 estimate for fiscal 1970 projected a unified surplus of $5.8 billion. In its Summer Review of the Budget issued last September, the reestimated amount was $5.9 billion. Today, it is again reestimated, down to $1.5 billion. It is withering away.

Our national budget position is slipping. Today's unified budget surplus of $1.3 billion for 1971 is down from the reestimated unified surplus of $1.5 billion for the current fiscal year 1970, which itself is somewhat tentative especially because of the uncertainty involved as to the final figures for the vetoed Labor-HEW appropriation bill.

The unified budget surplus for fiscal 1969 was $3.2 billion. Thus both fiscal years 1970 and 1971 have slipped to less than half the 1969 figure.

It is thus crystal clear that there is no room whatever for complacency about our fiscal position. The current highly volatile inflationary situation underscores the necessity to follow a high order of restraint in approaching the fiscal bills of the session.

RELATION OF TRUST FUND SURPLUS TO THE ADMINISTRATIVE AND UNIFIED BUDGETS

The fact is that prior to 3 or 4 years ago, the trust fund surpluses were either small in relation to more recent years, or there were small deficits. Contributions are made to the trust funds for dedicated purposes. Necessary amounts are paid out of the trust funds for the purposes for which they were established, such as social security, highway construction, civil service retirement, and other authorized programs. The larger surpluses, as you will note have occurred in the more recent years and are projected to continue for a few years.

I now include for the RECORD, Mr. Chairman, tables further illuminating the relation of the trust fund surpluses to the contrasting pictures reflected by the administrative and unified budget:

THE BUDGET SURPLUS AND DEFICIT SITUATION UPDATED BY PRESIDENT'S STATEMENT OF MAY 19, 1970

[In billions of dollars]

	Trust funds	Federal funds	Total of the 2	Less intra-governmental transactions that wash out	Net totals
Fiscal 1971:					
Budget receipts (estimated)	64.4	149.6	214.0	−9.7	204.3
Budget outlays (estimated)	55.7	159.6	215.3	−9.7	205.6
Surplus (+) or deficit (−) (estimated)	+8.7	−10.0	−1.3		−1.3
Fiscal 1970:					
Budget receipts (estimated)	58.3	146.6	204.9	−8.5	196.4
Budget outlays (estimated)	49.1	157.6	206.7	−8.5	198.2
Surplus (+) or deficit (−) (estimated)	+9.2	−11.0	−1.8		−1.8
Fiscal 1969:					
Budget receipts (actual)	52.0	143.3	195.3	−7.5	187.8
Budget outlays (actual)	43.3	148.8	192.1	−7.5	184.6
Surplus (+) or deficit (−), actual	+8.7	−5.5	+3.2		+3.2
Surplus (+) or deficit (−), all 3 years (estimated)	+26.6	−26.5	+.1		+.1

Trust fund surpluses and deficits, fiscal years 1971—1960

[In billions of dollars]

Fiscal year:	*Surplus (+) or Deficit (−)*
1971 (estimate revised May 19, 1970)	+$8.7
1970 (estimate revised May 19, 1970)	+9.2
1969	+8.7
1968	+3.2
1967	+6.2
1966	+1.3
1965	+2.2
1964	+2.6
1963	+1.8
1962	−.2
1961	+.8
1960	−.5

BUDGET SURPLUS OR DEFICIT, 1960-71

[In millions of dollars]

	Administrative budget	Unified budget
Fiscal year:		
1960	+1,224	+269
1961	−3,856	−3,406
1962	−6,378	−7,137
1963	−6,266	−4,751
1964	−8,226	−5,922
1965	−3,435	−1,596
1966	−2,251	−3,796
1967	−9,869	−8,702
1968	−28,379	−25,161
1969	−5,490	+3,236
1970 [1]	[2] −11,000	−1,800
1971 [1]	[2] −10,000	−1,300

[1] Estimated revised May 19, 1970.
[2] Currently referred to as "Federal funds."

From the foregoing figures, it will be noted that in 1960 there was not a surplus in the trust funds, there was a minus of half a billion dollars, and in 1962 there was a minus of $200 million, and in fiscal year 1963 there was a surplus of $1.8 billion. This was not very significant in the framework of a large budget, but when you get to the trust fund surpluses such as the $8 billion-plus and $9 billion-plus, as in the last 2 years, it does tend to distort the picture. It thereby gives undue comfort to the so-called conservatives who would otherwise strive to balance the budget, and it gives undue encouragement to the so-called liberals who feel justified in spending real surpluses on additional Federal programs.

So I do think it good for us to bear in mind just what the picture is that confronts us.

In conclusion, Mr. Chairman, I am supporting the pending legislation. There is no logical alternative to its adoption. It will not save any money. It does have a firm and inflexible debt ceiling, and under all the circumstances is in the public interest. And while I very much regret that it is so high, there is no logical and responsible way at this point to avoid it.

Mr. MILLS. Mr. Chairman, we just have one more speaker remaining.

Mr. BYRNES of Wisconsin. Mr. Chairman, I would ask the distinguished chairman if he intends to secure permission for each Member to revise and ex-

tend their remarks when we go back into the House?

Mr. MILLS. I do indeed; in fact, I will do it now.

Mr. BYRNES of Wisconsin. I thank the gentleman.

GENERAL LEAVE

Mr. MILLS. Mr. Chairman, I ask unanimous consent that all Members may have permission to revise and extend their remarks at this point in the RECORD on the bill under consideration.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. BROYHILL of Virginia. Mr. Chairman, I rise with some reluctance in support of H.R. 17802.

My reluctance is not based upon the contents of the bill, but upon its symbolism. It represents the sad and unhappy state of Federal finances today.

But the way to correct this condition, to put our fiscal house in order, is not to defeat this bill. The way to handle the debt is to get at its root causes, not to argue uselessly over raising or lowering its legal ceiling.

The debt is not at its present level directly because of the ceiling. And it will not grow larger solely because of any action we might take on that ceiling now.

If we are really earnest about setting some reasonable limitation on our ballooning debt, then we must act at other times to limit the factors which have contributed to its growth. We must examine more carefully the proposals for spending in the future, and we must move to curb those proposals whenever and wherever we can.

All of this having been said, there is still no joy in raising the ceiling on the public debt. It remains an unpleasant, but very necessary, step.

Ample evidence of the necessity can be found in a quick consideration of what would happen if we failed to provide an adequate ceiling.

On June 30 the present ceiling of $377 billion would expire, and the next day the overall limitation would fall to $365 billion. But the debt in reality would be about $371 billion, or $6 billion over the limit.

There would not be any question about the legality of the debt outstanding at that time. That is not a genuine problem.

One very real problem is that the Treasury would not be able to issue any new securities. As a result, savings bonds could not be sold, and payroll savings plans would be disrupted.

In addition, the Treasury cash balance would be depleted rapidly. Large amounts of Treasury bills come due on a weekly basis during July, and more mature at the end of the month. If new bills could not be issued as replacements, the cash balance would be exhausted by July 9, a day on which $3.1 billion of Treasury bills mature.

Once that cash balance was gone, the Government would be forced to delay full payment or resort to partial payment of contract obligations, Federal salaries, a variety of loan and benefit programs, and grants to States and localities.

It is obvious that the resulting economic hardships would be felt most acutely and painfully in areas where there are large numbers of Federal employees or employees engaged in Government contract work.

So from the practical standpoint, we have no choice.

Mr. Chairman, our greatest problem in connection with this bill is not whether to approve it—for to do otherwise would appear little short of irresponsible—but how to explain the need for it, in light of widespread confusion over the Federal budget.

Actually, there are two Federal budgets involved here—the so-called unified budget and the Federal funds, or administrative, budget.

When the administration talks to the American people about its financial programs—as embodied in the basic budget document published each year—it talks in terms of a unified budget, which takes into account the Federal trust funds. These trust funds usually show a sizable surplus, which gives the budget a much more healthy appearance.

But when the administration talks to the Congress about its need for more borrowing authority—as it has done in connection with the bill before us—it talks in terms of its operating funds, or administrative, budget, which excludes the trust funds.

The unified budget indicates a deficit of $1.3 billion for fiscal 1971. By contrast, the operating funds budget shows a deficit of $10 billion for fiscal 1971.

This huge budgetary difference, and the different uses of the budgets by the administration, have led to what might be called an understanding gap between the executive branch of Government and the bulk of the American people, including many Members of this Congress.

Stated simply, it is hard to understand why the administration needs to increase its borrowing authority, or the limit on the public debt, by $18 billion, when it has a unified budget deficit or less than $2 billion.

To help close the understanding gap, the Budget Bureau has agreed to a request by the Committee on Ways and Means that it include a special section on the operating funds budget in its next basic budget document.

I understand that this section, to be placed near the forefront of the volume, will attempt to explain the operating funds budgeting concept just as thoroughly as the rest of the document explains the unified budget concept.

With this due attention paid to both budgets in the future, the understanding gap hopefully will close, or at least diminish. And adjusting the public debt ceiling will become more explainable, if no less painful.

Mr. REUSS. Mr. Chairman, for the first time in my 16 years here—equally divided between Republican and Democratic administrations—I shall vote against a debt ceiling increase.

The administration's present policies do not deserve a blank check to involve us in a debt increase of $18 billion, up to a temporary ceiling of $395 billion. By widening the war in Southeast Asia, by insisting on increasingly wasteful civilian expenditures ranging from the SST to subsidies to wealthy corporate farms, the administration has shown a fine disregard for expenditure restraint.

Going endlessly into further debt imposes greater strains on our financial markets, ever-higher interest rates, and thus more distress for housing, State and local governments, and small business.

It will be said that refusing the almost blank check for raising the debt ceiling will hurt education, health, housing, and the environment. The administration has already cut these authorizations to the bone. Whatever debt ceiling is imposed, the administration is not prepared to allocate adequate amounts to these top-priority domestic needs.

Let the President take action to control inflation and high interest rates—by credit controls, by wage-price action, by supply measures, and, above all, by moving to extricate ourselves from Southeast Asia. If the administration will show its responsibility, I will once again be found voting for increases in the debt ceiling.

Mr. PELLY. Mr. Chairman, I am going to support H.R. 17802, to increase the public debt limit and I will oppose any attempt seeking to amend the bill.

At the outset, I want to explain that in the past I have both supported and opposed measures to increase the public debt. I took each piece of legislation in context of the state of our economy and national and world stability.

Today, however, we are faced with either permitting our Government to meet its financial obligations or causing a panic across our land and across the world. That is the issue of the increase in the debt ceiling.

Mr. Chairman, if we defeat this request to increase the public debt limit by previous legislation the ceiling reverts back to $365 billion. At this moment, the debt is $371 billion under the previous temporary ceiling, so the question is where are we to get this additional $6 billion if we do not permit any increase in the debt?

Many people will have an idea as to how to answer that question. Any one of us could suggest where the President could start. Some would approve of taking it from public works projects; others would take it out of defense spending. But, what has to be realized is that defense spending already has been cut $9 billion, and review boards are meeting regularly with the aim of further cutting this expense. The Nixon administration inherited certain built-in increases, and Congress passed pay raises. The point is that many programs require mandatory spending.

Any move to cut spending responsibly takes long and careful study. I support this study, and I certainly believe in reducing public spending. But, Mr. Chairman, for us today to take any action that leaves our country unable to meet its bills would be the most irresponsible action I would have seen in my service to this great body. Any move to legislate cuts by floor action without hearings is dangerous and equally irresponsible.

So, I feel I must support this increase in the public debt, and I urge my col-

leagues to do likewise. The time and the place to limit or to economize or cut spending is on individual bills; not in a way which could cause serious consequences to the entire economy. If anyone wants a major economic catastrophe, then let them vote against this bill to raise the legal debt ceiling. This bill is to allow the Government to borrow from itself and is not to allow for more huge Federal deficits.

In summary, Mr. Chairman, if anyone opposes this bill because of their opposition to the war in Vietnam, then they will be cutting off funds to bring our troops home. If they oppose the bill, then they cut off social security payments to those who so badly need the funds. We could not even redeem our own bonds when they became due.

There are ways to cut Federal spending. But, the way is not a blanket negative vote against the U.S. economy.

Mr. EDWARDS of California. Mr. Chairman, the grave state of the national economy is a direct result of the Indochina war. The simultaneous inflation-recession, rising unemployment and other economic dislocations from which we now suffer can be attacked most efficiently through a reduction in war expenditures. Funds cut from military spending must be diverted to rebuild our torn society. They are desperately needed for housing, education, pollution control, mass transportation, urban renewal, and the many other human needs which are now going largely unmet.

Evidence of the havoc this war is creating in our home economy is abundant. For the first time in 8 years the gross national product is declining. Unemployment has increased 45 percent in the past 15 months. Interest rates are the highest they have been since the Civil War. Corporate profits have dropped 11 percent the past year, after a steady 9-year rise. Prices and government costs continue to rise. Investors nationwide have lost $160 billion on the stock market since January 1969. Meanwhile, Indochina war costs have been largely responsible for the $25 billion rise in defense spending the past 5 years, with a $50 billion increase in the gross Federal debt during the same period.

The $10 billion annual rate of increase in the national debt the past 5 years is twice the rate for the 10 years prior to our massive commitment of U.S. forces in Vietnam. The administration wants authority to increase the debt by $15 billion which, combined with the increase approved last year, would be a total of $30 billion in a little more than a year. For the Nation to continue on this course is suicidal. Any increase in the debt limit should be tied to a limit on military spending.

Mr. ROTH. Mr. Chairman, today we are faced with our perennial problem, should the Congress increase the public debt limit to permit the Government to borrow additional funds and thus continue the period of deficit financing? There are some persons who argue that the debt limit legislation is meaningless because the Congress always grants the increase requested by the Executive. When we take a look of the history of the 1960's much credence must be given to this contention.

During the last decade, 1961 to the present, there have been 13 bills before the Congress to increase or extend the public debt limit. Over the past 10 years, fiscal years 1961 to present, our public debt limit has been raised from $293 billion to the current level of $377 billion. This amounts to an increase of $84 billion or a percentage increase of 29 percent. And, now we are confronted with a request to raise the public debt limit another $18 billion to a total of $395 billion which would be $102 billion or 35 percent above the level at the end of fiscal year 1960. The decade of the 1960's is well documented as a period of deficit spending by the Federal Government.

We proceeded along year after year with the Government spending more than it received in revenue. Also, we are all well aware of the extensive and persistent inflation plaguing our economy which this extended period of deficit financing has generated for us.

The Amercan consumers are spending $600 billion a year for their consumption expenditures. With the Consumer Price Index rising at a 6 percent annual rate this means that the public is spending $36 billion a year for which they receive no goods or services; only inflated prices. This is an unbearable hidden form of taxation that warrants our fullest consideration.

It does no good to pass tax reform and tax reduction legislation if the benefits are going to be consumed by inflation. I do not think that we can bring our inflation under control so long as the Federal Government continues to spend more than it takes in. Further we will not be able to substantially reduce our excessive interest rates so long as the Federal Government must continue to borrow funds to meet its obligations. I contend that we cannot permit our public debt limit to continue rising year after year.

Mr. Chairman, as I mentioned earlier, the decade of the 1960's produced a string of Federal Government budget deficits; these deficits were reflected in annual increases in the public debt outstanding. Let us look at a few of the pertinent facts.

At the end of fiscal year 1960 our total public debt subject to limitation amounted to $286 billion. On May 21, 1970—the latest date available—the public debt amounted to $374 billion. This amounts to an increase of $88 billion in our public debt outstanding over this 10-year period. Our debt limit over this period has been increased by $84 million.

At the present time our public debt outstanding is $3 billion below the public debt limit, whereas, at the end of fiscal year 1960 the public debt was $7 billion below the debt limit. Over this 10-year period the cumulation budget deficits in the Federal funds of the U.S. Government have amounted to $91 billion. Here is the source of our ever increasing public debt.

Mr. Chairman, last year it was said we had a budget surplus of $3.2 billion. The recently revised budget estimates for the current fiscal year claimed a deficit of $1.8 billion. And, the recently released revised budget estimates for the upcoming fiscal year—1971—were for a budget deficit of $1.3 billion.

Thus, when we combine the budget surplus of 1969 of $3.2 billion with the anticipated small deficits for fiscal years 1970 and 1971 of $1.8 and $1.3 billion respectively they practically balance out. Yet, even with virtually balanced budgets over this 3-year span, we had to raise the debt limit last year by $12 billion and now we are requested to grant an additional $18 billion increase. This is a source of much confusion for the American public.

How is it that the Federal Government has a span of relatively balanced budgets over a 3-year period, but in order to pay its obligations it must increase its borrowing authority by $30 billion?

We recognize that this apparent inconsistency comes from our budget accounting incorporated in what we term the "unified budget concept." In March 1967, President Johnson appointed a Commission to study Federal budget concepts and presentation. This Commission was chaired by the Honorable David M. Kennedy, currently Secretary of the Treasury.

In October 1967, the Budget Commission rendered its report to President Johnson. The Commission's first recommendation and the one that it termed its most important was to adopt a unified budget concept. The unified budget would include trust funds and Federal or general funds of the U.S. Government. This budget form shows the total of revenue of receipts flowing to the Government whether they be personal income taxes, social security taxes, Federal employees retirement contributions, and so forth, and in turn would show the total amount of payments being made by the Federal Government whether these payments are for national defense expenditures, Federal employees retirement checks, social security payments, and so forth.

While these data are beneficial for any economic analysis of the overall effects of the Federal Government on the economy, they are confusing for the public. President Johnson submitted his budget in January 1968 on the unified budget basis and the budget has continued to be submitted on that basis each year since.

In recent years the statements that the budget was in balance referred to the unified budget and not to the Federal funds budget which is roughly comparable to the old administrative budget concept that our Government used from its formation in 1789 until January 1968. For example, last fiscal year—1969—the unified budget showed a surplus of $3.2 billion, yet the Federal funds portion of the budget had a deficit of $5.5 billion which meant that the Federal Government had to borrow that amount from its trust funds to cover its general expenditures.

The Federal funds revenue of the Government is derived from personal and corporation income taxes, most of our excise taxes, the estate and gift taxes, customs duties, and miscellaneous receipts. These funds when collected are deposited in the general fund of the U.S. Treasury. From the general fund of the Treasury are paid the expenditures of

the historical functions of the Government such as national defense, veteran's benefits, interest on the public debt, labor, commerce, postal deficits, and others. All trust fund receipts of the Federal Government are paid into specific trust fund accounts for which the revenue is earmarked. All trust fund payments by the Federal Government are made from these specific trust fund accounts. Trust fund surplus receipts are invested in Federal securities—public debt or Federal agencies' obligations.

The major Federal trust funds are: Old-age and survivors insurance, disability insurance, health insurance, unemployment, Federal employees retirement, railroad employees retirement, and the highway trust fund. The Federal funds—income taxes, et cetera—are administered by the Government as owner, while the trust funds are administered by the Government in a trustee or fiduciary capacity.

However, when we combine the Federal funds and the trust funds in the unified budget concept we give the impression that the Federal Government is administering both types of funds on an ownership basis. I contend that this budget practice is misleading for the general public. I urge that the Federal Government either return to the old administrative budget concept for reporting budget data or some alternate approach so that the public will know whether our general functions of Government are being financed by the general funds of the Government. To continue this practice of covering budget deficits with borrowed trust funds surpluses which leads to an increasing public debt level renders a disservice to the American public.

Mr. Chairman, I am greatly disturbed by our ever increasing public debt accompanied by its rapidly increasing interest cost. Our annual interest cost alone on the public debt is accelerating toward $20 billion a year. This is more than our Federal Government spent all total from 1789 to 1900.

Furthermore, it is more than we spent in any one fiscal year in our history until World War II. I am troubled by our continuing inflation and our current economic problems. I do not believe that we shall be able to bring our economy into balance until we get our budget matters into balance. This is a period which calls for a hard evaluation of total Federal Government functions. I fear that if we continue to grant increases in our public debt limit we shall not achieve that hard and difficult examination that is required. Therefore, I feel that I must vote against any increase in the public debt limit and I urge my colleagues to do likewise.

Mr. ROGERS of Florida. Mr. Chairman, I rise in opposition to the proposed increase in the ceiling for the national debt.

I have in the past and am now opposed to this approval of spending and I think that the entire financial situation in the United States today has been caused in part to the Government's lack of restraint in operating within its income capabilities.

How can we ask our people and our business community to govern their finances in a responsible manner if we continue to carry on the financial business of the Federal Government in a manner such as is proposed here today.

We should be cutting back on Federal spending now, not stretching our debt. It is not the time for deficit spending, if indeed there ever is a time for it.

And I find it bitterly ironic that we are being asked to increase the debt ceiling today and tomorrow we are going to be asked to appropriate nearly $2 billion for foreign aid. We cannot balance our budget, but we are sending millions of dollars abroad.

I think we had better start thinking about the American taxpayer. Increasing the already painful debt ceiling is not the answer and will not, I believe, be taken very well by an already overtaxed people.

Mr. MONAGAN. Mr. Chairman, I shall vote for H.R. 17802.

I have supported actions of this type in four administrations including two Democratic and two Republican Presidents because I believe that the raising of the debt limit is to some extent a formality while the substance of fiscal action is in the actual appropriations process itself.

Whether or not we increase the limit there will be obligations for the Treasury to satisfy and failure on our part to take action will mean that governmental obligations will not be satisfied since the funds to discharge them will not be available.

The real place to reduce obligations is in the appropriations bills as they come to us individually. For example, the military appropriations were reduced in the last bill by approximately $5 billion and other areas of reduction to come to mind include the farm bill, the space bill, and similar items.

Our concentration, therefore, should be on the day-to-day requests which we must consider individually. It is only by reducing these and by reducing the authorizations for spending without specific appropriation that we can directly cut down on the obligations of our Government. This must be an area of concentration for us in the days and months ahead.

Mr. PRICE of Texas. Mr. Chairman, I find that I cannot in good conscience vote for the proposal to increase the public debt limit.

The reason why I am compelled to vote against the increase is a fundamental one. I believe the Federal Government cannot continue to engage in the spending practices it has in the past while continuing to buoy up the economy by increasing the size of the national debt. As every wage earner knows, this is an artifice. Financial health simply cannot be insured by increasing financial liabilities. Sooner or later there has to be a day of reckoning.

This is the second occasion the Nixon administration has requested Congress to increase the limit on the national debt. I acceded to the President's request the first time because I felt he needed the extra flexibility to facilitate economy recovery from the financial hangover caused by the $64 billion deficit left by the spending policies of the previous administration.

Regrettably, the President's resolve to stabilize the economy has not been matched by equal congressional resolve. And regrettably, the Congress has continued to spend money as if the Nation were in the midst of an unparalleled boom rather than in the throes of a destructive inflation.

In my judgment, Congress has clearly failed to come to grips with the problem of controlling Federal spending. It has not established the proper budgetary controls that must accompany any successful fight to restore national economic health. For this reason I think Congress would be deluding itself and the people of this Nation by increasing the limit on the national debt under the guise of facilitating economic recovery.

Mr. Chairman, I think it is fiscal madness to just keep increasing the national debt limit as the mood moves us. At the end of the first quarter of 1969, the national debt stood at approximately $362 billion. In 1969 it cost the American people $15.7 billion just to bear the debt interest. As of the close of the first quarter of this year, the national debt amounted to almost $373 billion—an increase of $11 billion. Furthermore, it is estimated that the taxpayer will pay about $18 billion this year in interest payments alone. Who do we think we are kidding? We are certainly not fooling the taxpayer; he foots the bill for this periodic exercise in financial extravagance.

What this Nation needs is not a larger national debt. This Nation needs a good dose of fiscal sobriety. We must start to put the Nation's financial house in order. As Federal officials we can play an important role in this process. Congress should take Federal Reserve Board Chairman Arthur Burns' statement to heart, and review annually entire government programs for the purpose of weeding out "expenditures on outmoded programs whose costs have long since exceeded their benefits."

To facilitate economic recovery Congress should first and foremost cut unnecessary Federal spending. This, rather than piling debt upon debt, is the surest route to national financial health.

Mr. GROSS. Mr. Chairman, the speeches I have heard here this afternoon in support of the debt ceiling increase are almost identical with those I have heard almost year after year for the last 21 years.

Everyone bemoans the alleged necessity for increasing the ceiling on the Federal debt but all too few are willing to vote against the spending measures that send the debt ever higher and higher.

I have listened in vain through the years for the leadership in Congress to demand not only that budgets be balanced—that spending be held to the level of income—but also for the demand that in addition to balancing the budget there be orderly, annual payments on the Federal debt. I have had a bill in Congress for years to do just that: to provide for balanced budgets and orderly payments on the debt each year. It has gotten exactly nowhere.

Yes, I have listened to the speeches of the proponents of the debt ceiling increase this afternoon and I am convinced absolutely of one thing—that this Government, financially speaking, is busted. That being the case, to increase the debt ceiling is merely applying a mustard plaster to the cancer of financial irresponsibility.

Mr. Chairman, I refuse to beguile the citizens of this country into believing that something has been accomplished in their behalf by this legislation. I am opposed to it and I want the RECORD to record my position.

Mr. FARBSTEIN. Mr. Chairman, I rise in opposition to H.R. 17802, a bill to increase the public debt ceiling by $18 billion.

The vote today on this measure is not simply on whether to approve a routine monetary action, but on whether the Congress will continue to provide the executive with the money to continue our military adventure in Southeast Asia.

The impact of that adventure on our citizens, while not measurable in quantitative terms, has been devastating. It has torn apart the very fabric of our society; brutalized our citizens to the point where it is hard to tell the difference between the actions of a U.S. Army unit in a small village in Vietnam and those of a National Guard unit on a small college campus in Ohio; and led to an ever increasing reliance on violence and conflict.

While these are not quantitatively measurable consequences of our Southeast Asian policy, the fiscal consequences are.

The cost of the war in Vietnam has been largely responsible for the $25 billion rise in defense spending over the past 5 years and the $50 billion increase in the gross Federal debt in the same period. The massive 1966–68 debt increase of $40 billion reflects a jump in Vietnam spending in the same 2-year period of about $22 billion.

For the 10 years prior to 1965, the debt increased at an average of $5 billion per year. Over the past 5 years since 1965, the debt has increased at an average of $10 billion a year—double the rate of increase since the massive commitment of U.S. forces in Vietnam.

The request for a further $18 billion increase in the public debt ceiling is not only the consequences of the continuation of the war, but the impact that war is having in financial terms on the national economy and the lives of millions of Americans.

The President is asking for an $18 billion increase in the public debt because of interest rates which are the highest since the Civil War. These high interest rates are a direct result of our continued massive expenditures for Southeast Asia.

The President is asking for an $18 billion public debt increase because of uncontrolled inflation. This inflation, like high interest rates, is the result of an overburdened war economy.

The President is asking for the debt increase because unemployment has increased. Many are today out of work because of the fiscal actions taken by his administration in an attempt to curb high interest rates and inflation, the economic consequences of our Southeast Asian economic burden.

The President is asking for an increase in the public debt ceiling because of the economic consequences of our Southeast Asian involvement so that we may continue that involvement.

The only way the Congress can bring an end to that involvement is to deny him the funds to continue it.

That means denying the President an increase in the public debt ceiling.

This is the only language the President is going to understand. It is also the only way we are going to put a restraint on defense expenditures for weapons systems like ABM and MIRV, which do little to increase our national security, it is the only way we are going to reorient our national priorities toward domestic needs.

Just how distorted our national priorities are can be seen by taking another look at figures for recent budget allocations.

For the period between July 1965 and February 1970, it is estimated total Federal funding outlays amounted to $682 billion, of which $61 billion was financed through deficit spending.

Outlays for national defense, of which in excess of $100 billion have been expended on Vietnam, $368 billion.

Outlays for interest on the public debt, $71 billion.

Outlays for space research and technology, $24 billion.

Outlays for veterans benefits and services, $33 billion.

Outlays for international affairs and finance including economic foreign aid and food for peace, $22 billion.

Outlays for all other functions of the Federal Government including education, health and welfare, housing and urban development, transportation, economic opportunity programs, manpower training and development, agriculture programs, natural resources, commerce, labor, justice, postal deficits, regulatory agencies, legislative branch, judicial branch, and other general government functions: $164 billion. For all of these varied functions we have spent much less than half of what we have spent for national defense and only $50 to $60 billion more than we have spent in the Southeast Asia conflict.

Our involvement in Southeast Asia and infatuation with massive defense expenditures has not only ravaged Vietnam, Laos, and Cambodia; torn the very fabric of our own society apart; and wraught adverse economic consequences on our people; but it has cut off funding that could put this country back together again, by meeting its domestic needs.

By voting against increasing the public debt limit at this time, the House of Representatives will be voting for an end to the war in Southeast Asia and an increase in the attention paid to our problems at home in the future.

Mr. ASHLEY. Mr. Chairman, no one votes with any enthusiasm or sense of satisfaction on a bill to increase the public debt limit. Nor do we do so because of any imminent surge of wastrel Federal spending. We do so only because there happens to be a legal debt limit—whatever is set by the Congress—and because a miscalculation of expenditures against receipts requires the adjustment.

I voted for the rule to consider the bill before us because I strongly believe that this is not the proper vehicle for testing antiwar sentiment. In recent weeks I have supported efforts to limit our intervention in Cambodia and to scale down military spending in the hope of channeling more vitally needed funds into domestic programs. These votes were directly on the military issues under consideration and were fully and openly debated. This was not the case earlier today.

Mr. Chairman, the bill before us lends itself to partisanship and demagoguery. On a number of occasions in past years I have seen antiadministration Members of this body take to the well of the House for prolonged perorations against any increase in the debt limit. This has never proven helpful or accomplished a useful purpose, nor will it today.

The fact is that our economy is in a precarious position and the psychological consequences of failing to increase the debt ceiling could be enormously serious both to our business and financial communities and, indeed, to the world's economy. There will be ample time in the weeks and months ahead to debate the policies of the administration and the actions of this Congress; for the present I think we should approve the bill before us.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield myself 1 minute.

Reference has been made to expenditures by the Department of Defense. It is not my intention to get into an extended argument over this, but I have some factual information that might be helpful in keeping the record straight.

In the first place, the budget presented by President Johnson for fiscal year 1970 proposed an obligational authority of $85.6 billion for defense. This figure, however, already has been reduced by some $8.6 billion—the largest reduction in any single year since the budget of 1946, which was revised as a result of the end of the war.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield myself 1 additional minute.

Also, it should be noted that expenditures of the Department of Defense for fiscal year 1970 were projected by the Johnson administration at $81.6 billion. That sum has been reduced by $4.6 billion, and another reduction, of $5.2 billion, has been made for fiscal year 1971. This produces a total reduction in the Department of Defense spending, over 2 years, of $9.8 billion.

In addition, Mr. Chairman, may I point out a fact which I find very interesting. In terms of constant 1964 dollars, the expenditure for the Department of Defense in fiscal year 1964 was $50.8 billion. But in fiscal 1971, also in constant 1964 dollars, the expenditure is projected at $54.62 billion.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BYRNES of Wisconsin. Mr. Chair-

man, I yield myself 1 additional minute, so as to yield to the gentleman from North Carolina.

Mr. JONAS. Mr. Chairman, I thank the gentleman for yielding.

It is also true that in its relation to national income, defense spending has been going down, down, and down, and spending for social welfare programs has been going up, up, up in the last decade.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I thank the gentleman for yielding, and I commend the gentleman for placing in a better perspective the matter of defense spending. There are those who think that we can just slash defense spending willy-nilly.

But I think most of us regard the preservation of the Nation and the security of the Nation as the No. 1 priority. We are chasing a will-o'-the-wisp if we think we can drastically reduce defense spending at this time. We made a number of sharp reductions last year totaling $5.6 billion, as the gentleman pointed out. We will do the best we can this year. But there is a limit as to how much can be cut if we are going to be reasonably secure from a military standpoint.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield such time as he may require to the gentleman from Michigan, the distinguished minority leader (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Chairman, at this point in the debate, I wish to indicate my total concurrence with the recommendations of the Committee on Ways and Means.

The gentleman from Arkansas, the chairman of the committee, and the gentleman from Wisconsin, the ranking minority member, I believe have very eloquently, convincingly and effectively pointed out the need and the necessity for affirmative action on this recommendation from the Committee on Ways and Means.

I think it would be most unfortunate if an effort is made to defeat the previous question on the motion to recommit. If a fight is made on the motion to recommit it should be defeated.

In the final analysis from the point of view of the country as a whole, it seems to me perfectly obvious that the recommendation by the committee should be approved. At this point I include a letter received from the President of the United States which sets forth the strongest justification for a favorable vote on the committee's recommendation:

THE WHITE HOUSE,
Washington, June 3, 1970.

HON. GERALD R. FORD,
Minority Leader,
House of Representatives,
Washington, D.C.

DEAR JERRY: I ask the Congress to enact promptly the legislation reported by the Committee on Ways and Means which will temporarily increase the debt ceiling to $395 billion through fiscal year 1971, and provide for a permanent ceiling of $380 billion. The present temporary ceiling of $377 billion reverts to the existing permanent limit of $365 billion on June 30. On that date, the debt subject to limit is expected to exceed $365 billion by approximately $6 billion. In the absence of legislation, the Government would be unable to issue new securities, and thus would be put in the untenable position of not being able to meet its payment obligations.

As you know, this Administration has been pursuing a policy of fiscal restraint as an essential step toward the restoration of economic stability. The budget for fiscal year 1971, as I have recently revised it, is a tight budget which is fiscally responsible in the environment we expect to prevail during the next year. I want, and indeed I must have, the support of the Congress to stay within this budget.

Even with the tight restraints on controllable outlays contained in this budget, however, the debt will unavoidably rise significantly next year. While the trust funds will be in substantial surplus, there will be a deficit in the Government's own accounts—the so-called Federal Funds Accounts—of about $10 billion. The new ceiling recommended by this Administration and approved by the Committee on Ways and Means will permit the financing of this deficit, and at the same time restore a reasonable margin for contingencies.

In order to assure the orderly management of the Government's finances, I respectfully enlist the cooperation of the Congress on the prompt enactment of the bill reported by the Committee on Ways and Means.

Sincerely,

RICHARD NIXON.

I hope and trust that those of us on our side will wholeheartedly support it and I hope it can be and will be effectively supported in a bipartisan way.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield to the gentleman from New York (Mr. CONABLE), a member of the Committee on Ways and Means, 10 minutes to close debate on our side.

Mr. CONABLE. Mr. Chairman, I am particularly grateful to the gentleman who preceded me in the well of the House, the distinguished chairman of the Committee on Appropriations, for his historical contribution to the debate because, of course, the oratory we have been hearing today has had a familiar ring to it.

This day has come and gone many times before. This day has become a ritual at least annual in its observance. This day also has been a day in which we have deplored and inveighed against results of a year of insufficient concern for the causes that bring us to this day.

This day has also been a part of the intricate dance of politics. It has been a dance that has been performed by different people in different forms.

We have some new choreographers today. We have some new steps. But it still is basically the same intricate dance. I can only hope this day will not be a day in which we stub our toe and fall and do some damage to the Nation; and that could result, if we do not understand that behind the intricate dance lie some hard facts, some inescapable facts. For regardless of our desire to be consistent or to be inconsistent or to participate as dancers in this ritual—regardless of the inveighing—regardless of the concern we all feel about this day having come again—these hard facts remain.

There is, in fact, very little that we can do now except to face up to the consequences of our unbalanced budget; $18 billion is what we are asked to add to reach a total of $395 billion as a debt ceiling. Frankly, despite the impressiveness of this addition, it is a very, very narrow margin that we have left ourselves.

There are three things that can go wrong. First, included in our figures whereby we arrive at this ceiling is $3.8 billion in tax revenues which the Congress may or may not see fit to add. These taxes will require congressional action. The $1.5 billion would result on a one-shot basis from the speed up of the estate and gift taxes requested by the administration, $1.6 billion would result at least in the first year from a tax on leaded gasoline, and $650 million would result from an extension of the excise taxes. The concern I have and that I think many of us have is that Congress will not see fit to take one or more of these steps which must be taken if we are to have the total revenues on which the Government is counting in asking us to set this debt ceiling at the $395 billion level.

For myself, I have some serious concern about at least one of these items, the speed up of estate and gift taxes, which would generate $1.5 billion this year but nothing thereafter. It would be something with which we would have to live for years to come, and I think it would result in serious administration problems for estates throughout the country. Not merely the big estates, but any nonliquid estate would have to pay a substantial amount of inheritance tax due on that estate during the first 6 months after the death of a decedent.

Those of you who are lawyers know that this action because of the pressure of time it would place on estates would create serious administration problems for those left behind by death.

I mention that to indicate that the $3.8 billion to be raised by these additional taxes is by no means a sum of which we can be certain at this point.

The second thing which could go wrong with this debt ceiling is that Government expenditures could go up. We put an expenditure ceiling on the President. We do not put such a ceiling on the Congress. All of us know that there are going to be some very attractive opportunities to spend money. They will be coming down the pike as the year proceeds. If you have a great deal of confidence in your own self-restraint with respect to every opportunity to spend, perhaps you can satisfy yourself in your own mind that this is not a risk. Personally, I think we have to concern ourselves as a group as to whether we will be able in this election year to face up to the obvious need for congressional restraint if we are to keep this debt ceiling a realistic one.

The third thing that can happen and that can put us into serious trouble is a revenue-short fall, and it is quite obvious that with the economy in transition, we know not whither, we can have serious revenue-short falls for any number of reasons. The profit margin of corporations has narrowed, and corporate taxes contribute substantially to our revenues. Personal income has been con-

tinuing to rise, but if the economy were to cool a great deal more, we could have a revenue-short fall on that account.

I am not one of those who cries doom about the economy. I think there has been altogether too much of that, some of it politically oriented, but we have to consider the possibility that a revenue fall off this year is something which could make this debt ceiling not as realistic as we would hope.

There has been a great deal of reference in the well today to the preoccupation of the Nixon administration with arms and military matters. I learned from a member of the Appropriations Committee interesting statistics relating to expenditures, which show that in fiscal year 1971, as compared with fiscal year 1969, domestic expenditures were up $24.6 billion, while defense expenditures were down $6.9 billion.

I think this says something about the preoccupation of this administration. Certainly it does not appear to be a preoccupation with arms and armaments, and for that reason I hope that no one will base his vote on this particular measure on this concern about the direction of our national priorities.

In the final analysis, Mr. Chairman, it seems to me what we are doing today is expressing our own view of executive intent. We have very little choice as far as the enactment of this legislation is concerned, unless we feel that it is necessary to impose additional restraint on our Executive.

Many of us before have voted against debt ceilings for reasons related to our concerns at that time. It seems to me that recently our concerns as Congressmen have related more to a fear that not enough would be spent in our national priorities, rather than that too much would be spent. For this reason, I hope people will not misinterpret the expressions of opinion that we are recording in our votes here today.

We have every reason to have confidence that the President will continue to exercise as much restraint as is possible. I hope we will dedicate ourselves to helping him in this regard, rather than to hampering him.

Faced with the obvious and serious gap in revenues and expenditures, I hope we will do the necessary today and not trip in this intricate dance, not obfuscate or confuse our constituents with the comparisons that are involved in different types of budgets, but will behave as responsible legislators, doing what is necessary.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. I yield to my chairman, the gentleman from Arkansas.

Mr. MILLS. Mr. Chairman, I appreciate the gentleman's comments on some of the statements that have been made in the course of the debate.

Some, I think, very much minimize the seriousness of not passing such legislation as this. I do not know but that it might be a good thing sometimes for all of us, including myself, to consider the depth to which we might descend economically or otherwise if our Government could not pay its obligations—sometimes I think we should find out.

A debt ceiling bill was beaten once, and the Ways and Means Committee came back with a modification. But as far as I am concerned, this is it. If some of the Members who have spoken and have said they are against the bill want Wall Street to topple—and it could well happen—and if they want the welfare, urban and similar programs to stop, then maybe it is appropriate that they vote against the bill. I am not making an idle threat, but I do not plan to call the Ways and Means Committee together again before July 1 to consider debt-ceiling legislation. I feel very strongly about this, because I believe many probably do not grasp the significance of what we are considering.

Mr. CONABLE. Mr. Chairman, I wonder if my distinguished chairman would agree with me that not being able to pay the Government's bills is unthinkable?

Mr. MILLS. Of course it is unthinkable. Of course it is unthinkable, and the consequence of it is the unthinkable part as far as I am concerned.

Mr. BUSH. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Texas.

Mr. BUSH. Mr. Chairman, I commend the gentleman from New York (Mr. CONABLE) on his cogent comments. I rise in reluctant support of H.R. 17802, a bill to raise the public debt limit. I say reluctant because it is an unhappy occasion whenever Federal expenditures exceed revenues and must be financed from borrowings, either from the general public or from the trust funds. This legislation is necessary, and must be supported by all those who are concerned about maintaining the financial integrity of our Government.

In the past I have supported an increase when I felt the administration had done all in its power to hold down expenditures. I opposed an increase when I felt the administration had not really tried to hold back spending.

The present debt limit of $377 billion includes $12 billion in temporary borrowing authority that will expire on July 1 of this year, resulting in a decline of the debt limit to $365 billion. According to Treasury estimates, the debt subject to limitation on that date will exceed by around $6 billion the $365 billion limit that will govern unless we act. Unless adequate borrowing authority is provided, the Treasury would be unable to replace maturing issues and issue additional securities to pay its bills. Treasury bills becoming due weekly during July and bills maturing at the end of July could not be refinanced. It is estimated that in the absence of this legislation the Treasury's cash balance would be depleted on July 9 when $3.1 billion of Treasury bills mature.

Without adequate funds to meet our commitments the Treasury would be compelled to default on contract obligations, Government salaries, veterans' benefit programs, and grants to our hard-pressed States and local governments. Additionally, the inability to issue new securities would disrupt payroll savings plans that provide savings outlets to millions of American citizens. The financial integrity of the U.S. Government would be severely damaged and its ability to obtain future commitments impaired if such a crisis should materialize. Additionally, the cost of future borrowings might be higher. Responsible action is therefore required.

Responsible action requires that the debt limit be as tight as possible in order to provide some measure of encouragement for the administration to continue its efforts to hold down expenditures. The debt limit provided in this bill meets that criteria. On April 15 of the next fiscal year the debt subject to limit will reach a peak of $394.8 billion. This allows for the usual $3 billion contingency and $6 billion cash on hand. The contingency provided is about 1½ percent of total Federal expenditures. The cash provided is no more than enough to pay the Treasury's bills for about a week and a half. With these modest allowances the Treasury on April 15 will be within $200 million of the statutory debt ceiling we provide in this bill.

It should be noted that this assumes no further increases in expenditures during fiscal year 1971 over the Budget Bureau's current estimates, and assumes congressional enactment of revenue-producing measures that will yield an additional $3.7 billion during fiscal 1971. If expenditures increase, revenues under the existing law decline, or Congress fails to enact the revenue-raising proposals the President has recommended, a further increase in the debt ceiling would be required. I do not know how we could provide any tighter limit in the debt ceiling and still enable the Treasury to conduct its affairs.

I would like to make one further point, Mr. Chairman. Many of our citizens are understandably confused by the necessity to raise the debt limit by a significant amount when they have been told the overall budget is nearly in balance. This difficulty stems from the new "unified" budget concepts on which the Federal Government began keeping its books in fiscal year 1969. The unified budget includes expenditures and income not only from the old administrative budget—currently called the Federal funds budget—but from the trust funds as well. Since the trust funds—primarily the old-age survivors and disability insurance funds—have a surplus of income over outgo during fiscal year 1971, the overall or unified budget is nearly in balance even though expenditures under the Federal funds budget is running a deficit.

In fiscal year 1971 it is estimated that the Federal funds deficit will equal $10 billion, and all but $1.3 billion of this deficit will be made up by a surplus in the trust funds. The Government in its dealings with the trust funds acts in a fiduciary capacity for beneficiaries of the trust funds. Borrowings from the funds must be on arm's-length basis predicated on market transactions. Since the trust funds are separate from the Govern-

ment's general operations, any securities purchased with a surplus in the funds must be subject to the statutory debt limit.

In view of the confusing nature of the present budget relative to the debt ceiling, the committee specifically requested in its report that the Budget Bureau develop a new section for inclusion in the annual budget document setting out the Federal funds deficit or surplus in essentially the same way as the unified budget is set out. This will be included in a prominent place in the budget so that it can receive adequate public attention. Hopefully, these new procedures will alleviate some of the existing confusion and result in a straightforward statement of the Government's finances that the public can fully understand.

This should result in greater public understanding of the budget and the conditions which produce deficits that require increases in the debt limit. The appropriate way to avoid increasing the debt limit is to insure that we live within our means—and this means expenditure control.

I urge all of my colleagues to vote for this bill and join me in my efforts to achieve meaningful expenditure control, a task that should be made easier by the new budget data the Ways and Means Committee has called for.

Mrs. REID of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. I yield to the gentlewoman from Illinois.

Mrs. REID of Illinois. Mr. Chairman, I rise in support of H.R. 17802.

As most of my colleagues know, I have opposed past increases in the debt ceiling and still feel that the Federal Government should operate within the confines of a balanced budget. Last year, however, I voted to raise the debt limit because, in my judgment, to have denied President Nixon that increase before he had full opportunity to review and reevaluate all Federal programs for possible economies would have seriously handicapped his efforts in this direction.

In contrast to the previous administration which submitted budgets with "planned deficits," the policy of the Nixon administration is to work for a balanced budget. Last year President Nixon asked Congress to help in this task and submitted a program detailing 57 areas in which Federal expenditures could be cut. Unfortunately, the Congress has not acted on his suggestions and has, in fact, voted in several instances to raise appropriations over the President's budget although, as a member of the Appropriations Committee, I have consistently endeavored to curtail excessive expenditures wherever possible. Now the bills are due and must be paid.

Another reason that it is necessary to raise the debt ceiling now is because revenue receipts have not been as high as previously anticipated due to a downgrade in the general economy. In recent days we have seen encouraging signs that there is an upturn in the economic situation—although slight. However, if provision is not made for a new debt ceiling, the Treasury Department could not issue any new savings bonds or other securities. The Treasury cash balance would be depleted rapidly and, once it is exhausted, the Government would be compelled to delay full payment—or resort to partial payments—of contract obligations, Government salaries, various loan and benefit programs, and grants to States and local governments when they become due. The resulting effect on the economy obviously would be chaotic.

In my opinion, there is no other choice but to vote for this additional increase in the debt limit—although, once again, I do so reluctantly. I do feel that it would be statesmanlike if this Congress, in addition to raising the debt limit, would also address itself to a permanent solution to the problem through genuine economies, and I shall certainly continue my efforts in this direction.

Mr. MILLS. Mr. Chairman, we have one more Member to whom we will yield to close the debate.

I yield to the gentleman from California (Mr. CORMAN) 10 minutes.

Mr. McFALL. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from California.

Mr. McFALL. Mr. Chairman, I take this time to explore the validity of what I believe to be a political matter which is being developed in the country by editorial comment and even by some comments from representatives of the administration, about the effect of the tax bill which this Congress recently passed.

I should like to ask the distinguished chariman of the committee if he would discuss this in answer to my question.

The statement is sometimes made that the Tax Reform Act cut revenues in the fiscal years of 1970 and 1971. I wonder if the chairman would explore this and tell me if this is correct. What is the exact effect on revenues of the Tax Reform Act which the Congress passed?

Mr. MILLS. Mr. Chairman, will the gentleman from California yield?

Mr. CORMAN. I yield to the chairman of the Ways and Means Committee.

Mr. MILLS. In response to the quesiton of my friend from California (Mr. McFALL), in the fiscal year 1970 the estimates are that the provisions of the Tax Reform Act will raise $3.7 billion over and above what would have been raised by prior law.

In the fiscal year 1971 the tax provisions of the Tax Reform Act will accrue to the Treasury, in accordance with the estimates of the Treasury and of our own staff people, $2.7 billion more than the provisions of prior law.

There was one provision which was included in it that did have the effect of cutting back on the revenues we raised through the reform provisions, as my friend from California (Mr. CORMAN) will remember. That was in the conference, when we accepted the increase in the first exemption effective July 1 of this year, from $600 to $650. But that is also taken into consideration in the estimate that I have given for 1971.

Mr. CORMAN. Mr. Chairman, first of all I should like to join my colleague from New York (Mr. CONABLE) because it does seem to me he did a very good job of putting things in proper perspective and pointing out possible changes over the next year that might mean we had not increased the debt limit as much as we will have to. Hopefully this is as far as we will have to go.

My only difference with the gentleman is that although I agree a "no" today would be irresponsible, I thought the same thing in 1967.

There has been a lot of talk about what congressional action has done to put the budget further out of balance than it is. Let us take a look at it.

Remember, we are talking about increasing the debt ceiling $18 billion. Let us look at what the Congress has done to increase some of the spending over that requested by the administration.

The appropriations we have passed will increase expenditures by $412 million more than the President asked for, for education. We have appropriated amounts which will lead to $169 million more in expenditures for GI benefits than the President asked for. We have appropriated amounts which will lead to $200 million more in expenditures to feed hungry schoolchildren than the President asked for. Appropriations we passed will result in $91 million more than the President asked for in expenditures to try to protect the health and safety of the men who go down into the ground to dig for coal. We have appropriated amounts which will lead to $91 million more in expenditures than the President asked for to more nearly bring into line the Government's contribution toward Federal employee health benefits.

The President asked us to move up the date of Federal pay increases, at a net cost of $1 billion in expenditures. Congress will spend $275 million less than the President asked for in his revenue sharing proposals, and we will spend $400 million less in the fiscal year 1971 than the President asked us to in the family assistance program.

So we have appropriated amounts which will increase spending by $963 million more and also we have decreased expenditure programs by $675 million below the President's figures, so we must assume a little over a quarter of a billion dollars of additional responsibility toward that $18 billion debt increase. These figures are based on information given our committee by the Director of the Bureau of the Budget.

There are a lot of increases over which neither the President nor the Congress has any direct control unless we change some fundamental laws. The biggest, and it seems to me the most wasteful of all, is that we spent this year $1 billion more than we anticipated in servicing the national debt because of high interest rates. Every time the unemployment rate goes up, the cost of unemployment benefits goes up and the cost of welfare goes up and our income taxes go down. Altogether, these uncontrollable programs have accounted for about seven times as much as the Congress has been responsible for.

Now, there are some proposals for additional taxes. The gentleman from New York pointed out some of the grave misgivings many of us have about accelerating the payment of estate gift taxes. It is

admittedly a one-shot proposition, but it may cause real havoc in winding up estates. We are asked to impose $1.6 billion more in gasoline taxes, not to go into the highway trust fund, nor into curbing pollution and not really to discourage the use of leaded gas but just to make up some of the deficit. I have grave misgivings about that proposal.

If, in truth, it is really a pseudo sales tax, then I am going to oppose it. If it will get us away from the use of leaded gas and fight pollution, then I will support it. But there has been no case made on that yet.

There are two kinds of cuts that we may make in expenditures. One of these kinds of cuts goes to those things which only the Federal Government is spending money for. If we cut in defense, then those dollars are not going to be spent by any level of government. If we cut farm subsidies, those dollars will not be spent by anybody else. Those are true tax savings. But what happens when we cut back the contribution that we make toward education? It merely means that local taxpayers have to see the taxes on their homes increased because America has decided that we must educate our children. There is no real tax saving in cuts in education or in cuts in any field where we merely shift the burden to State and local governments. So we ought not to delude ourselves into thinking that if we cut, for instance, aid to education or aid to public assistance or aid to medicaid that we have any true tax saving. We merely shift it to a level of government which has much more difficulty in raising the money than do we.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I am glad to yield to the distinguished Speaker of the House.

Mr. McCORMACK. I want to congratulate the gentleman from California for the excellent argument that he is making in support of this bill. I want to join with him in his arguments.

This bill involves a question of responsibility of our Government. It seems to me that the responsible act on the part of the Members of the House today would be to pass this bill, because, as I have stressed, the important question of responsibility of both Government and action on our part is involved in this bill as it is involved in many other bills that come before the House.

Mr. CORMAN. I thank the distinguished Speaker.

One observation in closing. It seems to me that we would get no votes for this bill if a man said to himself, "I cannot vote for it unless I approve all of the spending that the Federal Government has engaged in over the past year." I doubt that any one of us voted for every spending bill that was passed. But that is not the issue here. Certainly Cambodia, Vietnam, and social welfare are not the issues here. We have expressed ourselves on those bills as they went through the House. Let us look for a minute at what we would invite if we did not increase the debt ceiling. We would say to the President that we have appropriated funds that would give us an $18 billion increase in the national debt, but you cannot borrow the money. So we invite you to cut wherever you may please.

I do not believe the President would cut in those areas which are of concern to those who are most opposed to the war. I expect we would see cuts in every social welfare program that many of us feel are also essential to the well-being of this Nation. I think we would see havoc in Federal employment, I think we would see services cut that we all believe the American taxpayer is entitled to.

Mr. Chairman, I share the concern of many of my colleagues on my side of the aisle about this war. It is confusing, frustrating, and heartbreaking. However, the vote today is not an indication of either endorsement or opposition to the President's war policy. If this bill is killed, it will invite the President to willy-nilly, in his discretion cut $18 billion of funds which we have said to him he ought to spend for the purposes we have prescribed.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. MILLS. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. CORMAN. I thank the chairman.

Many of us have felt in past years when we saw a straight partisan vote on the debt ceiling that it was not an honest portrayal of the fiscal conditions of this Nation. I hope we can all support this measure and say to the President that we expect him to carry out the mandate which the Congress has given him with reference to health, welfare, education, and the many other critical programs which this Congress has enacted.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I am glad to yield to the distinguished chairman.

Mr. MILLS. Mr. Chairman, I want to congratulate the gentleman from California on his statement by saying in my opinion he has made one of the best statements during the course of this debate. The gentleman is a very able member of the committee. He certainly is not an advocate of war but bear in mind what is being spent there is something many do not like, including myself perhaps as much as anyone, is only a small part of what is involved in this total of some $200 billion that will be spent by the Federal Government in fiscal year 1971.

Mr. CORMAN. I thank the gentleman.

Mr. MILLS. Mr. Chairman, I have no further requests for time.

Mr. BYRNES of Wisconsin. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Under the rule, the bill is considered as having been read for amendment and no amendments are in order except committee amendments.

The bill is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 21 of the Second Liberty Bond Act (31 U.S.C. 757b) is amended by striking out "$365,000,000,000" and inserting in lieu thereof "$380,000,000,000".

SEC. 2. During the period ending on June 30, 1971, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act shall be temporarily increased by $15,000,000,000.

SEC. 3. This Act shall take effect on July 1, 1970.

The CHAIRMAN. Are there any committee amendments?

Mr. MILLS. There are no committee amendments, Mr. Chairman.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker, having resumed the chair, Mr. FASCELL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 17802) to increase the public debt limit set forth in section 21 of the Second Liberty Bond Act, pursuant to House Resolution 1051, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. BETTS

Mr. BETTS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BETTS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BETTS moves to recommit the bill H.R. 17802 to the Committee on Ways and Means.

Mr. MILLS. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the speaker announced that the ayes appeared to have it.

Mr. MILLS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 236, nays 127, not voting 66, as follows:

[Roll No. 150]

YEAS—236

Albert	Broomfield	Daniels, N.J.
Alexander	Brotzman	Davis, Ga.
Anderson, Ill.	Brown, Mich.	Davis, Wis.
Anderson, Tenn.	Brown, Ohio	Delaney
	Broyhill, Va.	Dellenback
Andrews, N. Dak.	Burke, Mass.	Denney
	Burleson, Tex.	Dennis
Annunzio	Bush	Dingell
Arends	Button	Donohue
Ashley	Byrne, Pa.	Dorn
Aspinall	Byrnes, Wis.	Downing
Ayres	Cabell	Dulski
Barrett	Casey	Eckhardt
Beall, Md.	Cederberg	Edmondson
Belcher	Celler	Edwards, Ala.
Bennett	Chamberlain	Eilberg
Berry	Clark	Erlenborn
Biester	Conable	Esch
Blatnik	Conte	Eshleman
Boggs	Corbett	Evans, Colo.
Boland	Corman	Fallon
Bolling	Coughlin	Fascell
Bow	Cramer	Findley
Brademas	Culver	Fish
Brooks	Cunningham	Flood

Foley	McDade	Rhodes
Ford, Gerald R.	McDonald, Mich.	Riegle
Frelinghuysen	McEwen	Rivers
Frey	McFall	Roberts
Friedel	Macdonald, Mass.	Robison
Fulton, Tenn.	MacGregor	Rodino
Fuqua	Madden	Roe
Galifianakis	Mahon	Rogers, Colo.
Gallagher	Mailliard	Rooney, Pa.
Garmatz	Marsh	Rostenkowski
Giaimo	Mathias	Ruppe
Gibbons	Matsunaga	St Germain
Gray	May	Sandman
Green, Oreg.	Mayne	Schneebeli
Green, Pa.	Meeds	Sebelius
Griffiths	Melcher	Shriver
Grover	Meskill	Sikes
Gude	Michel	Sisk
Halpern	Mills	Skubitz
Hamilton	Minish	Slack
Hammer-schmidt	Mize	Smith, Iowa
Hanley	Monagan	Smith, N.Y.
Hansen, Idaho	Moorhead	Springer
Harvey	Morgan	Stafford
Hastings	Morse	Staggers
Hathaway	Morton	Stanton
Hays	Moss	Steed
Hébert	Murphy, Ill.	Steiger, Wis.
Heckler, Mass.	Murphy, N.Y.	Stephens
Hicks	Nedzi	Stubblefield
Hogan	Nelsen	Stuckey
Horton	O'Hara	Sullivan
Hosmer	O'Neill, Mass.	Taft
Howard	Patten	Teague, Calif.
Hull	Pelly	Teague, Tex.
Hungate	Perkins	Thompson, N.J.
Jarman	Pettis	Thomson, Wis.
Johnson, Calif.	Philbin	Tiernan
Johnson, Pa.	Pickle	Ullman
Jones, Ala.	Pike	Vigorito
Karth	Pirnie	Waggonner
Kazen	Poage	Watts
Kee	Poff	Weicker
Keith	Pollock	Whalen
Kleppe	Preyer, N.C.	Widnall
Kluczynski	Pryor, Ark.	Wiggins
Kuykendall	Pucinski	Wilson, Bob
Kyros	Purcell	Winn
Landrum	Quie	Wright
Langen	Railsback	Wyatt
Latta	Randall	Wydler
Lloyd	Reid, Ill.	Yates
Long, Md.	Reid, N.Y.	Yatron
McClory	Reifel	Zablocki
McCulloch		

NAYS—127

Abbitt	Fraser	O'Konski
Abernethy	Fulton, Pa.	Olsen
Adair	Gettys	Passman
Anderson, Calif.	Gonzalez	Patman
	Goodling	Podell
Betts	Griffin	Price, Tex.
Bevill	Gross	Quillen
Biaggi	Hagan	Rarick
Bingham	Haley	Reuss
Blackburn	Hall	Rogers, Fla.
Blanton	Harrington	Rosenthal
Brinkley	Harsha	Roth
Buchanan	Hechler, W. Va.	Ruth
Burke, Fla.	Henderson	Ryan
Burlison, Mo.	Hunt	Satterfield
Burton, Calif.	Hutchinson	Saylor
Burton, Utah	Ichord	Schadeberg
Caffery	Jacobs	Scherle
Carey	Jonas	Schwengel
Chappell	Jones, N.C.	Scott
Chisholm	Jones, Tenn.	Shipley
Clancy	Kastenmeier	Smith, Calif.
Clausen, Don H.	King	Snyder
	Koch	Steiger, Ariz.
Clay	Kyl	Stokes
Cleveland	Landgrebe	Symington
Collins	Lennon	Talcott
Colmer	Long, La.	Taylor
Conyers	Lowenstein	Thompson, Ga.
Cowger	McClure	Vanik
Crane	Mann	Wampler
Daniel, Va.	Martin	Watkins
Derwinski	Mikva	Watson
Devine	Miller, Ohio	Whalley
Dickinson	Mink	White
Diggs	Minshall	Whitten
Duncan	Montgomery	Williams
Edwards, Calif.	Mosher	Wold
Edwards, La.	Myers	Wolff
Farbstein	Natcher	Wylie
Flowers	Nichols	Wyman
Foreman	Nix	Zion
Fountain	Obey	Zwach

NOT VOTING—66

Adams	Ashbrook	Brasco
Addabbo	Baring	Bray
Andrews, Ala.	Bell, Calif.	Brock
Brown, Calif.	Gilbert	Ottinger
Broyhill, N.C.	Goldwater	Pepper
Camp	Gubser	Powell
Carter	Hanna	Price, Ill.
Clawson, Del	Hansen, Wash.	Rees
Cohelan	Hawkins	Rooney, N.Y.
Collier	Helstoski	Roudebush
Daddario	Holifield	Roybal
Dawson	Kirwan	Scheuer
de la Garza	Leggett	Stratton
Dent	Lujan	Tunney
Dowdy	Lukens	Udall
Dwyer	McCarthy	Van Deerlin
Evins, Tenn.	McCloskey	Vander Jagt
Feighan	McKneally	Waldie
Fisher	McMillan	Whitehurst
Flynt	Miller, Calif.	Wilson, Charles H.
Ford, William D.	Mizell	
	Mollohan	Young
Gaydos	O'Neal, Ga.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Dent for, with Mr. Andrews of Alabama against.

Mr. Daddario for, with Mr. William D. Ford against.

Mr. Pepper for, with Mr. Ottinger, against.

Mr. McKneally for, with Mr. Evins of Tennessee against.

Mrs. Dwyer for, with Mr. Lujan against.

Mr. Adams for, with Mr. Camp against.

Mr. Holifield for, with Mr. Collier against.

Mr. Mollohan for, with Mr. Mizell against.

Mr. Addabbo for, with Mr. Baring against.

Mr. Whitehurst for, with Mr. Dowdy against.

Mr. Hanna for, with Mr. Gaydos against.

Mr. Feighan for, with Mr. Roybal against.

Mr. Kirwan for, with Mr. Rees against.

Until further notice:

Mr. Stratton with Mr. Ashbrook.

Mr. Van Deerlin with Mr. McCloskey.

Mr. Young with Mr. Lukens.

Mr. Rooney of New York with Mr. Roudebush.

Mr. Udall with Mr. Carter.

Mr. Charles H. Wilson with Mr. Del Clawson.

Mr. Leggett with Mr. Bell of California.

Mr. Tunney with Mr. Goldwater.

Mr. Price of Illinois with Mr. Vander Jagt.

Mr. O'Neal of Georgia with Mr. Bray.

Mr. Waldie with Mr. Gubser.

Mr. Flynt with Mr. Broyhill of North Carolina.

Mr. Fisher with Mr. Brock.

Mr. Brown of California with Mr. Powell.

Mr. Cohelan with Mr. Brasco.

Mr. de la Garza with Mr. McCarthy.

Mr. Dawson with Mr. Helstoski.

Mr. Scheuer with Mr. Hawkins.

Mr. McMillan with Mrs. Hansen of Washington.

Mr. Gilbert with Mr. Miller of California.

Messrs. PODELL, SYMINGTON, and DON H. CLAUSEN changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLS. Mr. Speaker, I ask unanimous consent that those Members who participated in the debate today on H.R. 17802 may be permitted to revise and extend their remarks and to include tables and other extraneous material.

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

There was no objection.

GENERAL LEAVE

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the bill just passed.

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

There was no objection.

ADJOURNMENT TO 11 O'CLOCK TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

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

There was no objection.

INTRODUCTION OF BILL TO EXTEND THE SEA GRANT COLLEGE PROGRAM FOR 3 MORE YEARS

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

Mr. FREY. Mr. Speaker, I have today introduced a bill amending title II of the the Marine Resources and Engineering Development Act of 1966 to authorize the appropriation of funds for the sea grant college program. The bill authorizes the sum of $15,000,000 for fiscal year 1970 and provides for $5,000,000 increases over that sum for each succeeding year through fiscal year 1973.

The sea grant college program was enacted in 1966 under the auspices of the National Science Foundation in order to provide Federal support for the establishment and development of broadly based scientific, engineering and technical research programs in our private educational and technical institutions.

In administering the sea grant college program, the National Science Foundation has been directed by the act to:

First, initiate and support programs at sea grant colleges and other suitable institutes and laboratories for the education of participants in the various fields related to the development of marine resources;

Second, initiate and support research programs in the various fields relating to the development of marine resources with preference given to research aimed at practices, techniques, and design of equipment applicable to the development of marine resources; and

Third, encourage and develop programs, including courses of instruction, practical demonstrations and publications to provide a marine advisory program to impart useful information to persons currently employed in the various fields related to the development of marine resources, the scientific community and the general public.

The National Science Foundation implements the sea grant college program through contracts with or grants to suitable private or public institutions of higher education, technical institutes, and marine laboratories. The Foundation

is directed to carry out the sea grant program in such a manner as to avoid duplication or overlapping of existing private or governmental efforts in the field of marine science.

The sea grant college program has been enthusiastically received by the academic community. The past funding of the program, however, has been short of the need. While during fiscal year 1970 thirty project awards and seven institutional awards were made by the Foundation, over 100 formal applications were received. While it is desirable that the Foundation be highly selective in the approval of applications, the shortage of funds has meant that even those most deserving of support in most cases have received only a fraction of the money called for.

In framing the guidelines for administration of the sea grant college program, the Foundation has wisely stressed a multidisciplinary approach favoring those projects which bring together in a working group diverse scientific disciplines. The sea grant college program has led the way in refinement of multidisciplinary techniques and has proven that members of the scientific community, who traditionally have worked independently of each other with a minimum of interchange of data, can in fact approach a problem of scientific interest as a team, exchanging data and supporting each other's work as the work progresses. Traditionally, the exchange of information has taken place only after the investigations of individual researchers have been concluded. The results that have been achieved under the sea grant college program have encouraged the National Science Foundation to apply the same principle of team effort with specialists working side by side to other areas of the Foundation's responsibility.

Under the sea grant college program, the Foundation also has encouraged the creation of consortia between private industries and universities with each partner of these academic-industrial alliances furnishing funds and personnel.

In short, Mr. Speaker, the sea grant college program has led the way during its short life in the intelligent and innovative application of Federal grants to the private sector in a field vital to the future of this country—marine science. The experience gained with this program has had an impact far beyond our quest for knowledge of the seas and their resources, however.

It is gratifying that the Nixon administration has recognized the achievements of the sea grant college program and has enthusiastically supported the increased level of funding called for in this legislation.

REPRESENTATIVE McCULLOCH INTRODUCES LEGISLATION TO CREATE POSITION OF COURT EXECUTIVE FOR JUDICIAL CIRCUITS

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

Mr. McCULLOCH. Mr. Speaker, today I am introducing legislation that would provide for the creation of the position of court executive for each of the 11 judicial circuits. I am pleased that the able chairman of the House Judiciary Committee is introducing an identical bill. Joining me as cosponsors are the minority leader of the House and 15 Republican Members of the House. Identical legislation is also being introduced in the other body.

The bill would permit, but not require, each judicial council to select a court executive from among persons certified by a board of certification. The board of certification would consist of five members, three of whom would be elected by the Judicial Conference of the United States. The additional two members would be the Director of the Administrative Office of the U.S. Courts and the Director of the Federal Judicial Center. The board would have two primary functions, one, to draft standards for certification, and two, to review all applicants who apply for certification and maintain a roster of all persons certified. These standards would take into account experience in administrative and executive positions, familiarity with court procedures, and special training.

The concept of the court executive is supported by the administration, the Judicial Conference of the United States, and the American Bar Association. Mr. Speaker, I am of the opinion that much of the dissatisfaction with the operation of our courts is because of undue delays in the administration of its business.

Court management and the administration of justice are inseparable in our judicial system. We have all heard or said the truism that "justice delayed is justice denied," but delay and congestion in our Federal courts continues to grow. Deputy Attorney General Kleindienst, at hearings on the omnibus judgeship bill punctuated the problem with these words:

> Parties to litigation have become increasingly frustrated over their inability to secure prompt judicial determination of their rights and liabilities. On the criminal side . . . innocent persons must wait many painful months to clear their names; the general public is subjected to the risk of repeated criminal offenses committed by guilty persons free while awaiting adjudication of their cases.

I might add that there are other undesirable effects of delay and backlog:

Witnesses give up in frustration after numerous canceled court appearances;

Jurors despair waiting endless hours only to go home without having fulfilled their civic duty;

Plaintiffs settle for less than what they are legally entitled to because they cannot wait for the court to act.

The net result of this is a weakened judicial system. These conditions also help to create disrespect for our laws and our legal institutions which in turn can increase the chances for disruption in our society.

Efficient and effective court administration with a feeling for all people who use or are connected with our courts, as well as a feeling for professional and constitutional values will do much to better justice in America.

FAILURE OF THE MEDICARE PROGRAM IN SMALL TOWNS

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

Mr. POAGE. Mr. Speaker, just today I received a letter from a young lady in my district which I think gives a clear picture of how the medicare program has miserably failed in the small towns of America. This young lady worked as a volunteer in a hospital in Granbury, Tex., and has seen firsthand the great benefit that hospitals are to small towns. Unfortunately, the medicare program has contributed to the closing of this and dozens of similar small hospitals. I think it is time that we took a close look at what medicare has done to many of our small communities. I am inserting the text of this letter. I think every Member should see it. In addition, I am inserting an advertisement which was placed in the Hood County News-Tablet by three prominent physicians expressing their strong contention that medicare has been a failure. The opinions of these physicians should not be taken lightly. They should be heard. I think it is a shame that the citizens of Hood County and of other counties now find themselves without hospital facilities. This is not a good recommendation for the medicare program. Those in charge of this program should not try to apply the same rules in our rural communities which may fit New York.

Mr. Speaker, the letter and advertisement follow:

MAY 31, 1970.

DEAR CONGRESSMAN POAGE: As a result of Medicare the only hospital in Hood County will be closed as of June 1, 1970.

Another victim of Medicare is the Ambulance service. There are three ambulances in Hood County and Medicare has now stuck its angry claws into them. At the rate it's going by fall of 1970, we will not have any ambulances either.

Granbury has a population of about 3,000. We have recently acquired a big and beautiful lake and our population is expected to increase to around 40,000 by 1980. In my opinion our population will never reach 40,000, but at present it is a very booming and growing community which could possibly reach this figure. What would a town of 3,000 or even 40,000 do without a hospital or ambulances?

It seems as though Hood County doesn't have enough Registered Nurses for every shift at the hospital. I feel as if we were lucky to have the trained staff we had.

During the summer of '69 I worked at the Granbury General Hospital as a Candy Striper. Before then, to me, it was just another hospital where I got shots, had my tonsils removed and went home smelling like Lysol. After I began working there I felt a feeling of pride, because I was a part of something wonderful and good.

During my summer there I saw many heart attack victims brought in and everyone I saw lived because the ambulance got them to the hospital in time for the excellent doctors to save them. I saw the victims of one very

bad car wreck. The three teenagers lived. The boy had severe internal injuries. He was released in about a week in good health. One girl's knee was crushed. She is walking fine today as a result of the hospital. The other girl had a broken jaw and she sat next to me in English class and chewed gum and talked all during class this year.

I also saw a man have his fingers sewn back on after he accidentally had a gun go off in his hand. If we hadn't had a hospital in Granbury, he wouldn't have the use of that hand today.

The nearest hospital is about 40 miles away and after providing a heart attack victim with emergency care, being unable to put them in bed, but then transporting them 40 miles for the continued care required, could mean death.

I have lived in Granbury all my life and I'll be 16 in November. I love this town, this county and I hate to see what is going to happen to it as a result of Medicare.

Medicare was not created for a small town. Why does such a small community and small hospital have to have such large requirements?

Medicare is not helping the elderly of Hood County, it's only hurting them. I read recently in the Fort Worth Star-Telegram, that by the year 1980, the cost of a hospital room would be approximately $1000.00 a day, and the government thinks the situation would be improved if the old people, taking up the expensive hospital rooms and beds, should be moved to nursing homes as soon as possible.

I think we've handled our illnesses and needs of loved ones just fine without the government's controlling concern.

Please help in this merciless situation.

KAREN THRASH.

GRANBURY, TEX.

FULL-PAGE ADVERTISEMENT IN HOOD COUNTY NEWS-TABLET

To the citizens of Hood County:

After much study, considerable thought and consultation with experts in hospitalization, the owners of the Granbury General hospital have decided to close the hospital (not clinic) effective May 31st.

The Physician-owners of the hospital have provided hospital facilities for Hood County since 1945, at no cost to the taxpayers. Due to the increasing costs and demands of Medicare, we feel that we can no longer operate the hospital at a deficit.

During each of the four years of the existence of Medicare, we have spent large sums of money complying with their requests. Medicare now requires that we spend an additional large sum of money to provide an automatic sprinkler system for the building and a standby power plant for the hospital. If this were done in approximately six months time, Medicare states that we will have to employ four additional registered nurses to provide continuous R.N. coverage. We have exhausted every means in attempting to locate additional nurses and have not been able to employ them.

In the face of these difficulties, Medicare has not given us a final settlement for the years of 1967–68–69. Inasmuch as the hospital can be paid by Medicare only the operating costs, we cannot continue to subsidize Medicare.

We would like to take this opportunity to thank the people of Hood County for their confidence, trust, and support during the 25 years existence of Granbury General Hospital. It has been a pleasure to be of service to you.

We will continue to operate the clinic and provide for our patients hospitalization in Ft. Worth or other area facilities.

R. N. RAWLS, D.O.
L. G. BALLARD, D.O.
B. R. HALEY, D.O.

THE ENVIRONMENT AND THE ECONOMY DEMAND NO SST DEVELOPMENT AT THIS TIME

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

Mr. WOLD. Mr. Speaker, on May 27, I voted against appropriating $290 million in new money for prototype development of the supersonic transport SST.

Like many of my colleagues in the House, I am very much disturbed by the many environmental questions that have been raised in the SST deliberations. Russell Train, Chairman of the President's Council on Environmental Quality recently indicated that the "SST would be 3 to 4 times louder than current FAA sideline noise standards and 4 to 5 times louder than the Boeing 747." I think that communities near existing airports are going to find this noise burden unacceptable. I know I would.

The sonic boom problem is a major technological hurdle facing the 1,800-mile-per-hour, 300-passenger SST. Engineers working on the SST have admitted that they know of no way to reduce the effect of the sonic boom so that the SST can fly over populated areas.

Many technically qualified groups have said for a long time that sonic boom cannot be reduced to an acceptable level.

If this is the case, then the only supersonic use of the SST will be transoceanic flights, which is not economically sound and will not support the Government's investment.

Most recently "environmentalists," including representatives of the President's Council on Environmental Quality, have been talking about the possible consequences of high-altitude pollution resulting from SST flights. Council Chairman Train recently warned of the large quantities of water vapor that would be introduced into the stratosphere by the SST and the impact this could have on our climatic conditions. He stated:

Clearly the effects of supersonics on the atmosphere are of importance to the whole world. Any attempt to predict those effects is necessarily highly speculative at this time. The effects should be thoroughly understood before any country proceeds with a massive introduction of supersonic transports.

We have passed the time when people are willing to accept the serious physical and psychological hazards as a price of progress. It makes no sense to pursue this expensive program until we have a better understanding of the environmental inpact of supersonic flight.

Another facet of the SST program that is also quite troublesome concerns the cost performance. When the SST program was authorized in 1962, President Kennedy announced that the program costs would not exceed $750 million. So far the Government has invested more than $640 million, and the program is not even out of the design stage. A year ago, the Department of Transportation estimated that the cost of a prototype SST would be $1.3 billion. Since that time there has been a $76 million cost overrun. Shades of the British-French Concorde development which has experienced staggering cost overruns. Experts see a similar cost pattern developing on the SST and warn that the way things are going program costs to the Government could escalate to $5 billion.

Unfortunately, the Government's subsidy of the SST will probably go beyond aircraft development costs. Already the company developing the SST is encountering serious difficulties in meeting technical specifications. Takeoff and landing requirements significantly exceed original DOT specifications, which means that very few airports in the world could accommodate the SST.

If we move ahead with the program, airports will have to be redesigned and enlarged or completely moved to new, remote sites to meet the longer landing and takeoff requirements and to minimize noise impact, undoubtedly the taxpayers will be called upon to pay for these changes.

When Congress initially authorized the SST, it was contemplated that private capital would be used to finance the production of SST's. Today this plan is very much in jeopardy. The SST contractor has publicly questioned whether they can raise the $2 billion or more needed to move into production. The environmental problems, escalating costs, and the unanticipated limitations of the use of the SST to mostly transoceanic flights, raises serious doubts as to the economic viability of this project. Already companies like PanAm, the world's largest airline, are wondering aloud if they can afford to pay the latest estimated cost per unit—$60 million.

Daily the handwriting becomes a little clearer. If private investors are unwilling to finance the SST production, the Government will be called upon to carry the entire burden. I simply see no reason why this Government should subsidize a program that is not a sound economic investment, will provide so little for so few, and will further aggravate our environmental problems.

Accordingly, I cannot support spending $290 million at this time for a prototype SST.

NANCY RINES WINS ESSAY CONTEST

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

Mr. PHILBIN. Mr. Speaker, under unanimous consent to revise and extend my remarks in the CONGRESSIONAL RECORD I include therein a very gratifying excerpt from a recent edition of the Worcester Telegram citing the recent outstanding achievement of Miss Nancy Rines, of Leominster, a sophomore at St. Bernard's High School, Fitchburg, in winning the honored State essay contest.

I take pleasure in heartily congratulating this fine young lady upon her excellent essay that won highest honors for her.

Everyone should read this splendid es-

say by one of our distinguished young, high school girls. It is exceptionally well done and it reflects in a striking manner an exalted, knowledgeable appraisal of American patriotism, which is a great tribute to this brilliant young lady and the informed generation of young students which she so admirably represents.

The article referred to follows:

LEOMINSTER GIRL WINS STATE ESSAY CONTEST

(By David W. Gilmartin)

LEOMINSTER.—What is patriotism?

To Nancy Rines of Leominster, a sophomore at St. Bernard's High School, Fitchburg, it's the Pledge of Allegiance To the Flag and the meaning each line of the pledge has for her.

Nancy's interpretation of the word patriotism has earned her first-place in the annual state Italian-American War Veterans essay contest.

The 16 year-old daughter of Mrs. Ralph O. Dickson of 32 Blossom St. has already received the Fitchburg Post 4 ITAM Veterans Award and will soon receive the state wide award. The state award will make her eligible to compete for the national award later this year.

The Fitchburg Post award was presented to her last week by Joseph J. DiPrima of Leominster, commander.

Her essay:

"I pledge allegiance to the flag. . . . How often have these words been recited by children and adults of America? The answer, of course, is too great to be known. Americans have known these famous lines since they were old enough to talk. The words probably had no meaning when we were small children, but now we realize the importance and significance of each and every line.

"Of the United States of America. . . . Our ancestors provided us with a firm foundation of pride for our country. Through the courage of the Pilgrims and dedication of the first leaders, the United States began to blossom into the nation it is today. Men and women were not afraid to fight and die for the nation they loved.

"And to the republic for which it stands. . . . A free country, a democracy that we can be proud of. Some of today's youth question the term 'freedom.' But the meaning is quite plain. Webster's Dictionary defines freedom in this way: 'Independence, liberty, license.' Liberty and independence are truly great privileges. To be able to elect our own leaders and belong to any faith are things which cannot be replaced.

"One nation, under God. . . . How could we have such a powerful country without the help of God? To be able to possess all of the qualities of an independent nation, we have to give thanks for the only person who could possibly help us to achieve this goal.

"God has been thanked in all ways—by all religions. Since we have freedom of religion, each man can show gratitude to his God, in his own church, in his own way. God plays a very important role in all of our lives and so, through our freedom in worshipping Him, we can give thanks.

"Indivisible. . . . To divide means to split or separate. As one, complete nation, each state's 'belonging' to another, we can all stand proud, united as Americans. Each lake, river, valley and mountain of this country belongs to every American despite his past heritage. We are not Irish, French or Italian. We are Americans united under the love for the United States.

"With liberty and justice for all. . . . Whether black, yellow or white, we all belong here. As Americans we all own this country. We've grown up with it, seeing it during good years and bad. We love this country. We all love this country. We are all Americans."

FATHER CUNNINGHAM ON THE INVOLVEMENT IN INDOCHINA

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

Mr. TIERNAN. Mr. Speaker, since April 23 my office has received several thousand cards, letters, and telegrams directed at our involvement in the Indochina war.

One in particular has stuck in my mind as one of the best letters I have received in my 3 years as a Congressman. It was written by a professor of philosophy at Providence College, Father John Cunningham.

Father Cunningham speaks not as a foreign policy expert, nor a military expert, nor a political scientist. Rather he speaks modestly as a Christian and a realist. His patriotism cannot be questioned. While loving his country he merely asks whether a Communist regime is "worse than decades of civil war? Worse than generations of neglected social and economic problems? Worse than having 50,000 crippled children?"

I join with Father Cunningham in answering "No" to those questions. I join him in seeking a swift conclusion to our military involvement in Southeast Asia.

At this point in the RECORD I include Father Cunningham's letter in its entirety:

PROVIDENCE COLLEGE,
Providence, R.I., May 10, 1970.

HON. ROBERT O. TIERNAN,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN TIERNAN: Among the many questions I asked myself as I thought about this letter, one kept recurring with annoying frequency. Quite simply put, it was this: How could I presume to speak with any degree of authority on such a complex problem of this country's foreign policy in Southeast Asia and specifically the conflict in Vietnam and Cambodia.

I cannot speak of the international dimensions of the war, since I am not a student of diplomatic relations. I can hardly address myself to the military question, since I have no expertise in military tactics. And, I certainly cannot speak with any authority of the political dimensions of the conflict, since I am not a political scientist. So, I had to ask myself: From what vantage point can I speak to my elected representative?

During the closing days of World War II, as a Freshman in college, I remember referring to myself, rather pompously I fear, as a Christian realist. The form of Christianity to which we are both committed has changed in many ways since that time. And perhaps a 1945 realist is a 1970 reactionary. But whatever the case, I should like to speak to you as a Christian if at times a bumbling one, and a realist, if at times a naive one.

I would like you to understand that I do not support the destruction of draft records, or the waving of the Viet Cong flag, or the dishonoring of our own flag. Nor do I think that the Allied forces in Southeast Asia have a monopoly on injustice. At the same time, I see my country, and I am not ashamed to call it mine, involved in acts of inhumanity in Vietnam that are morally indefensible: the incineration of villages, the destruction of rice crops, and, through our South Vietnamese allies, the torturing of prisoners.

I must say that I believe our concern for the war is motivated by what I might call our anti-Communist obsession. (I would not have said this five years ago, nor much of what follows in this paragraph.) We have given this up in relation to the Soviet Union and the eastern European countries. Somehow it hangs on in relation to Asia and Latin America. I believe that we should abandon once and for all the conviction that a Communist regime is the worst possible fate that can befall a country. Is it worse than decades of civil war? Worse than generations of neglected social and economic problems? Worse than having 50,000 crippled children?

I would not like to see South Vietnam controlled by a Communist group. But I honestly do not see how we can assume that it is good for the South Vietnamese if we continue to ravage their country for years in order to prevent such a result.

I have worked with college age students, inside and outside the classroom, for over ten years. This may be the last time they will turn to us, "the establishment," to help them in their mission to end the war. For such a mission, can we refuse to reach out our hands and share the common cause with them?

I urge you, Mr. Tiernan, to express openly and frequently your opposition to the Cambodia invasion. Further, I ask that you take whatever action may be necessary and appropriate to your office as an elected representative to effect our country's swift and complete disengagement from our military commitment in Southeast Asia.

Sincerely,
REV. JOHN F. CUNNINGHAM, O.P.,
Professor of Philosophy, Director of Residence.

THE ROAD TO RADICALISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MIKVA) is recognized for 60 minutes.

Mr. MIKVA. Mr. Speaker, I find it revealing that both those who profess the most radical doctrines, and those who must staunchly defend the status quo, appear to agree on a favorite quotation. Each for his own reason is fond of citing Mao Tse-tung's dictum that all political power grows out of the barrel of a gun.

The revolutionaries like this quotation because it relieves them of the burden of articulating a coherent program to win support, and justifies the blatant use of violence to achieve any end.

The defenders of the establishment like Chairman Mao's aphorism because it conveniently reduces the confrontation with the radicals to the level of a shoot-out in the grand tradition of our own Wild West.

I am somewhat more old-fashioned, Mr. Speaker, and I would be inclined to argue that political power derives in some degree from the consent of the governed, in keeping with the theories of another group of American radicals known to have operated in the vicinity of Philadelphia and Boston in the late 18th century. But I would be the last to deny that there is all too often a direct relationship between the exercise of political power and the level of violence which seems to engulf us.

In fact I support the thesis that the greatest force for radicalism in American society today is the increasing use of violence by the establishment against any minority in whose actions or ideas the majority perceives a threat. The road from reason to radicalism is all too short.

And it can be traversed with truly remarkable speed when it becomes clear that a lawful agent of authority in your own society can, and indeed may, shoot you down at his discretion with apparent impunity—and actually has shot down other members of your society in no material way distinguishable from yourself.

With the indulgence of this House, I would like to develop that thesis in relation to the terrible events to which we have grown all too accustomed on the front pages of our newspapers and on the television screens in our homes. I think clear and relevant examples can be found in the December 1969 Black Panther raid in Chicago, as well as in the recent shootings at Kent State, Jackson State, and Augusta, Ga.

I took the unusual step, Mr. Speaker of asking permission to insert in the CONGRESSIONAL RECORD the full text of the Federal grand jury report on the December 1969 Black Panther raid in Chicago, which was published on May 15, 1970. In my remarks preceding the report, I characterized the grand jury findings as "a failure for America." Let me explain.

At the outset I must state that there is much about this grand jury report that I find alarming. First, I am appalled at the details of incredibly inefficient, and in many ways downright deceptive, police work in my home city of Chicago that this report has placed on the public record. I certainly agree with the exceptionally restrained comment by the grand jury that—

> The performance of agencies of law enforcement . . . gives some reasonable basis for public doubt of their efficiency and even of their credibility.

Second, I am very troubled by the fact that the grand jury was unable to determine whether the civil rights of any individuals had been violated, principally because the members and supporters of the Black Panther Party adamantly refused to testify or cooperate in any way with an investigation conducted under the aegis of the Department of Justice. The Panthers argued that they had no reason to expect a fair, impartial, and thorough investigation under the auspices of an agency which has declared publicly that the Panthers represent the greatest current threat to the internal security of the United States. The grand jury again put the matter succinctly:

> The Grand Jury is forced to conclude that they (the Black Panthers) are more interested in the issue of police persecution than they are in obtaining justice.

It was in this tragic situation that I found a failure for our society. I am just as appalled by the performance of the Chicago police as I am by the violent policies of the Black Panthers and their refusal to participate in this investigation. But it seems clear to me that the fragile fabric of consent between those who govern and those who are governed disappeared in a hail of bullets that bloody December morning.

The experts working with the grand jury concluded after exhaustive tests that from 82 to 99 shots were fired from a variety of weapons and that only one of those shots could be traced to a weapon belonging to any of the nine Black Panther occupants of the apartment. This to me constitutes something very near to prima facie evidence that the assertions of the Black Panthers that they were wakened from sleep that morning by an unannounced and unprovoked barrage of police fire are true. In light of that evidence, I find it at least explicable—even if not defensible—that the seven Panthers who survived the early morning onslaught might doubt that their rights would be fully protected and all facts fairly presented in an investigation conducted under the authority of what they consider the same hostile power mechanism.

Largely for that reason the grand jury inquiry was fated from the start to raise more questions than it could answer. Even the publication of its report is evidence of a breakdown in the system. My learned colleagues, I am certain, need not be reminded that grand jury investigations normally are conducted in full secrecy, and that customarily there is no announcement of their findings other than the decision to indict or not to indict. The frustration of the grand jury and of those responsible citizens on all sides who participated in its work was clear in the way existing procedures were twisted to permit publication of the valuable but incomplete report of May 15.

I also am disturbed by some of the circumstances of the conduct of the investigation. I think we all recall the outpouring of emotional and distorted reporting on all sides at the time of the Black Panther raid, the virulent charges and countercharges, the distortions, deceptions, and outright lies that contributed so much to impeding the impartial pursuit of the truth. In that tense atmosphere it was not surprising that a number of mutually exclusive investigations were launched at approximately the same time—by the Chicago authorities, by local news media, by citizens' groups, and by the Black Panther Party.

One of the more promising initiatives was that of the so-called Goldberg Commission, which was a panel of concerned citizens headed by former Supreme Court Justice Arthur Goldberg. The heterogeneous composition of this group and the broad experience of its members suggested that they would adhere to strict standards of evidence and might have a chance of securing the cooperation of all parties to the incident.

Yet this panel abandoned its inquiry shortly after a meeting early this year with the Assistant Attorney General charged by the Department of Justice with responsibility for the grand jury investigation. Reports from participants in these discussions have made clear that the citizens' panel called off its study when the Justice Department official alleged that, by covering the same ground, the panel might prejudice the evidence and make it impossible for the grand jury to return indictments, for which the Assistant Attorney General indicated chances were good. Convinced of the seriousness of the grand jury probe, and of the possibility of legal conflict with their own study, the citizens' panel canceled its plans. Thus the chance for at least one other impartial examination of the details of this case was lost.

The fact that no indictments ever resulted from the grand jury investigation lends added poignancy to a series of interrelated events just prior to the May 15 release of the grand jury report. All of the seven surviving Black Panthers who were in the Chicago apartment at the time of the raid last December subsequently were indicted by a Cook County grand jury on charges ranging from intent to commit murder to illegal possession of firearms. On May 7 the State's attorney for Cook County denied that charges against the Panthers would be dropped. On May 8 all charges were dropped. On May 14, the night before the grand jury findings were released, three of the Chicago police officials who were most severely criticized in the course of the investigation were demoted by the Chicago superintendent of police. On May 15 the report appeared with no indictments.

Thus, Mr. Speaker, in a manner of speaking the case is closed. Yet I am convinced that even in this sketchy recital of facts there is a clear failure for America. I have no doubt that in this unfortunate incident many persons were at fault, and crimes were committed. Yet the only comprehensive investigation was hamstrung from the start because it lacked impartiality and credibility in the eyes of certain of the principal parties, who therefore withheld their cooperation. And the only actions arising from the investigation were the result of administrative deals rather than decisions by a court of law. None of the guilty have truly been punished, nor the innocent exonerated; none of the accumulated hatred and suspicion has been dispelled; the circumstances of the raid remain as murky as before, and there are no clear safeguards against the recurrence of similar incidents. The public interest emphatically has not been served.

Mr. Speaker, I believe we can disregard the lessons inherent in the Chicago Black Panther raid only at our own peril. One lesson is simple: those who commit or condone official violence thereby lose their credibility as impartial judges of its consequences. And as long as any part of our Nation has grounds to believe that it can be deprived of its fundamental civil rights, including first and foremost the right to life itself, we are all in danger. That is why I submit that officially sanctioned violence against any minority is the greatest force for radicalism in America today.

The challenge has been repeated once more by the sickening deaths of four young people at Kent State, two more at Jackson State, and six more in the streets of Augusta. It is impossible to overexaggerate the impact that these violent deaths, each one at the hands of a legally appointed protector of the peace of our society, have had on the youth of our Nation. Mr. Speaker, we are at a crossroads of credibility. If we fail as a nation to do justice to the dead in Ohio, Mississippi, and Georgia, we will only have succeeded in convincing thousands,

even tens of thousands, of Americans—and not only the young—that they have lost their stake in the preservation of our system.

I do not use these words lightly, Mr. Speaker. I deplore violence wherever it may occur, and I do not defend those who believe that protest must be equated with destruction and force. I take heart at the great numbers of young people who continue to demonstrate that they are willing to work within our system through direct political action to correct the failings they see in our policies and priorities. But none of us can neglect the abundant evidence that the shooting down of unarmed youths by police or National Guardsmen instantly does more to bolster the forces of radicalism in our Nation than any fifth column of covert agitators could do in a decade.

The way to demonstrate that we have learned something from the tragic deaths at Kent State, Jackson State, and Augusta—the way to show that those who died there did not die in vain, or worse, only to further radicalize America—is to insure that these incidents are thoroughly, impartially and publicly investigated. The President of the United States has the power to bring such investigations about. His staff has already announced that he will appoint a commission to investigate the deaths at Kent State. I urge the President to expand that commission's mandate to include the similar deaths by "official violence" at Jackson State and Augusta.

I urge the President to insure that the investigating commission is so constituted that there can be no conceivable doubt—in any segment of the population—about its impartiality, fairness, and competence. Most important, I urge the President to demonstrate in advance his commitment to equal justice under law by indicating his intention to follow the recommendations of his investigating commission, both as to procedures for avoiding future Kent States and Jackson States, and as to appropriate legal action against those who are found to be at fault.

If we are to preserve the credibility of our institutions and our laws, we must demonstrate beyond further question to all our citizens that no man, be he National Guardsman, police officer, or elected official, may commit unlawful acts, and inflict illegal violence on the population with impunity.

I was in Jackson, Miss., Mr. Speaker, for the funeral of James Earl Green, the 17-year-old black high school student who died on May 14 in a senseless fusillade of gunfire by Mississippi State police that killed one other and wounded many more. James Earl Green's crime consisted in walking down the sidewalk across from the ill-fated women's dormitory at Jackson State College that day. I also inspected the facade of that dormitory, and I too have concluded that it is nothing short of a miracle that the dead were not numbered in the dozens. I hope that I shall never see again anything so close to a search and destroy mission on a college campus in America. Only the bombs and napalm were lacking. And even in Vietnam we pride ourselves, I hope justly, on administering first aid to the enemy wounded. Yet in Jackson, eyewitnesses report that the State troopers calmly collected their spent shells from the pavement and lawns of Jackson State College while the dead and wounded lay unattended.

I cannot blame any black person in America for concluding that if James Earl Green can be shot down in the light of day without cause, every black is in danger for his life. I realize, of course, that many in the black community will smile indulgently for my suggesting that there is anything in that situation that is new or unusual. But none would argue that such official violence in the name of a cruelly distorted concept of "law and order" can only breed more violence.

One of the most disturbing aspects of the events at Kent State, Jackson State, and Augusta is the possibility that Federal money and Federal support played an important role in the deprivation of the civil rights of those persons who were killed and wounded by "official violence" of National Guardsmen and police. In the case of the Ohio National Guard, the Federal role is clear: the Guard is paid and maintained directly by Federal funds provided by the Congress. In the case of the police at Jackson and Augusta, the Federal role requires more elaboration.

The 1968 Omnibus Crime Act established the Law Enforcement Assistance Administration—LEAA—in the Department of Justice to provide Federal assistance to State and local law enforcement agencies. The Omnibus Crime Act specifically provided that neither LEAA nor any Federal official was to assume any command authority over local law enforcement personnel. Section 518(a) of the act states:

> Nothing contained in this title or any other Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over any police force or any other law enforcement agency of any State or any political subdivision thereof.

In light of this explicit prohibition, it was hard to understand a newspaper account which indicated that LEAA officials had participated in the mass arrest of black students at Mississippi Valley State College at Itta Bena, Miss. In response to my inquiries on this question then LEAA Administrator Charles H. Rogovin answered categorically that no LEAA advice, personnel, or funds were involved in Itta Bena incident, despite contrary implications in some of the statements made by Mr. Kenneth Fairly, director of the Mississippi Division of Law Enforcement Assistance.

When the tragic death of two students at Jackson State College and the wounding of a dozen others occurred on May 14, I again wrote to Mr. Rogovin to inquire whether any LEAA funds, equipment, or training had been provided to the Jackson police or other law enforcement personnel involved in the Jackson State shootings. Mr. Rogovin has since resigned from his post at LEAA, but I have received no response to my question from the remaining LEAA Administrators, Richard Velde and Clarence Coster.

On May 31, 1970, the New York Times published an article datelined Jackson, Miss., which strongly implies that LEAA funds and equipment were involved at Jackson State. The story indicated that the Mississippi Law Enforcement Assistance Division "henceforth will require police forces to have 'well enunciated command and control procedures assuring proper restraint' before they will be allotted funds for lethal weapons in riot control." Since such assurances will be required "henceforth," it seems obvious that they have not existed heretofore. It also seems obvious that the Mississippi Law Enforcement Assistance Division's concern is based on the use of equipment, funds, or equipment which it has supplied to the Jackson police in the Mississippi State College killings.

"Official violence" is disturbing enough. When it denies our citizens their federally and constitutionally protected civil rights, official violence is all the more a cause for concern. When Federal funds and equipment are used to perpetrate this official violence, the situation becomes intolerable.

The deaths at Kent State, in Jackson, and in Augusta cry out for justice. There must be urgent and painstaking investigations, Mr. Speaker, and those investigations must be constituted and conducted in a manner that will ensure their credibility and impartiality in the eyes of every citizen of the United States. Yet I hear on one hand that the Civil Rights Commission must abandon its plan for an inquiry into the deaths in Augusta and Jackson because of a lack of funds, and on another that hearings by local authorities will be sufficient.

I wish to make absolutely clear, Mr. Speaker, my conviction that nothing less than a crisis response to these deaths will be sufficient. Delays and distortions and equivocations will simply mean failure, and our society cannot afford another such failure.

I repeat that the road from reason to radicalism is short. If we are to preserve the structure of our society, and to sustain the faith of our people in our system of government, we must start with true "law and order." I do not mean the law and order that has become a codeword for racism and repression, and a sanction for violence. I mean the law and order of a society that accepts responsibility for that most precious civil right of all—life—and promotes that right and protects it against all threats. I mean the law and order under which a gun is not looked on as a great equalizer, but as a great terrorizer which civilized people never use, and which law enforcement officials use only in the most extreme cases of self-defense.

Mr. Speaker, we must have that kind of law and order in America, or I fear we shall have no other.

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

Mr. MIKVA. I yield to the gentleman from Michigan.

Mr. CONYERS. I rise to commend the gentleman from Illinois for having the courage, in his very able way, of bringing to the floor of this Congress a discussion of the implications of the tragedies that have occurred in 4 dif-

ferent parts of the United States. It is true that I was one of the Members of the Congress who went to Chicago and visited the scene of the Black Panther tragedy there. I talked with a number of people who were personal witnesses to what had gone on. And I think that the gentleman deserves the commendation of our entire country for bringing this matter to some very intelligent discussion, and further introducing Joint Resolution 1226, which would create a temporary joint congressional committee to investigate and report to Congress on these incidents at Kent State on the part of the Ohio National Guard.

I, too, join with the speaker in saying that this is a matter that has implication for all Americans, wherever they may live, and I, too, say that this continuing repression on the part of law-enforcement authorities and agencies is creating a fear and a further reaction on the part of elements in our society. It is certainly operating against any tradition in this country that would speak to the fact that the law-enforcement agencies, whether they be the militia, National Guard, the State troops, the police—all of them have an overriding, or should have an overriding concern about these questions of justice and fair play that have frankly cast a grave doubt upon the honesty and integrity of many law-enforcement agencies across the country.

This is very important. I would point out to the gentleman that not too long ago Dr. Ferry, formerly of the Institute for Democratic Studies in Santa Barbara, Calif., issued a very thoughtful paper that spoke to a point that at first I was unable to agree with, because the point of that paper was to the effect that this country is already in a police state. He was very careful to say that he did not mean a quasi-police state or a police state nation for some minorities and not for all.

It seems to me that the tragedies at Kent and at other places have only served to reinforce the notion that he wrote about at such great length. He pointed out that it was in Germany where the good citizens failed to respond and failed to ask the questions that should have been asked then, because everyone thought this was something that did not concern him, and it was something for which he was not responsible. The result was one of the most barbaric national acts in recorded civilization.

What I am saying, as I join the gentleman in the well today, is that there needs to be more honest discussion of the implications of the police action that goes on in this country. Unless this Congress is willing to investigate, unless this administration is willing to extend the scope of the query of such agencies that are already supposed to be able to investigate these questions—for example, the Civil Rights Commission and other agencies that have been appointed—we are not going to be able to get to the truth of the matter.

I think in the absence of truth, America is going to continue to be polarized, and we are going to continue to operate under a great pall of confusion and fear, and in the end we will continue to do acts that are detrimental to this society and to this Nation.

Mr. MIKVA. Mr. Speaker, I thank the gentleman from Michigan for his words. As is perfectly obvious, I am not a Black Panther, and I am not any kind of panther, but I find very little solace in what seems to solace so many of our citizens and colleagues who say that the victims were equally guilty, or in finding some kind of equation between victims of law enforcement and victims of over-law enforcement, whether at Chicago or at Kent State, or at Augusta, Ga.

I was shocked, as the gentleman from Michigan was, by the poll that would indicate so many people thought the students who were killed at Kent were themselves at fault. What is disturbing is not only that the American people did not read their own newspapers to find out that the students who were killed at Kent State and at Jackson State were innocent bystanders, but also that somehow they are drawing an equation between those who are equally bad, whether Black Panthers or others, and the law enforcement people, and they say therefore anything a law enforcement officer does to anybody is all right. That is the most shocking of all, because that is what leads us on the road to fascism. When we set up a dual standard which says a law enforcement agency can act illegally and unlawfully as long as it deals with bad people, then we are on the way to that Fascist state.

Mr. CONYERS. Would the gentlemen agree that in a nation with 194 years of democratic government, what we need at this time, perhaps more than anything else, are the forces in America who will speak to these questions and who will speak to truth and attempt to shed light on the problems. It would seem to me evident, as it is to the gentleman in the well, that the Federal Government would be an ideal source from which we could begin to establish some positive frame of reference on many of these questions which really have their roots in problems that are inherent in the question of race and race relations.

Who is more appropriate than the Executive Office, the national administration, to set the tone in America for a climate of ameliorating tensions of these kinds between students and police, between black and white, between the unemployed and the working, between the middle class and the poor, and all the other kinds of confrontations that go on in our society?

Yet I am sorry to say that there is little evidence from the executive branch of Government that this is their responsibility, and a very important responsibility which I will admit cannot be found anywhere detailed with precision in the Constitution but which has nevertheless come to be a very important and crucial role for the Executive to play.

We do not hear that. We have no voices of reason. We have very few voices calling for unity and understanding, because it is too convenient, oftentimes politically too expedient, for us to quietly side with whoever may become the victims of official police violence in this country.

Mr. MIKVA. I could not agree more.

There is to my mind no question that those are our law enforcement forces. They ought not be the white man's police or the old people's police. They ought not be the enemy of the black or the young or the disinherited or the disfranchised. So long as we allow that situation to continue we continue to break down the very fabric of our society.

I know of no more pressing burden that the Federal Government has, trying to hold us together as a country, than to reestablish the confidence of all groups in law enforcement.

So this myth—I still believe it is a myth, and I have to insist it is a myth—that somehow these forces belong to a certain segment of society, and therefore they are not our police but they are somebody else's police, and they are not our National Guard but somebody else's National Guard, must be broken down, or our society will break down.

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

Mr. MIKVA. I yield to the gentleman from New York.

Mr. LOWENSTEIN. I am grateful, as I believe most thinking people will be, to the gentleman for presenting this question to the House today. I certainly want to join the gentleman from Michigan in his enthusiastic praise for the gentleman's efforts.

I do not see how anyone can doubt at this late date that the Black Panthers are dangerous. Their philosophy is dangerous, as is the philosophy of any group that urges violence and terrorism, and it is dangerous to sentimentalize about dangerous groups, to talk as if Panthers were somehow heros, or prototypes of what will make America a better place. No free society could survive the domination of groups that glorify violence and appeal to hate, whether the members of the group are black or white, and whether the ideology behind the activities is far left or far right, Maoist or racist.

But it is also true that Panthers and others who turn to violence will not disappear until the conditions that spawn them are eliminated—until we have rid ourselves of what Robert Kennedy called the slow violence of poverty and neglect, and until all Americans enjoy equal protection of both the laws and the lawmen.

Thus the events in Chicago have not reduced the influence of the Panthers, but, to the contrary, have increased their influence both in the black community and among many other Americans who find violence abhorrent whether practiced by or on Black Panthers. There is even a widening sense that the tragic misbehavior of some Panthers have made it impossible for other Panthers to obtain justice in the courts. It would be a terrible irony if our horror over Panther methods and preachments were to cause us to engage in, or condone, behavior similar to that which we reject and despise when it is advocated or practiced by Panthers on others.

Fairness means not merely fairness to those accused of a crime, but fairness to those not accused of a crime, fairness

to them in their quarters, fairness to them in their political activities—fairness, in short, to everyone under the Constitution, whether we like them or not, whether we agree with them or not. Fairness does not, of course, mean tolerating violence or other violations of the Constitution by Panthers or anyone else.

What I want to add to the gentleman's comments beyond the specifics he mentioned, is to say that I have just been in Tuscaloosa, Ala., where a demonstration on the campus of the University of Alabama by a very substantial part of the student body produced the mass arrest and the mass beating by the police in the city of Tuscaloosa of very large numbers of students and some others, faculty, and even an attorney for the university. The police in this instance acted against white people as well as black. In fact, 90 percent of the people acted against were white. The police acted with a sense of impunity, which cannot be described as anything other than what happens in States where the police are above the law.

It was a very disturbing discovery. I sat there in the student union at the University of Alabama at the invitation of the student government leaders of that university for many hours listening to the specific statements and testimony of students and others who had been treated in this fashion by the police. It was sad to be reminded of the bitterness that grows among people who are treated by police in this way and who then cannot even begin to get redress.

One point that you made seems to me to be of particular importance here. Those of us who have been opposed to the use of disruptive or violent tactics, as you have and I have and most of us have always been who have been concerned about democracy, feel that it becomes very, very important now to say clearly, as you have today, that opposition to disruption and violence has to be across the board. When the disruption and violence occur on the part of those charged with upholding the law, it is a very much more serious offense, because if the people who are supposed to uphold the law in fact become agents violating it, then who shall uphold the law?

A free society owes a great debt to its law-enforcement officers. They are often underpaid and their heroism often goes unrecognized. They have deserved the gratitude of Americans across the continent and across the country. But one major purpose of law-enforcement officers is to see to it that when anyone violates the law there is some impartial and fair agency to protect society—to see to it that there is protection for those whose rights are being denied by those who would cause disruption. If law-enforcement officers themselves become the agents of disruption and if they do things that in fact make it impossible for anyone to find protection from violators of the law, then there is little chance of working out differences without violence on all sides.

So, if I may just simply join in your remarks, I want to point out that it is in fact clear that while black people and Black Panthers especially in the recent past bore that brunt of this type of injustice that disturbs us today, that kind of disturbance occurs in Tuscaloosa and other places to white people as well.

I saw in Jackson—as did the distinguished gentleman and others—disturbing evidence that two young people were shot to death unnecessarily—outrageously—by law officers in the name of the law. Both students were unarmed. One was shot apparently while observing, because he was standing in a place where police fired a stream of bullets. The other showed signs of having been dragged by the hair to the place where he was killed.

The failure to bring to justice those responsible for such deeds, or even to make a serious effort to get all the facts fairly and quickly, leads to the bitterness felt by so many who have been taught that they have the right to expect justice under law but who then are treated quite differently in practice. To understand this bitterness is not to condone violence, but it does explain why so many Americans no longer feel they can rely on the law for even-handed protection and so find themselves tempted to turn to violence, often as what they think of as measures for self-protection.

What it does to the institutions of a free country you and I know. That is what makes the discussion you are conducting here today a particularly crucial one if we are to make the country whole together.

Mr. MIKVA. I thank the gentleman from New York for those statements. As he points out, we may not have achieved an integrated society, but we certainly have achieved integrated violence. I, too, was at Jackson, as the gentleman from Michigan pointed out, we are cosponsors of the resolution concerning Kent State. The excesses of law enforcement have not been aimed exclusively at black people as Kent State points out. Alabama proved that as well. The conclusion is simple. Those who commit or condone official violence completely lose their credibility as impartial judges of its consequences. The tragedy of Chicago is that the case is ostensibly closed. Yes, they demoted four policemen who were directly involved and the grand jury severely criticized various law enforcement agencies and investigative agencies, but officially the case is closed. Yet people who are most affected by that Chicago shoot-out do not feel that justice has been done.

They do not feel that their rights have been vindicated, indeed they feel their suspicions have been vindicated. I know a number of my own middle class, black constituents who 2 years ago would never have thought of contributing or lending support to the Black Panthers; today they feel that the Black Panthers perhaps are making sense.

It grieves me to think that this is going on. A part of the reason it is going on is because we have not been able to remove the frustrations of those who believe in the system, like the people who made up the grand jury in Chicago.

Mr. Speaker, until we can get at that whether it be in Chicago, Kent State, Augusta, Ga., or Tuscaloosa, we indeed are helping to radicalize group after group after group.

Mr. STOKES. Mr. Chairman, will the gentleman yield?

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

Mr. STOKES. I thank the gentleman for yielding.

I too would like to join my other colleagues in the House who have commended the gentleman in the well for having sponsored the resolution which he now has before the House and for having made the comments he has made here this afternoon relative to the Black Panther situation in Chicago.

I had occasion, along with other colleagues here in the House, to journey to Chicago for the purpose of conducting an investigation into the matters to which the gentleman has made reference this afternoon. Those of us who went in there and conducted this investigation did so at the request of the elected public officials in the city of Chicago, and in the State of Illinois.

Our reason for going in was based upon the fact that we were told that these were political assassinations. This is a dangerous charge in these days and times. Certainly, we as Members of Congress were concerned about such allegations existing in the Nation today. So, we journeyed into Chicago and for a full day we conducted hearings and listened to many public officials testify before us.

I was struck particularly by the fact that a State senator said to us that Chicago was in virtually a garrisoned State. This did not come from some lay person in the community. This came from an elected public official.

During the course of that day we had occasion to journey to the premises where these two deaths had occurred. It was perfectly obvious to one who has had some degree of training in the area of criminal law and one who has on many occasions viewed premises where murders have taken place that this was no ordinary situation, I was amazed at the allegation that there had been a shoot out which was not substantiated by the physical evidence on the premises. When I came out of the premises this occasioned me to remark to the news media awaiting us that obviously this was a "shoot in" and not a "shoot out."

The grand jury report to which the gentleman in the well has just made reference has certainly corroborated that in all respects. But, I am particularly concerned about the general attitude of permissive official lawlessness. I was rather appalled, personally, in Cleveland, Ohio, when on a television program the president of the Cleveland Fraternal Order of Police made the comment that "we do not need a Black Panther Party in this country and to my way of thinking the Black Panthers have to be wiped out." But it seems to me that this kind of comment is opposed to everything that this Nation stands for. We do not just wipe out people in our country. We have set up an orderly judicial process whereby a person who is charged with a crime is brought before a judicial body and

after the trial has taken its course, that person is either convicted or acquitted. And, if convicted, he is then punished in accordance with the law.

This is the way we like to think—that all people in this country who believe in law and order and justice can apply the same to every person, whether that person be the highest elected official of this land or whether he be a Black Panther.

So, Mr. Speaker, it seems to me that if we ever get to the point in this country where you can kill a Black Panther with impunity—that tomorrow that same kind of impunity will apply to those who might have the previous day applauded such action.

Mr. Speaker, again I do commend the gentleman in the well for the approach he is taking. I hope all of our colleagues in the House will realize that it is important to this entire Nation that matters such as occurred at Kent State University and the matter which occurred at Jackson State College in Jackson, Miss., be investigated by a thoroughly objective body, and that the actual facts be reported back to a body of this sort.

For that reason I certainly join with the gentleman in the well and associate myself completely with the remarks of the gentleman this afternoon.

Mr. MIKVA. I thank the gentleman.

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

Mr. MIKVA. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Speaker, I would like to ask unanimous consent to include in my remarks a statement from Dr. William H. Ferry, entitled "The Police State, American Mode."

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

There was no objection.

Mr. CONYERS. And, Mr. Speaker, because of the very excellent point that my colleague made, I would like to just quote one small, brief passage that really states precisely the point that I think the gentleman has so excellently presented, and it is as follows:

> The tendency of those armed by the state to take over the state was recognized from the outset of the nation. Hence the provisions in constitution and statute for civilian control of all bodies legalized by the state to do violence. As Prof. A. C. Germann remarks, however, "Any police agency that accepts the task of 'community bully,' even if tacitly agreed to by community silence, and regularly bugs the hell out of its minority groups, peace groups, hippie groups, youth groups—unpopular groups—will sooner or later have 'a lot of chickens coming home to roost,' and that is now the case in many American communities."

Mr. Speaker, I think that point cannot be made too many times; that what we have to recognize is that no longer are Black Panthers the subject of occasional police violence. There are many black Americans that feel that without having any connection or association with the Panthers or any other activist group that they can be made just as easily and are being made just as easily the victims of arbitrary police violence.

And now the episodes at Kent and Tuscaloosa, as well as events at certain other peace demonstrations, have made it clear that being white no longer gives you some immunity to the violence of police in this country. And I am hopeful, prayerfully hopeful, that the American people will begin to recognize the points that have been made by the gentleman from Ohio (Mr. STOKES) and the gentleman from Illinois (Mr. MIKVA) who is now in the well of the House.

Mr. Speaker, I shall include the full text of the material referred to previously at this point.

The material referred to follows:

POLICE STATE: AMERICAN MODE

(By Dr. William H. Ferry)

This is, for me in any event, an intensely agreeable occasion. It is its unexpectedness that more than anything else cheers and lifts me up. I was warmed by the letter from our friend Lex Crane telling me of your intention, as I am warmed by the words said here today. No-one in my line of work expects to be honored; early in the career of a town crank he learns to rub along with the glares and sneers of neighbors, and with mailbox yelps from distant offended citizenry. It is the essence of crankhood not to have a constituency, or at least not to have one that lasts very long. The experienced crank knows that today's cheer is tomorrow's poison pen letter.

So while I have much to thank you for, please accept most of my gratitude for the, as my daughters would say, groovy unexpectedness that you have added to the 58th year of my life.

Alas, I cannot reciprocate. I wanted very much to say something unexpected and also something agreeable to you, to match my feelings today. This is a season of gnawing apprehensions and I wanted to emit sparkles of optimism, and to announce that all will be well. Hunt as I might, I could not come down on such a theme.

So I am afraid that I shall have to speak in character, which critics call morose and cassandraesque. The mood of the following remarks is caught in a few lines by Kenneth Rexroth, the distinguished San Francisco poet:

"TIME IS THE MERCY OF ETERNITY, 1958

"The writhing city
Burns in a fire of transcendence
And commodities. The bowels
Of men are wrung between the poles
Of meaningless antithesis."

In another place I suggested recently that the apprehensiveness and general malaise to which I have referred results from our conscious or unconscious realization that there are no answers to any of the great questions confronting us. My contention is that the issues have outstripped our capacities: that war, race, burgeoning science and technology, bureaucracy, urbanization, and similar central concerns are today so complicated and fast-developing as to leave us with a heavy sense of impotence and that this sense in turn produces the frustration and despair that is in such ironic contrast with the visible manifestations of prosperity and progress.

This conclusion, I learn, is not a welcome one. But I do not intend either to review my argument or the angry responses to it. Today I intend to look at what seems to me the most ominous result of these widespread sensations of impotence and frustration.

The ominous result is that the large cities of this nation, and some of the smaller ones **as well, have become police states.**

This is an uncompromising statement. I wish I could be less bleak. I wish I could say that the metropolises of the United States may become, or show signs of becoming police states. But this is not the way it looks to me. I am not even inclined, on close inspection, to say that our cities are in the first stages of a police state. I believe they are already there.

There are, of course, millions of quiet Americans in millions of quiet American homes who do not fear the midnight knock on the door, who may never experience the thrust of a revolver or the bone-smashing crack of handcuffs. To those people my statement will seem a shocking caricature at best and at worst a slander of the police.

Before demonstrating why I believe our cities to be police states, I want first to stir up a dirty memory, and then to say why I think our cities have to be police states.

The dirty memory is that of the "good Germans". During Hitler's dozen years, the good Germans sat quietly at home, not fearing the knock on the door—not at first, anyway. The evidence is mixed as to whether they knew they were living in a police state. Few annals are so pitiable and sad and unconvincing as those of the "good Germans" who after World War II tried to explain what they felt, and thought, and did during the monstrous Thirties and Forties. Their explanations may be briefly summarized in a few quotations: "We trusted our leaders." "We felt that our leaders knew what they were doing and knew how best to deal with the enemies of the state." "Even when we learned about bad things, there was nothing we could do."

Now let me show why we must have a police state. It is because we have run out of other remedies. We have no other social or political medication for the most serious ailment to strike this nation in a hundred years—and one which a century ago almost ruined the republic.

We simply do not know what to do about 25 million black Americans. It is only a little less true that we also do not know what to do with our agitating children and hippies and other self-evictees of respectful white society. They too are subjects of the new police state, but to a lesser degree than blacks, on whose situation I choose to focus today.

As middle-class America looks across the tracks to blacktown, it does not understand what it sees there. But it is clear enough, I think, that middle-class America does not see human beings like themselves. It sees people different in hue, outlook, manners, dress, speech. Middle-class America also sees people who are mal-educated, badly housed, and poor; people who are angry and demanding, and therefore dangerous. Most important, it sees people who consistently display the most reprehensible of traits—ingratitude. Blacks are never sufficiently grateful for the kindnesses and favors done them by whitetown. As C. P. Snow remarked, "Gratitude is not an emotion, but the expectation of gratitude is a very lively emotion indeed." The key word is "different." Blacks are not like us, so all our stored-up xenophobia comes into play when the question of "handling" blacktown arises.

Yet white America, eighty-eight per cent strong, has no choice but to deal somehow with this rumbling phenomena. We have got away with ignoring it these many generations. But now blacktown has caught up with us, and will no longer be ignored.

The first means of dealing with blacktown, in this Christian nation, would be to try the Christian approach—by sharing, and giving, accepting blacktown in brotherhood and binding up its wounds. But this obviously is not acceptable. Many have remarked that Christianity is a Sunday morning thing. The proof rests in the welching that the or-

ganized church is now engaging in with respect to its promises of help to blacktown. Church funds promised to blacktown are not forthcoming, and church leaders say this is because their constituencies—Christians all—will not countenance the expenditure of money on undisciplined and irresponsible neighborhoods. Even when a little money trickles out of Peter's purse, it is a bookkeeping not a Christian transaction. The question is whether the donors can be assured that the money "will be well spent." This is known as Christianity the CPA way. The reason why it is hard to tell a Christian church trustee from a banker is because there is no difference.

Everyone remembers the nationwide howl when James Foreman proposed a half-billion dollars from the churches to blacktown as reparation for generations of wrongs. The demand was denounced as outrageous, preposterous, extravagant, impertinent, and arrogant. I do not remember that anyone called it unchristian or unjust. One can understand these offended cries, but they can scarcely be classed as a Christian response.

On the whole I think that we must forget Christianity as the mode for coping with blacktown. It is not that we like Christianity less but that we love white superiority and affluence more. I do not easily abandon this approach, because everything about it is so appealing—the language; the examples, the laws. But then I think of Viet Nam, this Christian nation's response to a distant colonial problem, and reflect that blacktown is even more a colonial perplexity, and more over on our very doorstep. And then I understand why we deal with it with fire and sword, mace and teargas, helicopters and sub-machine guns. As R. de Montalvon says, "Nothing is more naive than to believe that Christians love peace. They distrust it, suspecting it of heresy,"[1] Please substitute the word brotherhood for "peace" in the foregoing quotation, and you come close to the heart of white racism.

If Christianity is not the avenue to rapprochement with the ghetto, perhaps we had better see what the social scientists have to offer. Some of my best friends are psychologists and sociologists. I regret to report that they are of little more use than the Christians. Considering the spate of materials now being produced by this learned cult, this will seem an unwarranted condemnation. In fairness it might be acknowledged that they are doing their best, but their best is not nearly enough, and much of it is misdirected. Thus we are exhorted to "try to understand the blacks", and this is fair enough advice—but only if it is understood that the greater task is understanding ourselves. The Kerner Report declared the root of the matter to be white racism. This is a psychological finding of great import for whitetown—blacktown has known it all along—but the psychologists, like the members of the Commission, seem unable to tell us what to do about white racism. If they have a message for us, it has been so cautiously delivered as to leave no imprint either on public policy or private behavior. Insofar as they have concentrated their attention on blacktown the psychologists and sociologists may have had the unintended effect of strengthening white racism. For they have confirmed that blacks, for all sorts of historical and cultural reasons, are unlike whites in significant respects. An example is black attitudes toward work. Employers who with the best will in the world are hiring the hard-core are confused by the tendency among blacks to disregard the time clock and the business world's standards of attendance, zeal, and obedience. This tendency exists, but is it wrong, or pathological? Another example is found in the liberals and do-gooders who are put off sharply by the resentment, never before so openly expressed, of younger blacks. Many of blacktown's former friends and advocates, especially among elderly faculty liberals and integrationists, are falling away because their paternalism is now met with rebuffs. The sin of ingratitude is keenly perceived by such whites, and their defection from blacktown's cause removes one more obstacle to the police state. A churchman complains. "They don't want our help." He should have said, they want help but no longer trust Whitey, even in a turned collar.

All of these attitudes can be explained by the psychologists, but the explanations are of little use, since they once again confirm the essential differentness of our largest minority and the impossibility and undesirability—in my opinion—of bringing this differentness into conformity with the accepted practices of white America.

Here is the problem of integration, which may be seen chiefly as an effort to turn black Americans into white Americans. Establishing integration as the goal of public policy is hypocritical and misguided. Whitetown would be far better occupied trying to figure out how to turn the differentness of the black community into an asset. This would mean giving blacktown substantial autonomy in all areas. It would mean separation, and black self-government under new federal principles, and black police, education, and political and economic power. But this is a separate argument and too emotion-laden and difficult to enter into here. I can summarize it by saying that it confers no dignity on blacks to let them know that they may, if they work hard enough at it, satisfactorily adopt the modes of whitetown. The price of such a transfer is, I believe, clearly the giving up of black identity, and too great for the majority of blacks to pay. Least of all is it any "solution" to our transcendent domestic problem—race.

I conclude that the social scientists cannot help white America much in its all-important task of dealing with blacktown.

There remain legal and political and governmental measures for dealing with blacktown. We liberals find here our consolation and hope. What is needed, we say, are more and more legislative and administrative provisions against discrimination, along with positive action, mainly of the compensatory variety, to assure blacktown equal access to the bounties of middle-class America.

It is true, as liberals argue, that there has never been as much attention given to blacktown as in the last two decades. The liberal assertion here is mushy, however, for it omits the all-important fact that virtually all gains have come as a result of demonstrations, resistances, and in recent years, rebellions and burnings. The liberal claim recalls the industrialists who brag about their high wage rates and forget to mention that they were not given but fought for and achieved by union action. The liberal counsel of patience is also valid, for it would take years for all of these well-meant laws and programs to take hold.

But I do not think that this approach, which is our chief reliance, will work. I do not believe that, taken together, the laws and ordinances and programs for "solving the race problem" amount to much more than an effort to pacify and make more governable an unruly section of the population. They seem to me mainly the measures that would be adopted by any colonial administration to keep the natives in order. This is indicated by the ebb and flow of official action. As many blacks have sourly observed, their demands are listened to only when the fires are going. When the chairman—white, of course—of a mid-western committee for betterment of economic conditions in blacktown was asked why a promised grant had been rescinded, he said, "No need to spend the money, things have quieted down." Blacks notice also that the moment any significant white interest is threatened, the shallowness of white concern is disclosed. The recent effort in Pittsburgh by blacks to obtain a fair share of heavy construction jobs in that city is an instance, as is the continuing high incidence of school segregation north and south, 15 years after the Brown decision.

There are many more examples at hand, but I can shortcut all of them by remarking that without exception they are fatally infected by white protectionism and white paternalism. I am forced to conclude that the legal-governmental reform methods of dealing with blacktown have been and are failing. We cannot cope because we no more have the requisite political imagination than we have the requisite moral compulsion.

But we must have some way of meeting this greatest of domestic crises. We must indeed, and have found it. It is the police state. The police are the effective rulers of blacktown today. Theirs is the paraphernalia of any police state: the procedures, the weapons, the psychological instruments of intimidation and repression. Theirs is the most important possession of all, the knowledge that they have the backing of white America. I invoke here the memory of the good Germans.

The harassment of the Panthers is a national scandal. Many of their members have been killed or wounded, and the rest feel under sentence of death. Twenty-one Panthers have been murdered by the police in the past year, and there would have been more stir in whitetown if twenty-one panthers in America's zoos had been wantonly slain. Whitetown never passes to ask whether the assertions of the Panthers are true, or whether their claims are just. They are different, and threatening to white complacency, and so their harassment is virtually unquestioned. Other black groups are under constant surveillance. So frequent are "on suspicion" arrests that emergency legal services in great variety have sprung up in the ghettos, but they do not come close to meeting the need and encounter moreover the unremitting hostility of the forces of so-called law and order. We read of no such harassment or violence against the organized white vigilante groups.

Frame-ups, impossible bail, unwarranted searches and seizures and similar practices are commonplaces of ghetto life. Helicopters hover over black neighborhoods, searchlights glaring and bullhorns shouting, and the protests of citizens go unheeded.

The readiness of police to use their weapons is a tenet of blacktown life. "Everyday I feel like a duck in a shooting gallery," a young black organizer says. The cop's trigger-finger is the gavel of justice in blacktown. One American city, Wilmington, Delaware, was under martial law for 10 months, and white America was scarcely aware of it, because the martial law was applied to blacks not whites, except for a few ornery white protesters. Public functions in blacktown are held by permission of the precinct station. Curfews are enforced. Recreation programs are instigated and conducted by police departments, ostensibly on a get to know your local cop basis, but also as a means of recruiting informers. Police are the Eumenides of the inner city.

Perhaps the most insidious practice of all is the infiltration by police of black institutions and organizations. The use of reformers, the setting of friend against friend, child against parent, is the most familiar of police state strategies. Its corrupting effects are widely felt in black town, where

[1] Christian Peace Conference, March 28, 1969, p. 1.

one self-help organization after another is ruined by the machinations of infiltrators or the suspicion that informers are everywhere present.

The police state is, moreover, achieving the results it set out to achieve. Young blacks intent on improving the conditions of their community have no place to turn. The lawlessness of the lawmen threatens them at every juncture. Intimidation is not yet complete, but the police—always with the sanction of the majority—are laboring mightily to make it so. Where hope flickered for a few months in blacktown, frustration and fear are now the presiding emotions. The cohesion among black groups that began to appear two years or so ago, with its promise of the establishment of self-respecting black endeavors, has broken down for reasons I have already given. White America wants a blacktown that is not troublesome, that never afflicts its conscience. It wants a colony that knows its place, and that will be a little drain either on pocketbook or spirit.

I realize that I shall be challenged sharply on all of these statements. It will be said that my police state amounts only to the precautions needed to assure the welfare and protection of ghetto residents themselves. It will be said that blacktown has brought on itself whatever police measures are being used. It will be said that my argument is mere mawkishness that disregards the real dangers of outspoken, tough blacks. It will be said that the true police state of the modern era, typified in Stalin's Russia, Hitler's Germany, and a horde of lesser Latin and other nations, is wholly unlike the description I have given. A police state of such a foreign, un-American character cannot, it will be said, happen here.

I do not propose to enter a dispute as to whether the police state in American cities does or does not resemble other authoritarian or totalitarian experiences. This is not an academic treaties but an angry comment on current events. The experience of ghetto blacks in the United States is what I am talking about. I believe that blacktown is experiencing a police state. How else does one explain the constant tension, the sense that a peril point is very near, a fuse ready to be touched off in blacktown? Is this black paranoia? Are these wild imaginings, or a human response to overbearing violence and threat? Of course most of white America does not share this sense of impending upheaval. Comfortable but frightened white America, under the banner of law and order, has sent its front-line troops, the police, into blacktown to keep things cool. My thesis, you will recall, is that this is the only way that satisfied whitetown can find of dealing with the restless, unhappy inhabitants of blacktown. The result is a police state that is honey-sweet on one side—exemplified by police supervision of recreation programs and anti-crime clinics at which informers are discovered—and on the other is charged with brutality and harshness, as in the constant hassling of blacks who are disliked or distrusted by police. The verities are the brutalities of blacktown, apparent and covert. The emergence of the police state has destroyed the few beginnings of genuine dialogue between blacktown and whitetown. It is far easier to intimidate than to confront.

This phenomenon is of course not especially new. The novelty today is its pervasiveness in the cities, to say nothing of the intransigent rural South, and the direct authority for it being extended by white America. I refer to the very large number of federal and local anti-crime and anti-riot measures that have been passed in the last two years. I refer also to Attorney-General Mitchell's proposals for making it easier for the police to go about their jobs. One of his proposals, you may recall, is for 'preventive detention' of suspects for as long as 60 days, without a charge being laid against them. This is a police state proposal pure and simple; and it comes from a Cabinet member. The police state is not, as some contend, merely the creation of the ethnic groups whose hostility to black incursion appears to be at an all time high point.

A police state is present when the police move from a service role, that of protection and peace-keeping, to a political role. I shall touch later on the political powers now being asserted by police organizations; for the moment it is necessary only to point to the number of police chiefs running for mayor in the large cities. This spring one city, Cleveland, came within an inch or two of a police putsch against City Hall.

Because of its peculiarly American aspects, it would not be accurate, I think to call this police state a totalitarian development. Though it has much of the stink of facism about it, this too is a not quite applicable term. The control mechanism decided on more or less consciously by the majority of complacent white Americans for keeping down a threatening minority might be called, for lack of a better word, *satispression*—the repression of the dis-satisfied by the satisfied. Satispression is not a handsome word, and I made it up merely to mark off the contemporary U.S. police state from its near-relatives in other continents. Satispression has come into being because of many factors. One of the most important is also one of the least talked-about. I refer to the desire of whitetown's political and economic power-holders to hang on to their power as black voters begin to achieve urban majorities.

Another factor is the anomalous part that the press is playing. Middle-class and white to the core, the press is leading its readers into believing that blacks and blacktowns are, first and foremost, a menace to their welfare. That this is an effect unconsciously achieved for the most part does not alter its impressive weight. Thus, we learn from our papers all about Black Pantherdom and its officers, and almost nothing about the heavily-armed anti-black vigilante groups, a far more numerous and threatening horde. But they have, where the press is concerned, the inestimable advantage of being white.

Americans seem to be pretty content with what they are doing in the ghettos. It is the contentment associated with American flags appliqued on windshields, with handguns, and with bumper stickers saying "America, love it or leave it." This is why I cannot "prove" that the police state exists; because no amount of evidence of brutality, maltreatment, injustice can prevail against whitetown's self-righteousness and indifference. One hears little clamor in whitetown against the lawlessness and the corrupting tactics of the police. Whitetown easily tolerates practices in blacktown that it would not stand for in its own neighborhoods. The good Germans, when they were willing to pay any attention, easily tolerated the frightful tactics of their police in dealing with Communists and Jews. They did not—most of them, anyway—think that they were living in a police state. They thought that they were sanctioning only those laws and practices needed to preserve order and to keep the nation secure against its enemies. Since these laws and practices took effect only in distant ghettos and against strange, despicable people, how could good Germans consider them anything but the most reasonable preservation of law and order?

A year ago this time I felt that a civil war—whitetown against blacktown—was inevitable, and said so. I thought then that it would be precipitated in the early part of this summer. My timetable is off, and I believe there are good reasons for it. These reasons, which I believe to be superficial and of no lasting importance, are (a) programs for black betterment are proceeding, (b) the moderates in black communities are increasing in numbers and political and social influence, appearing on TV, taking part in church group action, etc., and (c) there is no cohesion among young militant groups.

There are other and more valid reasons too. One is that blacks are scared for their lives. There is talk of survival now where there was talk of the "black rebellion" as recently as six months ago. Many blacks I know believe that the elaborate lawnorder projects are military preparations to move against the ghettos at any provocation. The result is that many are subdued and apprehensive that they themselves and their families are likely to be killed or jailed, with the probabilities rising sharply with the known militancy or radical political attitude of the black. In question. Thus the police state succeeds.

These fears are warranted, I believe. Blacks are correct in seeing themselves as the pretext for the wave of satispression sweeping the country. They are correct in seeing themselves, along with the radical young, as the object of statutes that give legal form to satispression. We can never forget that Nazi Germany was run according to law. Legal historians say that Hitler never violated a law. Hence he was called Adolf Legalite. Our present policies and laws now being adopted are avowedly to keep down civil turbulence, and they may temporarily succeed in doing so. They seem to me also to be likely to ignite a civil war, or at least not at all designed to prevent it. But such a conflict will not be started by blacks, though every effort will be made in such an event to make it appear that blacks are the aggressors. This after all is the chief justification of today's police state.

My idea as to how civil war might erupt owes much to Prof. Arno Mayer of Princeton, the great theorist of counter-revolution. But he should not be blamed for my misuse of his notions. I have felt that civil war was most likely to be precipitated by one or another of the numerous counter-revolutionary groups, many of them ethnic in composition, standing in the wings of most urban centers awaiting a suitable provocation, a suitable pretext to launch a virtuous assault against the black community somewhere or other.

Such are the tensions, especially between the ethnic groups ringing blacktown and young blacks, that I felt a pretext was readily available, so that at any moment that a counter-revolutionary group felt public sentiment was ripe and hot, an attack would be made. Thereafter the police, the legitimate bearers of violence-authority, would come immediately into the picture—but how, and on whose side?

Let us visualize the scene: whites attack blacks in an organized way. The police arrive, and have three choices: first, to step between the combatants and try to calm things, like a UN peace force, or British troops in North Ireland; second, to go to the assistance of the black community, which has been attacked; third, to ally themselves with the attackers. Which one?

There is, I believe, only one plausible answer. The police would ally themselves with the white attackers. This would be, as a matter of fact, the most important calculation preceding the attack of the counter-revolutionary group, the calculation that whitetown's feelings toward blacktown had become so inflamed as to assure that the police would be their allies from the begin-

ning. It might even be planned that way. On September 9 the UPI reported from Detroit, "Open hostility exists between the mainly white police department and the city's black population (of nearly 40 percent.)"[2]

This seems to me a wholly probable little playlet, and still seems to me the way a civil war in this country is most likely to begin. It has not done so, in my judgment, merely because the police and legislators have been willing to do the dirty businesss of the vigilante groups. The law and order impetus of the white majority, carried from policy to action by cops and the military, has made needless—so far at least—action by the paramilitary organizations. There are many of these in major metropolitan centers, but, as I have already said, the mass media have characteristically ignored or played down these organizations, and have instead concentrated on the activities of black groups and their leaders. The harrassed Black Panthers are the best but far from the only example.

It is time to hear again from the critics of my thesis. There is more crime in the ghetto than elsewhere, is there not? The Panthers are a lawless and anarchistic gang, are they not? The actions and statements of angry, discontented blacks are threats to the stability and welfare of the community, are they not?

To all these questions the answer is yes. But my proposition continues to be that white America's response has been to authorize a police state as the only means of coping with these situations. White America has ignored the true causes, has brought little compassion and less imagination to the massive challenges of blacktown, and has encouraged lawlessness and corrupting practices by lawmen. The prior question is what we want. Do we really want a police state, in blacktown or anywhere else? For there can be no greater folly than to think that, in elevating the police to positions of arbitrary power, we can prevent this power from running far beyond the boundaries of blacktown.

It is instructive to note the extent to which this power already is beyond the control of elected officials. This power appears more and more to reside in the police trade unions—the police benevolent and fraternal organizations. These unions are increasingly dictating to mayors and police commissioners what the police will and will not do: the weapons they will use, the circumstances under which they will use them, the methods to be employed with suspects or crowds. In many cities the police are already in a state of near-revolt against their elected superiors, and this mood is encouraged by the police unions. It need scarcely be said that these unions are conservative and self-interested. These organizations naturally favor strong-arm over non-violent methods, direct action against conciliation, station-house confessions to the laborious job of proving criminal acts, the judgment of the man on the beat over the judgment of his civilian superiors. Their resolutions are a frequent source of the "coddling the criminals" complaints against the courts which compel police to use the more difficult legal methods. Theirs is the discredit of having defeated most proposals for civilian review boards.

Even the well-established conservatism of New York's patrolmen's Benevolent Association, the country's largest police union, is not enough for some 5,000 of its nearly 30,000 members. These 5,000 policemen formed a Law Enforcement Group, an insurgent group inside the PBA, to "get tough". Spokesmen for the Law Enforcement Group said it had been organized to meet the need for a national organization "that is anti-crime and pro law and order"—intimating that the Benevolent Association was not enough of either. I hazard the opinion that these unions will prove the most intractable and dangerous to the general welfare of any in the nation's history.

I have simplified a complex phenomenon, or rather, a series of complicated and interwoven issues. The rapid development of a legitimate and necessary police power into what I have chosen to call in all its starkness a police state is merely the most formidable and threatening of the multitude of developments going under the general rubric of urban crisis.

As I have not made as clear as I might, this development is nourished by many other ugly developments. There are the obvious ones: for example, the mindless overcrowding of metropolitan America in the absence of any effort either to discover policies that will keep people on the land or to entice them back to it. There is the domination of ghetto economy by outsiders: white sharks in black waters. There is the apparently irresistible tendency of bureaucracy to dehumanize all transactions, whether social, political, or economic, and especially blacktown's transactions with official whitetown, whether at the welfare office or with the police. There is the legacy of bad jobs, bad education, bad housing, systematic neglect by affluent rulers all along the line; and with it blacktown's realization that its needs are only attended to under the threat or actuality of civic turmoil. So when I argue that we must have a police state in our central cities because I know no better solution, I am arguing also that the accompanying problems are equally beyond solution.

I am also aware that I appear to be making police the goats of this account. This is not my intention. Policing is a perilous, hard line of work, almost inevitably engendering cynicism and a hardboiled attitude. Bad hours, low pay, and no great public affection, I realize, is the policeman's lot. Nevertheless, it is natural if deplorable that the police should step into the civic vacuum created by white ignorance and distaste for blacktown's conditions. For their own welfare the police should be the first, not as now is the case among the last, to demand full-scale programs for the amelioration of blacktown, where admittedly the greatest dangers await them.

The tendency of those armed by the state to take over the state was recognized from the outset of the nation. Hence the provisions in constitution and statute for civilian control of all bodies legalized by the state to do violence. As Prof. A. C. Germann remarks, however, "Any police agency that accepts the task of 'community bully,' even if tacitly agreed to by community silence, and regularly bugs the hell out of its minority groups, peace groups, hippie groups, youth groups—unpopular groups—will sooner or later have 'a lot of chickens coming home to roost,' and that is now the case in many American communities."[3]

I do not want to involve Prof. Germann in my contention that we already have a police state in most of our great cities, and in some of the smaller ones as well. But he speaks directly to the point:

"If," he says, "the majority community is more willing to supply its police with mace, armored vehicles, sniper rifles, barbed wire, and hollow-point bullets than it is willing to scrutinize police field operations and eliminate ineffective, illegal, and degrading practices, that community surely deserves the chaos that is certain to come."[4]

I have no expectation that I, or anyone else, will soon convince white America of the existence and growth of a police state that is bearing down ever more heavily on their black fellow-citizens—not to mention the other groups named by Prof. Germann. A Gallup poll divulges that 81 per cent of Americans think that there is no such thing as police brutality. I imagine that a poll in Nazi Germany would have disclosed a similar complacency among the good Germans. These same Americans saw Chicago police in Grant Park at last year's Democratic Convention. They read almost daily of murder by police in some blacktown or other. They know of stop-and-search operations, of curfews, of the constant hassling and roughing-up of young blacks. They may know that the number of civilians killed by the police in this country is more than three times the number of policemen who lose their lives while on the job, and that the opposite is the case throughout Europe. They may even know that "in all the upheavals that have rocked European countries lately, only one civilian died as a result of police action."[5] They almost never see police brought to account for their actions. Let me read a few recent headlines from the Los Angeles Times:

"Youth Slain (by Police) in Tragic Error."

"One out of Every 10 Lawmen in County Accused of Malpractice: Most Frequent Offense is 'Use of Physical Force.'"

"Burglary Suspect, 14, Killed in L.A. Market by Deputy."

"Slaying of Sniper Suspect Ruled 'Not Criminal.'"

"Police Actions Termed 'Harassment.'"

Once again I must stress that I am not solely condemning the police, though they, no less than Hitler's agents, must be held responsible for their actions. I am asserting only that our tradition of violence, abetted by the ignorance and willful blindness of whitetown—the American counterpart of the good Germans—and immensely stimulated by resistance in blacktown, have together resulted in satispression, a police state, and the establishment of the police as a political entity.

Few in whitetown will agree with the urban pathology I have sought to illuminate. I grant that my thesis is not heavily documented. For those wishing a closer inspection of the facts I refer to the Kerner Commission report and to the several studies of the Commission on Violence, of which Prof. Germann's paper is an admirable example. I have only done what these reports did not do, put a line under all the findings and add them up. The sum is the police state.

Yet before Americans can be persuaded to do anything significant about this condition, I fear that even more pointed evidence will have to be offered. Then I see the urgent need for a city-by-city Report on the Prevalence of Police State Practices. Assembling such a report would be worthy of Ralph Nader's attention, for it most requires independence, energy, and healthy disrespect of conventional opinion and authority. Perhaps he would consider bringing together a counterpart of that valiant band, Nader's Raiders, that has lately uncovered so many stagnant and hidden pools in official Washington. Only such a diagnostic technique, dealing with both the producers and consumers of police state practices, would stand a chance of bringing white America face to face with its most foreboding contemporary creation.

There is some irony in the public and Congressional revolt we are now witnessing against that other formidable bastion of legitimated violence, the Pentagon. Today budgets are cut, new arms programs questioned and sometimes eliminated, and even

[2] Santa Barbara News Press, p. 3.

[3] The Problem of Police-Community Relations, California State College, October 1968, p. 4.

[4] Ibid., p. 4.

[5] How the Police Work, New Republic, Aug. 2, 1969.

the preponderant role of the military in foreign policy appears on its way to dilution. All this at a moment when the domestic military force is achieving a never-before-countenanced role in urban affairs.

Public reason is beginning to prevail with respect to the domination of the Department of Defense because it has become evident that we have been foolishly frightening ourselves, almost to death, about dangers that are non-existent or magnified immensely out of scale.

It would be nice to think that public reason might also prevail soon with respect to events and problems within our borders, where we are similarly frightening ourselves silly. The problems are all there, and intractable enough; but they cannot be solved by force any more than we have solved Viet Nam with a hundred billion dollars worth of violence.

I am afraid, however, that we are a long way from a reign of public reason in blacktown. I am more afraid that in the meantime we shall do our best to reinstate docility and submissiveness in our black fellow-citizens as their only proper attitude.

I am most afraid that we shall soon have our own Reichstag fire, and that a shameful civil war will erupt, and bloody our conscience and honor for generations to come.

Mr. MIKVA. Mr. Speaker, I thank the gentleman for his comments.

I was in Jackson, Miss., as was the gentleman from Michigan. We were at the funeral for James Earl Green. Mr. Green was no Black Panther; he was a 17-year-old high school senior walking home from work, and he was struck down in a senseless fusillade of gunfire by the Mississippi State Police that killed two and wounded many more. His entire crime was that of walking down the sidewalk across from the ill-fated women's dormitory of Jackson State College that day. I too, Mr. Speaker, inspected the facade of that dormitory, and I too have concluded that it is nothing short of a miracle that the dead were not numbered in dozens. I hope that I never again see anything in this country as close to a domestic search and destroy mission as that.

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

Mr. MIKVA. I yield to the gentleman.

Mr. STOKES. Mr. Speaker, the comments just made by my colleague, the gentleman from Michigan, have just reminded me of one other item that I should like to ask permission to have included in my remarks.

I refer to some remarks which were recently made by a police chief in California who has had a great amount of dealing with the Black Panthers out there. You would expect that his remarks regarding the Black Panthers would be rather vituperative.

To the contrary, however, in trying to explain to the rest of this Nation what causes Black Panthers, this police chief in a very articulate manner describes to this Nation the kinds of conditions that have fostered and created situations in which this Nation now has groups such as the Black Panthers.

Mr. Speaker, I think for the benefit of my colleagues, I would like them to see these comments which were printed in an editorial in the Cleveland Plain Dealer recently, and I would now at this time ask for permission to include this editorial as a part of my statement at this time.

The SPEAKER pro tempore (Mr. GRAY). Without objection, it is so ordered.

There was no objection.

Mr. STOKES. Mr. Speaker, the editorial to which I refer is as follows:

LESSON FROM THE PANTHERS

The recent statement about the Black Panther party by the police chief of Oakland, Calif., is pertinent because the chief has been concerned with the Panther problem ever since the party came into being in his city and state three years ago.

It would have been easy for Chief E. R. Gain, drawing upon his Oakland experiences, to denounce, to express bitterness and to make otherwise nonconstructive comment. Instead, he got to the root of the matter. His clear view is worth emphasizing:

"The American people," Chief Gain said, "should recognize that the phenomenon of the Black Panther party is not at all unique, given the violence of our society, given the divisions in our country, given the plight of the poor blacks in our cities . . . The Black Panther party is a retrogressive, irrational, ambiguous movement . . . It could not survive were it not for the underlying conditions under which black people are forced to live.

"If the poor black man in this country could only have hope. If he could see a national government where a president would speak up and see their plight and promise a national commitment to change it. If they could sense that hope, they would end the Black Panther party and its present platform . . .

"But they have not been given that hope. President Johnson refused to endorse the Kerner Commission report (on civil disorders) . . . President Nixon hasn't endorsed the Eisenhower Commission report (on the causes and prevention of violence). These reports just sit there on the shelf. There is no national commitment to do something about creating jobs and housing and hope.

"So you have Panthers and you have crime which is caused by poverty. We can deal with it for the short run with more and more policemen and you may wind up with a police state. Or we can make the kind of commitment that has to be made to correct these conditions. It's up to us, and the Panthers have very little to do with it."

Mr. MIKVA. I thank the gentleman from Ohio.

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

Mr. MIKVA. I yield to the distinguished gentleman from Missouri.

Mr. CLAY. Mr. Speaker, I would like to commend the gentleman from Chicago for presenting us with an opportunity and a forum in which we can discuss this grave situation that has evolved in our country with regard to the administration of justice, not only for black people, but for all people who happen not to be in the power structure of our Nation.

I wish to join with my other colleagues in the remarks they have made prior to my speaking, and I wish to say I am in full agreement with those remarks.

Mr. Speaker, the circumstances surrounding the "murders" of two members of the Black Panther party in Chicago is a sad commentary on the administration of justice in this country. While those in high government office are demanding respect for law and order, people across this country are being legally executed by those who are supposed to enforce the law. The killing of the two Panthers in Chicago is not an isolated case. It must be viewed in its totality and compared with the hundreds of blacks in this Nation who are killed annually by police officers under very questionable circumstances.

A passage from the grand jury report documenting what happened on that December night in Chicago vividly points out the absurdity of law and order proponents. "The whole concept of going on a raid in a high-crime density area to obtain weapons from known militants—led by a convicted felon believed to be dangerous—with only 14 men, in plainclothes, in the dead of night, with no sound equipment, no lighting equipment, no tear gas, and no plan for dealing with potential resistance seems ill-conceived," the grand jury concluded.

Mr. Speaker, the Black Panther shootout leaves a great deal unexplained. In addition to the two Black Panthers killed, four others were wounded by police in that raid at the 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?

Either the State's attorney general was not an eyewitness of the crime, or the persons who informed him of their crime deliberately misled him. It raises some other questions, too. If the State's attorney general were an eyewitness of a crime, and described it in such a fashion as to mislead the public by saying there was shotgun fire coming out, the police officers took cover, and then the people inside continued to fire and continued to fire, and that the police officers only shot in self-defense, and if the evidence produced by the grand jury is such that they can prove that only one bullet, if any, came out, then, in my opinion, Mr. Hanrahan is a liar, and if he were not an eyewitness to that crime, and he relied on other people to give him the information, and they deliberately misled him in this instance, then the other question that I would like to raise is, Will Mr. Hanrahan have the same diligence and the same tenacity to prosecute those who deliberately misled him as he had in attempting to prosecute members of the Black Panther party?

I would like to say again that this killing in Chicago was not an isolated

case. It happens across this country. In my district, for instance, in St. Louis in the last 3 years we have had black people shot by police officers who had apprehended them and arrested them and cuffed their hands behind their backs, and between the time they cuffed their hands behind their backs and the time these particular people arrived at the police station, they were killed by police officers, two of them shot in the back. The police claimed they were attempting to escape—with their hands cuffed behind their backs.

Just recently in my district in St. Louis a police officer sent out an emergency code that a riot was taking place in a public housing project, and this was an integrated housing project, black and white people living there, and a police officer claimed that a sniper had fired at him from a rooftop in an 11-story building. There were over 2,000 people living in that building, and he claimed that one shot was fired at him, and over 100 police officers with automatic weapons, some of them illegal—and we have pictures of the illegal weapons that they used—sprayed that public housing project at 10 o'clock in the evening when more than 2,000 people were at home, and they shot out hundreds of windows of innocent people and jeopardized the lives of thousands of people. This is the kind of response that we are getting across this country today by police officers who are overreacting in most instances.

I, too, visited the campus at Jackson State College, and I think that it is shameful that police officers and highway patrolmen, as occurred in the incident at Jackson State College, can roll a tank up on a university campus mounted with a machinegun and spray bullets into a dormitory, a girls' dormitory, as they did at Jackson State College. I think that this is indicative of the depths to which we have sunk in this country. I agree with the previous speaker that there will be no respect for law and order in this country until those who are responsible for enforcing law and order begin to respect it themselves.

I include some articles from various newspapers commenting on the killing of the Black Panthers in Chicago.

Mr. Speaker, I would like to commend the following articles to the attention of my colleagues.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The articles are as follows:

[From the St. Louis Post Dispatch, May 18, 1970]

POLICE 82, PANTHERS 1

The obvious questions to be drawn from the federal grand jury's report on the Black Panther shootout in Chicago last December are whether the police opened fire without cause on the nine occupants of the apartment they raided and whether officers then proceeded to falsify evidence so as not only to protect themselves but also to assure that the seven survivors were sent to prison.

That more damaging evidence against the police was not revealed by the jury can in large part be blamed on the Panthers themselves. The seven survivors of the raid refused to cooperate with the jury, convinced it was stacked against them. That, it is now apparent, was not so. It is a credit to the persistence and keen judgment of the jury that it was able to go as far as it did in exposing the police conduct in the matter under the circumstances.

Here, in short, is what the jury found: The police fired 82 shots, the Panthers one, a far cry from the running gun-battle account given the press immediately after the raid. The police laboratory left in the apartment at least 80 bullets and casings and numerous other items of evidence, gathering only that evidence which would support the police version of the one-way shootout. The laboratory did not ask the raiding police to turn over their weapons for ballistics tests until after the seven Panthers had been indicted and questions about the indictment arose. The inquiry conducted by the police department's internal investigation unit was "so seriously deficient that it suggests purposeful malfeasance." The coroner's report reversed the entry and exit wounds in Fred Hampton's head. The coroner falsely reported that the contents of Hampton's stomach had been analyzed as part of the autopsy. The indictments against the seven surviving Black Panthers were based on "mistaken" evidence. Charges against the seven were dropped by State's Attorney Edward V. Hanrahan only after the federal grand jury notified the court of the "mistaken" evidence.

One can only speculate as to what might have happened to the seven if an independent investigation of the shootings had not been undertaken by a federal jury. The panel suggested that a subsequent grand jury investigate whether the Panthers' refusal to testify constituted obstruction of justice. What the Panthers' might do is use the second grand jury to urge that charges are brought against the appropriate police and public officials, an opportunity they had with the first jury but stupidly forfeited. If the Panthers refuse to co-operate with the second jury they have little cause to complain that "the system" will not allow justice done.

But one needs no sympathy for the Panthers to realize that police above all must be held to strict accountability for the law, for the sake of all citizens. No one needs a shoot-'em-up police force.

[From the St. Louis Post Dispatch, May 19, 1970]

FALSIFICATION AND MISREPRESENTATION—HOW FEDERAL GRAND JURY DESCRIBED POLICE IN BLACK PANTHER CASE

(Excerpts from a 249-page report filed by a United States District Court grand jury at Chicago which investigated the police raid on a Black Panther Party apartment last December.)

CHICAGO.—The great variance between the physical evidence and the evidence and the testimony of the officers raises the question as to whether the officers are falsifying their accounts.

At an absolute minimum, the participating officers say they were fired at with 10 to 15 shots. Yet, only one bullet hole, one shell and one projectile—all associated with the blast by a slug through the living room door—can be identified ballistically as having been fired by the occupants. The most plausible explanation, but one rejected by the officers, is that in the darkness and excitement they mistakenly attributed to the occupants the fire of other officers.

It is impossible to determine if there is probable cause to believe civil rights have been violated without the testimony and co-operation of the surviving Panther members. This co-operation has been denied to the grand jury. Given the political nature of the Panthers, the grand jury is forced to conclude that they are more interested in the issue of police persecution than in obtaining justice.

The whole concept of going on a raid in a high crime density area to obtain weapons from known militants—led by a convicted felon believed to be dangerous—with only 14 men, in plainclothes, in the dead of night, with no sound equipment, no lighting equipment, no tear gas and no plan for dealing with potential resistance, seems ill-conceived. The grand jury believes that a professional police department would not have adopted such an approach.

The crime lab of the Chicago Police Department was responsible, in part at least, for a totally inadequate search and for a grossly insufficient analysis. The team recovered but seven items and left behind at least 80 projectiles and casings and at least as many other items of physical evidence. The testimony that the team's only purpose was to gather evidence supporting the officer's stories, makes it clear that there simply was no thorough professional examination made of the premises. Similarly, the work done by the lab after it received the limited amount of evidence submitted displays questionable professionalism.

The performance of the internal investigations division of the Chicago Police Department was so seriously deficient that it suggests purposeful malfeasance. The regular channels of the IID were bypassed. No officer was given the opportunity to explain what happened in detail and all the subordinate officers were asked only to ratify their sergeant's account—which itself was based not only on prepared questions, but suggested answers composed by a police lawyer and shown to the sergeant in advance.

Nor did the IID investigate any potential violations of Police Department regulations by the officers. When Superintendent James R. Conlisk was told that proposed answers, as well as the questions, had been prepared and discussed, he said: ". . . I am flabbergasted to think that such a thing could exist."

Moreover, the publication of the results of this "investigation", in the view of the grand jury, was misleading to the general public by inferring that a legitimate investigation was held.

It must be reported that the Panther tactics and policies help create much of the very tension and conflict they have complained of in this and other cases. While the grand jury has focused on the civil rights guaranteed by the Constitution, any analysis of law enforcement problems in this case must make it clear that there is no intention to defend or excuse any violations of state and local law. In this case, the state's attorney's police did, in fact, seize and remove from public circulation 19 weapons and a large quantity of ammunition. The fact that the raid was poorly planned and executed and the evidence was mishandled does not mean that there should have been no raid.

This investigation establishes reasonable grounds to question whether the continuation of the coroner's office is desirable. The findings were based on incomplete evidence and, in fact, were not binding on anyone. Nor did the medical work seem to be of high caliber. The reversal of the entrance and exit hole made by a bullet in Fred Hampton's head and the misdescription of one of Hampton's wounds could have caused serious repercussions. The understaffing, inadequate procedures, use of an unlicensed pathologist indicate serious problems.

The pathologist from the coroner's office misrepresented the autopsy procedures which he followed by stating that he had opened the stomach of Hampton and examined its contents. In fact the stomach was untouched. . . .

One of the matters which the grand jury took up was the question of why the raided premises were not sealed or otherwise made secure until almost two weeks after the incident. The civil authorities which could

have sealed the premises while a detailed and thorough examination was made all declined responsibility for the failure to seal.

Not only did the state's attorney's police fail to turn in their weapons for testing, the crime laboratory did not even request them to do so until after a mistaken report was prepared and indictments based on it. When the grand jury received evidence from the FBI that the police crime laboratory had incorrectly identified two shells as having been fired from the weapons seized from Brenda Harris and that there was thus evidence of only one shot having been fired by Panther weapons, it promptly notified the court of a potential miscarriage of justice.

The grand jury had evidence that part of the evidence upon which those indictments charging the seven survivors with attempted murder had been based was false.

The grand jury believes that the action of these Panther witnesses in refusing to testify is without legal justification and is nothing more than political posturing to publicize the Panthers' position on juries. The jury recommends that the conduct of Mr. Bobby Rush, Panther minister of defense, in formulating and announcing the Panther policy against co-operation, should be carefully evaluated by a subsequent grand jury to determine if it violates federal laws prohibiting obstruction of justice.

[From the Washington Post, May 25, 1970]

THE POLICE AND THE BLACK PANTHERS

The report of the federal grand jury which investigated a police raid on a Black Panther apartment in Chicago last December is a stunning document. It demonstrates, in the most vivid terms, why some Negroes in this country regard the police as their natural enemy and demand that the entire system of American government be changed. But it also demonstrates that this system of government can work to protect those same Negroes if only they will use it. Because it is so rare for a single document, for a single case, to present both aspects of this feeling of distrust and fear, we are publishing elsewhere on this page today extracts from the grand jury's findings.

One cannot read the entire report, which runs well over 25,000 words, without being appalled at the conduct of law enforcement agencies in Chicago. The story of the raid, as pieced together by the grand jury, would sound like an episode out of the Keystone Kops if it were not so tragic. The raid, an attempt to serve a search warrant for illegal weapons, was poorly planned and ineptly executed. The police contend to this day that they met heavy resistance; they told the grand jury the Panthers fired 10 to 15 shots at them at a minimum. But the grand jury discovered that of the 83 empty shells subsequently picked up in the apartment, 82 had been fired in police weapons. And of the 56 bullets that were recovered, 55 were fired in police weapons. The only physical evidence of Panther shooting the grand jury found supports the police contention that a Panther fired first. But none of the physical evidence supports the police story of a firefight. The grand jury concluded, "The most plausible explanation, but one rejected by the officers, is that in the darkness and excitment they mistakenly attributed to the occupants (of the apartment) the fire of other officers."

Regardless of what happened in that apartment, there is plenty of other material in this report to convince black militants and many others that the police were less interested in upholding the law and seeing justice done than in getting the Panthers and covering up any illegal tracks they made in getting them. The grand jury said that the police search of the apartment was unprofessional, that the police investigation of the actions of the raiding officers was a whitewash, that the coroner's autopsy was incompetent, that some of the information released by the prosecutor to news media was clearly erroneous, and that the man who made ballistics tests for the police knew they were inadequate (they were also erroneous) but feared for his job if he said so.

With this kind of conduct by law enforcement officials—it is not hard to see in it a deliberate plot to convict the surviving Panthers of attempted murder on false evidence—how much more does a militant who thinks the American system is oppressive need to decide that he has no chance for justice and equality as long as that system exists?

The grand jury report is in itself an interesting answer because the grand jury is a part of that system and it was ready to act against the police. The investigative job done by the Federal Bureau of Investigation and the Department of Justice was superb and led directly to the dismissal of the indictments against the surviving Panthers. The evidence of police misconduct these two agencies supplied the grand jury was so substantial that the jury begged those survivors to provide it with the additional evidence it needed for an indictment. They refused on the ground that they would not testify before a jury most of whose members were white. The following exchange between an assistant United States attorney and one of the survivors tells it better than we can:

"Q. So I say to you again that this is the only grand jury you have got, and this is the only body in existence at this time who has power to do anything. . . .

"You have a small child, Miss Johnson, and I am convinced and I think the grand jury is convinced that what happened on December 4th, 1969 should not happen again. But their power to act, Miss Johnson, is tied into your power to cooperate with this grand jury, and I would hate to read two weeks from now or two months from now or two years from now that there has been another shoot-out in Chicago or any other city where two men are killed and four people are wounded. If I do read that, Miss Johnson, and if you read it, then I think we can both say one of the reasons this has happened is because you sat on this stand with the power to do something about it and rhetoric was more important to you than justice. . . .

"A. I have nothing to say to this grand jury."

This whole episode, it seems to us, sums up one of the major tragedies of our time. The government—in this case the law enforcement agencies of Chicago—has provided a substantial reason for some citizens to believe that there can be no justice for them. For lack of faith—and not without some reason—those citizens have helped make that belief come true by refusing to accept justice when it is offered. That is the awful dilemma, for the system of law enforcement can only be reformed or improved if all citizens are willing to help. This grand jury tried; the Black Panthers would not.

[From the Washington Post]

THE GRAND JURY REPORT ON THE PANTHER RAID

At 4:45 a.m. last December 4, a force of policemen assigned to the state's attorney's office in Chicago began a raid on an apartment occupied by a group of Black Panthers. Within the next 10 minutes, almost 100 shots were fired. Two Panther leaders were killed. Four other occupants of the apartment were wounded, police seized 19 weapons and a large quantity of ammunition. The raid has become a *cause celebre* of the Black Panther movement, whose leaders claim it was planned deliberately to kill Panthers. The police claim it was a legitimate raid aimed at confiscating an arms cache.

On May 15, a federal grand jury released a 25-page report on its investigation into that raid, an investigation led by a team of Justice Department lawyers and aided by the Federal Bureau of Investigation. That report finds the stated purpose of the raid to have been valid but its planning and execution "unprofessional." The report denounces the Chicago law enforcement agencies, the news media, and the Panthers for subsequent acts. The grand jury could find no evidence, for instance, that more than one shot was fired by a Black Panther, although the police insist many shots were fired at them. It found that a Chicago ballistics expert incorrectly identified bullets as coming from a Panther gun when they came from police guns; that a pathologist hired by the Panthers incorrectly said Hampton was drugged at the time of his death; that the coroner reported examining Hampton's stomach when he had not done so. The grand jury clearly implies that it might have indicted some policemen for their actions except for the refusal of the Panthers to testify.

The following are extracts by this grand jury . . . has presented a rare opportunity to evaluate the effectiveness of various law enforcement agencies and, indeed, the whole legal system. . . . Such an analysis of our law enforcement machinery is especially appropriate at a time when the basic fairness and fundamental competence of the American Legal System is constantly questioned and, by some, totally repudiated. The analysis which follows is disappointing because it demonstrates serious shortcomings in the performance of some public agencies and mutual suspicion among the individuals involved that seems almost paranoic.

THE POLICE AND PROSECUTORS

The grand jury concludes that the state's attorney's office should discontinue or minimize the use of police assigned to it for normal police department functions such as the service of search warrants . . . The grand jury believes the facts show that the state's attorney's police are neither trained nor equipped for such major undertakings.

The problems inherent in using the state's attorney's police in this way are readily apparent. It was never clear who was responsible for the crime scene, either its search or its security. Police department officials say the state's attorney's officers had the responsibility because it was their raid, and the police department only provided assistance as requested. The state's attorney said that when the police crime laboratory men arrived, the whole scene was their responsibility. As a result, no gun was tagged or fingerprinted, no record made of where it was found, no proper inventory was made and no record shows what ammunition was in each, if any. The scene was abandoned by 7:30 a.m. through an unexplainable series of conflicting orders . . .

Moreover, the whole concept of going on a raid in a high crime density area to obtain weapons from known militants—led by a convicted felon believed to be dangerous—with only 14 men, in plainclothes, in the dead of night, with no sound equipment, no lighting equipment, no tear gas and no plan for dealing with potential resistance seems ill-conceived. The grand jury believes that a professional police department would not have adopted such an approach . . .

The operation of (the Chicago police crime laboratory) in this case indicated a serious lack of professionalism and objectivity. The whole purpose of a crime laboratory is to gather and analyze evidence. A scientific approach, in the grand jury's view, is necessarily objective and unbiased. It is inconceivable how the activities of the mobile crime lab team can be justified in light of this standard. The team recovered but seven items and left behind at least 80 projectiles and casings and at least as many other items of physical evidence. The testimony of the team leader that the team's only purpose

was to gather evidence supporting the officers' stories, makes it clear that there simply was no thorough professional examination of the premises . . .

Similarly, the work done by the lab after it received the limited amount of evidence submitted displays questionable professionalism. While any firearms examiner can be excused a mistake—even one with serious consequences—there was more involved here. Not only did the state's attorney's police fail to turn in their weapons for testing, the crime laboratory did not even request them to do so until after a mistaken report was prepared and indictments based on it and after this grand jury investigation was initiated . . .

In short, the crime lab was responsible, in part at least, for a totally inadequate search and grossly insufficient analysis. The testimony of the firearms examiner that he could not have refused to sign what he believed was an inadequate and preliminary report on pain of potential discharge is highly alarming. If true, it could undermine public confidence in all scientific analysis performed by this agency . . .

The performance of (the Internal Inspection Division) of the Chicago police department—the branch dedicated to impartial and objective investigations of police conduct—was so seriously deficient that it suggests purposeful malfeasance. The regular channels of the IID were bypassed. Instead of a complete investigation of any of the factual controversies raging in the press, the investigation consisted only of gathering all police reports, soliciting cooperation from counsel for persons accused of crimes (knowing that no defense counsel would permit pre-trial statements by an accused) and asking the officers involved a few simple conclusory questions in which they denied wrongdoing. No officer was given the opportunity to explain what happened in detail and all the subordinate officers were asked only to ratify their sergeant's account—which itself was based not only on prepared questions, but suggested answers composed by a police department lawyer and shown to the sergeant in advance . . .

Moreover, the publication of the results of this "investigation," in the view of the grand jury, was misleading to the general public by inferring that a legitimate investigation was held. The grand jury found a more detailed account of the raid in The Chicago Tribune than it did in the IID files . . .

Nor did the medical work of the coroner's office seem to be of higher caliber. The reversal of the entrance and exit hole and the mis-description of one of Hampton's wounds could, in some cases, have caused serious repercussions. The understaffing, inadequate procedures, use of an unlicensed pathologist, loss of a crucial dicta-belt and reliance on dieners (autopsy assistants) to do work such as fluoroscopy indicate serious problems.

THE MEDIA

In the view of the grand jury, improper and grossly exaggerated stories were reported almost daily in the Chicago media. It seemed to become a kind of publicity contest with everyone involved releasing more and more to newspapers and other media who published anything and everything. Thus, the smoke had hardly cleared before Panther spokesmen claimed murder, and their claims were published. Similarly, the injured policemen made immediate statements to the press at the hospital which were either grossly inaccurate or grossly distorted. The ensuing escalations . . . culminated in a television spectacular being acted out by the policemen who did the shooting. While we can understand the state's attorney's position—that he felt obliged to respond to widely published charges made by Panther spokesmen—the jurors cannot accept this as justifying the extraordinary television show or the exclusive (and in part erroneous) Chicago Tribune account . . .

The media must accept responsibility for some of the problems of pre-trial publicity. Especially where the public is intensely interested in a case, the journalists must recognize their duty of accurate and balanced reporting. In a competitive press, sensational headlines reporting unproved and unchecked allegations undoubtedly attract readership, but, if in error, they also publicize misinformation, sow distrust among citizens and may even prejudice the interests of justice.

Nor can the grand jury justify the equally prejudical approach of attorneys for the apartment occupants. Press conferences were held by defense counsel and expert witnesses, which, at least in one instance, resulted in the widespread dissemination of totally erroneous information on drugs with no foundation at all that Hampton was intentionally murdered after being drugged . . .

THE PANTHERS

Organizations such as the Black Panther Party present law enforcement problems of the most serious dimensions. It must be reported that the Panther tactics and policies help create much of the very tension and conflict they have complained of in this and other cases. While the grand jury has focused on the civil rights guaranteed by the Constitution to all persons, any analysis of law enforcement problems in this case must make it clear that there is no intention to defend or excuse any violations of state and local law. Certainly, gathering large numbers of unregistered firearms and ammunition is not an act of peace. Public advocacy of violence toward policemen is not an appeal for justice. The constant rhetoric of revolution in the tinder of the ghetto will never solve the social and economic problems of black citizens.

Much has been done and is being done toward eliminating these human problems, but the continuing process of change and correction will take time, perhaps a number of years. In the meantime, the difference between chaos and order is the responsibility of local law enforcement agencies. In a difficult situation, the job of law enforcement agencies is to preserve order, administer justice and guarantee the fundamental rights of all citizens. In these tasks, they deserve public understanding and support. The activities of violence oriented groups such as the Panthers seriously complicate the achievement of legitimate goals of such agencies . . .

If officers of the law are on a legitimate and proper mission to search for illegal weapons that could endanger countless persons, they should not be met with gun fire. In this case, the state's attorney's police did, in fact, seize and remove from public circulation 19 weapons and a large quantity of ammunition. The fact that the raid was poorly planned and executed and the evidence was mishandled does not mean that there should have been no raid . . .

CONCLUSION

This grand jury has sincerely endeavored to exhaust every reasonable means of inquiry to ascertain the facts of this case. The most concise conclusion is that, in this case, it is impossible to determine if there is probable cause to believe an individual's civil rights have been violated without the testimony and cooperation of that person. This cooperation has been denied to this grand jury. Given the political nature of the Panthers, the grand jury is forced to conclude that they are more interested in the issue of police persecution than they are in obtaining justice. It is a sad fact of our society that such groups can transform such issues into donations, sympathy and membership, without ever submitting to impartial fact finding by anyone. Perhaps the short answer is that revolutionary groups simply do not want the legal system to work.

On the other hand, the performance of agencies of law enforcement, in this case at least, gives some seasonable basis for public doubt of their efficiency or even of their credibility.

The resulting competition for the allegiance of the public serves to increase the polarization in the community.

[From Los Angeles Sentinel, Dec. 11, 1969]

PANTHER GENOCIDE PLOT ARRIVES IN LOS ANGELES

(By Booker Griffin)

A mass national plot to commit genocide upon the Black Panther party has reared its ugly head in our community.

Raids on three Panther locations early Monday morning brought the full force of the authoritarians' national conspiracy against the party to grotesque reality in our own back yard.

Despite police department and power structure appeasement public relations, it is apparent to large segments of the black community—ranging from NAACP types, to elected officials, to students, to small children—that the police department is bullying the Panthers and through any means necessary is trying to destroy the party.

The first and major question that we must ask ourselves is whether the police department was picked out of the clear blue sky as a point of concentration for the Black Panther party activities or whether police practices in the black community created a need that the Panthers in their way and through their means are trying to meet.

Could it be that the Panthers are making some attempt to program a silent feeling that beats in the hearts and souls of a great cross-section of the black community?

AGAINST PRACTICES

This does not imply that such a feeling would be against the police, but against the practices of many officers. Those of us in the news media who watched commanding officers turn their backs as wildly fanatic officers clubbed, kicked and brutalized helpless people, including women and children around the Panther area, all day Monday must have clouded feelings in that regard today.

The unlawful character of the national raids and other un-American persecution of the Panthers is based upon an assumed mass ignorance of the law on the part of the average citizen. Let's look at the legal basis for the raids in Los Angeles.

Legal right to storm the Panther facilities was lawful by virtue of warrants to arrest two assumed Panthers on alleged charges. Warrants were also issued to search for weapons. This was all supposed to be based on police intelligence work.

First and foremost, the police were on shaky ground to storm three sites to seek two men since common third-grade arithmetic would indicate they wouldn't be in three places. Hence the supportive warrants to search for weapons. This brings me face-to-face with the two practices which I feel police commit which are among the five greatest threats to internal security and domestic tranquillity in this country.

TWO PRACTICES

These two practices are planting evidence and fabricating charges.

A simple example of planting a pistol in a man's hand after he has been gunned down or putting narcotics in a man's pocket and then arrest him for possession.

A simple example of fabrication is when an officer assaults a person and then books the person for assault against an officer.

I feel that both of these tactics have been used against the Panthers.

Monday's raids were based upon alleged police intelligence reports. We must assume that the responsible Judge Chavez (note the minority judge), who has been said to be the judge who issued the legal papers, would not act without reliable information.

The whole validity of the reliability of so-called police intelligence is questionable to me. If intelligence was so good, they would have known that the sites on Exposition and 55th St. were simple communal living locations and they would never have staged the massive overkills at those locations. You must note the fact that most of those arrested at those sites were female.

The Panthers are not the most armed group in the black community. If police intelligence is so great, it's playing a strange "Avis game" in terms of arms and militancy in the black community. Police intelligence could also use its great powers to curtail the dope that is destroying our kids.

POLICE KNEW

I think that the police knew that they would find only a few people and possibly a weapon or two at the Exposition and 55th St. locations. I think that they entered the Central Ave. confrontation ready to massacre every living soul.

Two things prevented this.

One was that the Panthers expected to be moved and had added new fortifications for protection. The other was that the building's roof was more sturdy than had been expected.

There are two prime questions here. These are the questions of abridgement of constitutional rights and police oppression based upon social or political beliefs.

There are those in high police circles who believe that the means justifies the end. Many of these men in warped sincerity really believe that they are serving the public good by wiping out the Panthers. Their public relations does not allow them to relate how they provoke certain things themselves.

Some say that the Panthers are revolutionaries and do not deserve protection of American civil liberties. I say that George Wallace is a revolutionary and police give him full support. In fact, the Panthers and the Wallaceites are opposite sides of the same coin in terms of advocating extreme and literal interpretations of the Constitutional principles of the Republic; Wallaceites to serve white supremacy and Panthers to serve black liberation.

When Panthers break defined laws, the police have a right to deal with them according to the procedure of the law. In the same instance, the police must not break the law themselves. I submit that were the Panthers to evaporate a new group would soon rise in the community to protest police practices.

I further submit that the real American test is not the Panthers and the police but the question of constitutional interpretation.

As long as police deal fairly and decently with the Panthers, it's a legal thing, but outside that guarantee I do not support the genocide conspiracy against the Black Panthers.

[From the New York Amsterdam News, Dec. 13, 1969]

THE BLACK PANTHERS

There is something deeply disturbing about what seems to indicate a concentrated drive by police throughout the country to wipe out the Black Panthers.

It has reached the point wherein the National Urban League's Whitney Young has called on U.S. Attorney General John Mitchell to make a special investigation.

Nearly 30 members of the Black Panthers have been killed across the country. Last week's slaying of two in Chicago has drawn such community rage that it looks as if a real investigation will be made there. The siege Monday in Los Angeles has also drawn concern, though fortunately no one was killed.

Here in New York City we have some 22 Panthers indicted on charges of conspiracy to bomb, with most of them unable to make the high bail of $100,000.

Yet another group who was arrested on charges of participating in actual bombings had their bails reduced and were released.

What gives?

And when we talk about the Black Panthers we are always reminded that nothing was ever done about the white off-duty policemen who attacked a group of them in the hallways of a Brooklyn court.

[From the Boston Bay State Banner, Dec. 11, 1969]

LEGAL MURDER

Police raided a Chicago apartment this week and gunned to death Fred Hampton, Illinois chairman of the Black Panther party and Mark Clark, a Panther leader from Peoria. This brought the Black Panther death toll from police bullets to 28, all in the past two years.

Chicago police stated that they shot the two Panthers while making arrests. They fired, so they said, when they were met by a fusillade of bullets. However, an autopsy on Hampton revealed that he was shot while asleep. Furthermore, the walls of the apartment were not marked by bullet holes nor did the police suffer serious casualties.

It would appear that the police surprised the Panthers and shot them down. This would support the charge that a nation-wide police conspiracy exists to kill off the Panther leadership.

The Black Panthers have urged revolution and weapons. Their tactics have been disruptive and violent. They have been menacing in their black berets and black leather coats. But regardless of whether one agrees or disagrees with their politics, certainly no one can endorse a plan of legal assassination to end any political organization.

It is interesting to note that no violent extra legal methods have been used to rid this country of its greatest threat—organized crime. Persons guilty of crimes which threaten to undermine the very economic and political structure of this country are afforded every protection of the law. But of course these criminals are white.

When Black Panthers violate the law, they should be prosecuted. It is not our purpose to advocate any special immunity for their activities. But every citizen has a solemn responsibility to speak out against officially sanctioned political murder.

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

Mr. MIKVA. I yield to the gentleman from New York.

Mr. LOWENSTEIN. I was just wondering whether the gentleman from Missouri was aware of the fact that shortly after the tank had appeared at the campus at Jackson and had sprayed bullets from automatic weapons at students, the police appeared and sought to remove the evidence of what they had done. I wonder what that says about the interest that the higher officials may have had in trying to find out what had occurred. I raise this question because it is possible, as deplorable as it would be, for a policeman in line of duty to commit excesses. I am not sure it is possible, when excesses are committed, to understand why an investigation is not immediately launched by the higher officials to determine what it was that produced the excesses and to bring to justice those who committed them.

I was particularly interested in how anybody could explain—if anybody could explain—why, following the events at Jackson State, they failed to investigate whether the police themselves were responsible and failed to bring to justice those who committed the excess actions, rather than remove the evidence which would have made it possible to find out what happened in that situation.

I might also add that I received a telegram from the sheriff in Alabama in which he, instead of appreciating the fact that I helped to bring to light what happened there at Alabama, stated that he thought I had no business at all in doing that. I would have thought the authorities in Alabama would have been anxious to have these facts brought to their attention in order to take steps to prevent a future occurrence.

It makes one wonder if these actions are condoned at a higher level. When there is a coverup, when people are castigated for expressing such things, one wonders if, in fact, it is something that is not only condoned, but is a policy arrived at by the higher officials. I realize that is a sinister question, and I realize that it is a difficult question to bring up, but I think it should be introduced in considering this problem.

Mr. CLAY. Mr. Speaker, I think it is quite clear that it is happening in this administration as in previous ones, that we have a complete lack of sensitivity and concern on the part of our Attroney General in enforcing laws that deal with the violation of civil rights of citizens of this country.

I still today have not received a response from our Attorney General to a query asking him to investigate the situation in St. Louis in our public housing project, where the lives of hundreds or thousands of people were threatened by the illegal actions of our police department. To date I have had no acknowledgment—but this is par for the course, not only for this Attorney General, but for the two previous Attorneys General, when we had instances similar to this in St. Louis, before I became a Member of this Congress, and whenever we had written as elected officials in St. Louis, asking for investigation of certain instances such as the shooting into the public housing project. We never received either an acknowledgment or a reply from the Attorney General.

I think the eye witnesses who testified before our committee—and we had five eye witnesses when we were in Jackson, Miss.—testified that the police officers did come on campus and did pick up all the shells, to destroy the evidence of the number of bullets that were expended in that situation.

I think it is a well-known fact that there is no justice in Mississippi and in many other parts of this country for either the black or the poor. I think this is one of the tragedies of our Nation, that the processes of justice do not exist and the people who are responsible for enforcing those processes are very insensitive and very apprehensive about applying the law where it should be applied.

Mr. MIKVA. Mr. Speaker, I thank the gentleman from Missouri.

One of the parts of the grand jury report I thought most important was the criticism by the grand jury of the investigative units within the Chicago police department and within the Department of Justice in terms of the very point the gentleman mentioned—that is, that these units see much more point in trying to cover up the excesses rather than in getting to the bottom of them.

I want to make it clear that I have perhaps more policemen living in my constituency than any other Representative from the Chicago area. I am very proud of them. The number of those who will be found to have engaged in excesses will be far less than half of 1 percent. Yet, in my heart I cannot blame the castigators and the condemners, when those of us who ought to know better, who are part of the system of laws, do not do our utmost to see that those few bad apples are weeded out.

The gentleman from New York mentioned the attitude of some officials of Alabama, and some of those of us who went to Mississippi were able to see the same attitude on the part of some of the officials of Mississippi.

Unfortunately, that is an old custom in this country, to condemn not those who are wrongdoers but those who complain about the wrongdoers.

I should like to say in closing, I believe the crisis is very, very serious. I believe nothing less than a crisis response to these deaths will be sufficient.

The case in Chicago, my own hometown, may be closed; it may be beyond the reach of any further official investigation, but anyone who wants to read about the breakdown of law and order in this country need read no further than that grand jury report.

The cases in Kent State, In Jackson, and in Augusta are all still open, and they cry out for justice. They cry out for a restoration of faith on the part of the American people in their system of law and order—the law and order, as I said before, that one finds in the Constitution and not in a bigot's handbook.

GEORGE WALLACE VICTORY ESTABLISHES REALISTIC SOUTHERN STRATEGY

The SPEAKER pro tempore (Mr. GRAY). Under a previous order of the House the gentleman from Louisiana (Mr. RARICK) is recognized for 10 minutes.

Mr. RARICK. Mr. Speaker, George C. Wallace, an Alabama Democrat, has been reelected Governor by the people of that State.

The people of Alabama have made their choice and all Americans join in extending our congratulations and thanks.

If we are to believe half of what we have read in the Nation's press, Governor Wallace and his dedicated pro-American supporters took on the establishment, including both national political parties, the controlled communications media, and the incumbent Governor—and won.

It will be interesting in the coming days and weeks to see how the commentators and interpreters of current events try to rationalize their defeat and whittle the significant George Wallace victory.

Americans understand that the people of Alabama—his neighbors and fellow citizens—who know him best have chosen him as their Governor and have entrusted to him the chief office of their State. They have also given him an unmistakable mandate as the spokesman of the long-suffering southern people.

Americans of the constantly villified South are satisfied that both national parties have gotten the message—that there is a southern strategy but it will be for equal application of the laws throughout the United States—an end to the "conquered province" theory. It marks the close of the political ploy by any national political party to swap off the South for block votes in the North.

What has been long recognized as practical politics in the North will be frantically smeared as racism in the South.

But practical politicians now recognize where the balance of power lies and can be expected to act accordingly.

STATEMENT OF SENATOR JOHN L. McCLELLAN ON S. 30, THE ORGANIZED CRIME CONTROL ACT OF 1969

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous material.)

Mr. FASCELL. Mr. Speaker, on May 20, 1970, Subcommittee No. 5 of the House Judiciary Committee began comprehensive hearings on measures relating to organized crime, including S. 30, the "Organized Crime Control Act of 1969," H.R. 16134, a bill which I introduced on February 24, 1970, and whose provisions parallel S. 30, and H.R. 16133, a bill to provide for training for organized crime prosecutors, which I introduced at the same time.

The mounting and improving effort against organized crime, not just during this term of Congress, but for the past two decades has been brought about, in large part, by the efforts of Senator JOHN L. MCCLELLAN. Through his work on the Senate Government Operations Committee, which he chairs, and the Senate Judiciary Committee on which he is the ranking majority member, Senator MCCLELLAN has led a relentless legislative effort to expose the true threat that organized crime poses to the Nation. The Subcommittee on Criminal Laws and Procedures of the Senate Judiciary Committee, which Senator MCCLELLAN chairs, conducted extensive hearings on S. 30 which is now before the House Judiciary Committee. His recent statement on S. 30 before Subcommittee No. 5 of the House Judiciary Committee deserves the careful attention of all of us who are concerned with taking vigorous action against organized crime.

The statement follows:

STATEMENT OF SENATOR JOHN L. MCCLELLAN ON S. 30, THE "ORGANIZED CRIME CONTROL ACT OF 1969"

Mr. Chairman, I am pleased to appear before this Committee today to testify in support of S. 30, the "Organized Crime Control Act of 1969."

I would like to express to you my own feeling of urgency concerning this legislation. The social poison for which S. 30 is intended to be an effective antidote has already crippled or weakened vital organs and centers of our body politic, and it is spreading rapidly. Unless we act effectively and with dispatch, organized crime may well destroy the social, political, economic and moral heart of our Nation.

Never in the history of America has organized crime had greater adverse impact and widespread control over the social, political, and economic lives of our citizens and institutions than it does today. Never has the national criminal syndicate, known as La Cosa Nostra, managed with greater success than now to maintain profitable operations in so many areas and in such a variety of illegal enterprises. Let me illustrate:

One of those enterprises, of course, is trade in narcotics. Just last year, skillful implementation by the Federal Bureau of Narcotics of the electronic eavesdropping authority granted to Federal courts in Title III of the 1968 Safe Streets Act afforded the public a small glimpse of the deep involvement of La Cosa Nostra leaders in the importation and wholesale distribution of hard narcotics, such as heroin and cocaine. By conducting limited wiretapping under judicial supervision on two Washington, D.C., telephones, law enforcement officers were able to seize large quantities of cocaine and cash and to arrest 41 persons involved in a massive scheme for distribution of hard narcotics. Included among those arrested were two identified members of the Cosa Nostra family of Vito Genovese, a lawyer, a real estate broker, and a metropolitan police officer. We must not permit illicit operations such as this, sapping our vital strength as a society, to continue to plague this Nation.

There are ample grounds, moreover, for fearing that the 1970's, like the 1960's, will be a decade of expanding use of dangerous drugs, in both disadvantaged and privileged groups of young people. Among our highest priorities, therefore, must be to prevent further personal tragedies—enslavement of young people to addictive drugs—and to eliminate the resulting social tragedy that, each night, whole cities are virtually trapped in their homes by fear of street violence at the hands of drug addicts and others.

The desperate plights of the direct and indirect victims of narcotic addiction must not, however, cause us by contrast to minimize the social harm done by the Mafia's control over its biggest single illegal activity: unlawful gambling. Cosa Nostra informant Joe Valachi, who once ran a numbers racket himself, paying the typical 500 or 600 to 1 odds—although the odds against winning were 1000 to 1—described well the impact of organized gambling on its direct victims when he said: "It's poor people that play the numbers, and if you want the truth, most of them play because they are desperate for money and they don't have no other way to get it." Badly needed money is all too often drained away from needed food, clothing, shelter, education and medical care. We must recognize, too, that La Cosa Nostra's control of gambling ravishes the entire society, not merely the gamblers, since the 6 or 7 billion dollars *profit* organized gambling operators earn each year bankrolls not only the Mafia's drug trade but organized crime's infiltration of legitimate business and other activities, and this is one of the Nation's

most serious criminal justice and economic problems.

The effect that mob money and methods have on formerly legitimate businesses is well illustrated by the mob takeover of the air freight trucking industry at Kennedy Airport, New York, which has recently received much publicity. In that case, organized criminals acquired control both of the unions and of the truckers' trade association, and used those positions in effect to get cuts of the businessmen's profits, the workers' wages, and the shippers' freight charges. In addition, the mob members took advantage of their opportunity to steal goods shipped by air freight. Annual thefts jumped a hundredfold in 5 years, from $45,000 to $4.5 million.

Of course, Mafia manipulation of some union members has been notorious for years—Valachi reminded us that when he was in the dress business "if any union organizer came around, all I had to do was call up Johnny Dio or Tommy Dio and all my troubles were over." More recently, the New Jersey Federal court order making public several years of electronic surveillance over Simone (Sam the Plumber) DeCavalcante, has made available a valuable illustration of the financial rape of union members by the head of a Mafia family. In the transcripts, DeCavalcante is repeatedly heard to engage in conversations concerning thousands of dollars paid to the Mafia by "legitimate" builders for the privilege of using nonunion labor, at below-union wages, on construction projects.

Of course, we all know that the Mafia can operate successfully and on the scale that it does, only because of the connivance and incompetence of key law enforcement personnel. Again, we have recent illustrations of the way in which our governments are corrupted in the disclosure by the Justice Department of a conspiracy through which the Chief of Intelligence of the Columbus, Ohio, Police Department received $40,000 over a three-year period and some patrolmen received about $250 per month for failing to close a known numbers operation, and the scandalous allegations of pervasive corruption among some New York police officers. The Columbus situation was discussed in a recent exchange of letters between Assistant Attorney General Will Wilson and myself, which I am glad to offer, Mr. Chairman, for inclusion in the record.

We should be moved to curb this crime and corruption simply by compassion for the victims. We must pity the suffering of narcotic addicts. We must respond to the frustration of the poor who waste their meager earnings on gambling. We must understand the discouragement of honest workers cheated out of fair wages by labor corruption. We must comprehend the helplessness of honest businessmen unable to compete with a wealthy and ruthless cartel of criminal entrepreneurs. The individuals victimized in those various ways cry out to us for help, and humanity compels us to heed them. But the overriding consideration is that these criminal activities pose a danger which no civilized society can long endure. Citizens become disillusioned by the example of the hoodlums and the corrupted officials who operate with impunity. They lose respect for law, for our institutions, and even for our basic values. They lose confidence in our system of justice.

Angelo (Gyp) DeCarlo a Cosa Nostra family member, put the problem succinctly in a conversation that was overheard in an FBI electronic surveillance recently ordered disclosed by a New Jersey federal court. In a conversation, Harold (Kayo) Konigsberg, reputed loanshark and convicted extortionist, asked DeCarlo:

"Will you tell me why everybody loves you so much?"

"Well, because I'm a hoodlum," replied DeCarlo. "I don't want to be a legitimate guy. All those other racket guys who get a few bucks want to become legitimate."

DeCarlo's answer reflects a life in which the basic values of our society have been inverted and perverted. In the underworld, the individual is more successful—even more "loved"—the less he is "legitimate." This conversation aptly exemplifies the President's Crime Commission's conclusion concerning organized crime:

"As the leaders of Cosa Nostra and their racketeering allies pursue their conspiracy unmolested in open and continuous defiance of the law, they preach a sermon that all too many Americans heed: The government is for sale; lawlessness is the path to wealth; honesty is a pitfall and morality a trap for suckers."

Now, however, the Congress has the opportunity to respond to this intolerable situation with legislation that launches a truly comprehensive attack on the crime syndicate. S. 30, the proposed "Organized Crime Control Act", contains 10 titles, dealing with almost every stage of the process of criminal justice from investigation through sentencing. It establishes imaginative civil procedures and remedies for combating and curbing the ills caused by organized crime. After extensive hearings, much consultation, and full debate, S. 30 received the support of the Senate by a vote of 73 to 1.

TITLE I— GRAND JURY

The first title provides for the regular creation of special grand juries in the parts of America which have been most plagued by organized crime, the largest metropolitan centers. In those districts, the convening of special grand juries is made automatic, while in other regions it is made discretionary with the Attorney General. Members of the grand jury are selected from a broad sample of the community, as are members of ordinary grand juries. In addition, the special grand juries are given a degree of independence from the court and prosecutor, to insulate them from political influence in sensitive organized crime investigations, by authorizing a special grand jury to elect its own foreman and deputy foreman and by giving the jury the right to obtain review of any dispute between the jury and the court or prosecuting attorney.

Like regular grand juries, these special grand juries will have the benefit of the guidance and assistance of the prosecutor and the court, but the measure of independence provided by title I will enable them to function as an effective investigatory body, acting without political fear or favor. In addition, the special grand juries will have restored to them their historic power to file public reports making legislative or executive recommendations, describing organized crime conditions in the communities in which they sit, and, subject to careful safeguards, reporting noncriminal misconduct by public officials uncovered during their investigations. Thus, they will perform in the area of crime, corruption and governmental efficiency a role like that now played by the Civil Rights Commission in the area of civil rights.

This reporting power has deep roots in English and American history and practice, and has been retained to the present date in several states. Title I of S. 30, of necessity, surrounds the reporting power with safeguards which must be followed before a report critical of an identified individual can be published, including the right of the individual to require that witnesses be called before the grand jury to present the individual's side of the case, the requirement that the court determine that the evidence supports the report before it is published, the right of the criticized individual to append to the report a rebuttal which is published simultaneously with it, and the right to obtain judicial review of the propriety of the report prior to its publication. Even so circumscribed by such strict limitations, the reporting power of the special grand jury will be a powerful instrument for public education and reform of government, and title I will greatly aid the effort of our government and society against organized crime.

Title I also would expand the provisions of section 3500 of title 18 of the United States Code to cover grand jury minutes. In the past, that section has governed pretrial discovery only of witnesses' statements, and the various courts of appeals have developed inconsistent practices with regard to discovery of grand jury minutes. Title I would expand the proven procedures of section 3500 to cover both types of pretrial statements. These provisions would bring to fruition a rule of law now developing in courts of appeals—without the necessity for further reversals.

TITLE II—IMMUNITY

Title II is a comprehensive statute for the granting of immunity to witnesses in federal proceedings. It follows a recommendation of the President's Crime Commission, and more specifically implements a report by the National Commission on Reform of Federal Criminal Laws urging that the more than 50 immunity statutes now found in the United States Code be replaced with a single comprehensive law providing for judicial, administrative and congressional grants of immunity from the use of compelled testimony and its fruits. I need not dwell too long on these provisions, however, since this Committee has, of course, already reported out H.R. 11157 in a form that closely tracks title II of S. 30. I sincerely hope this means that we will be able soon to present legislation along these lines to the President for his signature.

The concept of immunity from the use of evidence and its fruits, which is the cornerstone of title II, was developed through a long and complex process of Supreme Court adjudication. First, the Court in *Counselman* v. *Hitchcock*, 142 U.S. 547 (1892), struck down an immunity law which merely barred the use in subsequent court proceedings of testimony compelled under an immunity grant, saying:

"It could not, and would not prevent the use of his testimony to search out other testimony to be used in evidence against him or his property, in a criminal proceeding in such court." (142 U.S. 564.)

Congress therefore replaced the void law with one granting "transaction immunity;" under it, a person ordered to testify could not be prosecuted for the criminal activities concerning which he had testified, regardless of whether the evidence against him was obtained from his compelled testimony or from a completely independent source. The Supreme Court upheld the constitutionality of that broad immunity in the case of *Brown* v. *Walker*, 161 U.S. 591 (1896). It rejected the argument that the Fifth Amendment should be interpreted as forbidding the federal government to require an individual to "incriminate" himself in the eyes of the public, holding himself up to ridicule and disrepute. The Court dismissed that contention with the statement:

"The authorities are numerous and very nearly uniform to the effect that, if the proposed testimony is material to the issue on trial, the fact that the testimony may tend to degrade the witness in public estimation does not exempt him from the duty of disclosure. A person who commits a criminal act is bound to contemplate the consequences of exposure to his good name and reputation and ought not to call upon the courts to protect that which he has himself esteemed to be of such little value." (161 U.S. 605.)

The Court further stated:

"Every good citizen is bound to aid in the enforcement of the law, and has no right to permit himself, under the pretext of shielding his own good name to be made the tool of others who are desirous of seeking shelter behind his privilege." (161 U.S. 600.)

Because of the *Counselman* v. *Hitchcock* and *Brown* v. *Walker* decisions, the various federal immunity statutes which were enacted between 1896 and 1964 granted "transaction immunity." Then, however, the Supreme Court revived the concept of more limited immunity in deciding *Mallow* v. *Hogan*, 378 U.S. 1 (1964) and *Murphy* v. *Waterfront Commission*, 378 U.S. 52 (1964).

In the *Murphy* case, the Court held that State immunity statutes can be sustained only if they protect a state witness not only in state but also in federal prosecutions, yet recognized that protection of a witness against federal *use*, direct or indirect, of the compelled testimony is an adequate protection against the federal government. The Court treated the protection of a witness against use of the indirect fruits of his compelled testimony as analogous to protection of a defendant against use of the indirect fruits of an unlawful search or other violation of his constitutional rights, and stated:

"We hold the constitutional rule to be that a state witness may not be compelled to give testimony which may be incriminating under federal law unless the compelled testimony and its fruits cannot be used in any manner by federal officials in connection with a criminal prosecution against him." (378 U.S. 78)

Mr. Justice Goldberg made it clear in a footnote that:

"The federal authorities have the burden of showing that their evidence is not tainted by establishing an independent, legitimate source for the disputed evidence." (*Id.* at 18)

Recently the Supreme Courts of California (*Byers* v. *People*, Sept. 16, 1969), and New Jersey (*Zicarelli* v. *Commission*, Jan. 20, 1970), have relied upon those Supreme Court precedents to uphold the concept of immunity embodied in title II. This is not only sound constitutional law, it is important and basic public policy as well, since as Mr. Justice White stated in a concurring opinion in the *Murphy* case, "immunity must be as broad as, but not harmfully and wastefully broader than, the privilege against self-incrimination." (378 U.S. 107)

To fail to replace the existing federal immunity statutes with title II is to give what Mr. Justice Holmes called a "gratuity to crime" (*Heike* v. *United States*, 227 U.S. 131, 144 (1913)), while to enact title II would be to provide both witnesses and society with protections that they need and deserve.

TITLE III—RECALCITRANT WITNESSES

In the many cases in which reluctance of witnesses to testify actually stems solely from the fear of self-incrimination, the immunity grant is a sufficient means of obtaining the testimony. However, organized crime investigators sometimes are confronted with witnesses who have sworn allegiance to La Cosa Nostra's code of silence. One of legitimate society's infrequent glimpses of the pervasiveness of that code was afforded last year when the De Cavalcante bugging transcripts to which I have referred above, were published, and the head of Philadelphia's Mafia family was overhead telling the head of a New Jersey family:

"The idea is, the main thing is that, that's why I say, he signed a statement, that is bad. Because no friend of ours is supposed to sign any kind of a statement with the law. Never. Plead guilty, because there is a deal made that by pleading guilty, instead of getting ten years, he gets two: however, he pleaded guilty, instead of getting ten, he got one. So there's a deal there, but you still don't sign a statement, even though you plead guilty, you don't sign a confession."

Where it is allegiance to a secret syndicate that seals the lips of a witness, resort sometimes must be had not only to an immunity grant but also to the traditional and inherent power of the Federal courts to cite recalcitrant witnesses for contempt. Title III of S. 30 codifies and clarifies that power, insofar as civil as opposed to criminal contempt is concerned.

Neither existing grand juries nor the special grand juries to be created under Title I have the power to punish witnesses for contempt or refusal to testify. Instead, the grand jury brings the case of a recalcitrant witness to the attention of the court, and only if the court finds the refusal to testify to be without just cause and orders the witness to reply and the witness repeats his refusal, can the witness be held in contempt. If the court chooses to impose a penalty for criminal contempt, a hearing is held and the witness may be imprisoned, not to compel him to answer but to vindicate the order of the court.

On the other hand, if the aim of the court is not to punish but to obtain an answer to the grand jury's questions, the witness is confined for civil contempt until he testifies or the term of the grand jury expires, and, where contempt is clear, ordinarily the witness is not admitted to bail pending any appear that may be taken.

Title III also amends section 1073 of title 18 of the United States Code. That section provides no punishment for flight in interstate commerce with intent to avoid testifying in State criminal investigation. Title II would amend it to punish such flight also where the intent is to avoid contempt proceedings stemming from disobedience of an order to testify or produce documents by a State investigating agency. Again, it was recent New Jersey experience which demonstrated the need for this proposal in S. 30. Two of De Cavalcante's lieutenants, Robert (Bobby Basile) Ochipinti and Frank Cocchiaro, while under summons by the New Jersey State Commission of Investigation, fled the State to avoid being prosecuted for contempt for refusing to answer the Commission's questions. Since section 1073 was not sufficiently broad to cover that conduct, the F.B.I. had to ignore their interstate flight, and the only way New Jersey could obtain their return was through the lengthy, difficult and uncertain process of state extradition. The present defect in section 1073 is exactly the type of technicality or loophole which can be easily corrected but, until it is cured, is taken advantage of by organized criminals. By correcting this defect in the law, we can help New Jersey in its commendable effort to clean its own house.

TITLE IV—FALSE DECLARATIONS

While the principal provisions of title III will clarify the power and procedure by which the Federal courts can compel the giving of evidence, the provisions of Title IV, on false declarations, are necessary to correct serious defects in existing Federal law requiring that any testimony given be truthful. At present, Federal law imposes upon perjury prosecutions certain special requirements not applicable to other very serious criminal offenses, such as murder and robbery. These special requirements prevent a perjury conviction from being based upon circumstantial as opposed to direct evidence, require special corroboration of the testimony of the prosecution's chief witness, and forbid the conviction of a witness who has made two flatly contradictory sworn statements unless the Government is able to establish by other evidence which of the two contradictory statements is false.

The President's Crime Commission examined this situation, and concluded that it is a sufficient protection for perjury defendants that the Government presently is required to prove beyond a reasonable doubt that the defendant knowingly made a materially false statement. The Crime Commission therefore concluded that the special requirements in perjury cases be eliminated, recommending: "Congress and the States should abolish the rigid two-witness and direct-evidence rules in perjury prosecutions, but retain the requirement of proving an intentional false statement." Since, as the President's Crime Commission reported, the incidence of perjury is believed to be greater in organized crime prosecutions than in other criminal cases, the elimination of these defects in existing law dealing with false declarations is especially important in the organized crime context. However, false testimony occurs in the widest variety of circumstances, and the existing artificial rules are found and applied in all types of perjury prosecutions, so those rules should be eliminated by general provisions applicable to all cases. The two-witness and direct-evidence rules are grounded on medieval experience no longer applicable to modern prosecutions, and have led to a lower rate of convictions in perjury cases than in other prosecutions. They stand as barriers to the doing of justice by the courts, which cannot act fairly unless they can obtain truthful testimony. It is only by preventing and punishing the giving of false evidence, whether the falsehoods favor the Government or a defendant, that the Congress and the courts can enhance the integrity and reliability of our judicial process.

By strengthening the inducement to tell the truth and correct falsehoods, and providing for effective prosecution and punishment of those who give false testimony, Title IV substantially improves the capacity of our courts to administer justice.

TITLE V—WITNESS FACILITIES

Title V of S. 30 would authorize the Attorney General to establish and operate protected housing facilities for witnesses and their families who are in danger of violence because of their cooperation in organized crime prosecutions. The grave dangers faced by such witnesses are well illustrated by the testimony of the Attorney General that from 1961 through 1965 the organized crime program lost 25 informants. That tragic experience occurred despite the best efforts of the Department to provide protection for the witnesses through *ad hoc* arrangements with military bases and other Government facilities willing to provide housing and security for witnesses.

Of course, witnesses to whom protective facilities are offered under Title V will not be required to accept the offers, but when a witness' sense of obligation to the community or his legal duty to testify exposes him to the danger of violent retaliation, the Government must do what it can to provide physical protection for the witness and his family.

TITLE VI—DEPOSITIONS

Title VI is based upon existing Rule 15 of the Federal Rules of Criminal Procedure, which now gives a criminal defendant a limited right to obtain court permission to take the depositions of his own witnesses in order to preserve their testimony in case they should be unavailable at the time of trial.

Title VI expands that right of a defendant by broadening the grounds upon which a court can authorize such a deposition, and extends the same provision to the prosecution. Title VI retains the limitation of Rule 15 which permits the deposition to be taken only of a party's own witness, in order to preserve his testimony, not of an opposing witness, as a means of discovering the opposition's case. The proposed section fully pro-

tects the constitutional rights of criminal defendants, by providing for assistance of counsel and full opportunity for cross-examination, and by requiring that the Government furnish to the defendant at the time of the deposition any prior statement of the witness which is in the Government's hands.

Witnesses die, disappear, become incompetent, or are improperly influenced in all kinds of criminal cases, so Title VI, like Rule 15, is made applicable to all criminal prosecutions in the Federal courts. However, we can expect that Title VI will make its greatest contribution both to defendants and to the Government in organized crime cases. since the leaders of organized crime have shown a great propensity to apply the techniques of intimidation and bribery with which they conduct their illegal businesses to their defense of criminal cases as well. As the distinguished senior Senator from Maryland, Mr. Tydings, testified before the Senate Subcommittee on Criminal Laws and Procedures:

"Unimplicated witnesses have been, and are now, regularly bribed, threatened, or murdered. Scores of cases have been lost because key witnesses turned up in rivers in concrete boots. Victims have been crushed—James Bond-like—along with their automobiles by hydraulic machines in syndicate-owned junkyards."

Title VI makes a two-pronged attack on that problem. First, it preserves the evidence which a witness has to give in a form which can be used at trial if the witness is unavailable at that time or has been suborned, but which is inadmissible if the witness appears at trial and offers the evidence in person. Second, by preserving the evidence which a witness can give, a deposition taken under title VI largely eliminates the incentive which a defendant or his associates have to harm or kill the witness. Thus, title VI reduces the chance of witnesses being harmed or bribed, and at the same time provides an alternative way to present the testimony of witnesses who do become unavailable.

The utility of the deposition authority title VI would confer, and the urgency of the need for its enactment, are illustrated by the recent prosecution in Tucson of three reputed Mafia leaders. In that case, Joseph Bonnano, the alleged former boss of a New York La Cosa Nostra family, and Charles Battaglia and Peter Joseph Notaro, two alleged La Cosa Nostra members, were charged with conspiracy to obstruct justice by obtaining false testimony from a former police sergeant.

All three defendants were, however, acquitted last March 4, because an essential but reluctant witness, who had corroborated the Government's case in testimony before the grand jury that returned the indictment disappeared before the trial. The testimony of that witness, Floyd Max Shumway, obviously was in danger of loss before trial, and could have been preserved if title VI had been law at the time. Since Congress had not yet enacted title VI, no deposition could be taken, and the jury was needlessly deprived of the opportunity to hear crucial evidence.

The circumstances of this case were discussed in an exchange of correspondence between Assistant Attorney General Will Wilson and myself, which I am glad to offer, Mr. Chairman, for inclusion in the record.

TITLE VII—REGULATION OF LITIGATION CONCERNING SOURCES OF EVIDENCE

Title VII of S. 30 would place certain very limited, but terribly important, regulations upon the conduct of proceedings to suppress evidence. The need for this legislation has developed gradually, to the point where today a real crisis exists in our courts and cries out for correction. Criminal defendants, and even some civil litigants, raise tenuous and unfounded claims that evidence against them somehow has been indirectly derived from alleged violations of their constitutional or other legal rights. They do this as a deliberate tactic to obtain delay or dismissal of the proceedings against them and to distract the public and the Government from determining their own guilt, and often can in effect convert the proceedings against them into proceedings against police or other officials.

That situation most commonly arises when an individual is the victim of an illegal police electronic "bug" at some time in his life and then, perhaps many years later, is charged with a crime which is entirely unrelated to the earlier bug. He delays and confuses the trial on the issue of his guilt, by filing a motion to suppress all the evidence against him on the ground that it was indirectly derived from the bug. He demands access to all the Government files concerning the bug, insists upon a lengthy factual hearing into the relationship between those files and the current prosecution, in which he summons Government agents to testify fully on the circumstances surrounding both the bug and the Government's evidence of his recent crime, argues that there is some possibility of a relationship between the two events, and if necessary appeals and seeks collateral relief from any conviction.

Present law permits a defendant to abuse a criminal proceeding in that way very successfully, primarily because of the broad and inflexible requirement laid down by the Supreme Court last year in the case of *Alderman* v. *United States*, 394 U.S. 165 (1969). There the Court held that, after a defendant has moved to suppress the evidence against him and has established that he once was the victim of unconstitutional electronic surveillance, the Government must show him confidential materials concerning the surveillance to aid him in proving that the evidence to be used against him in the criminal trial was indirectly derived from the surveillance. The Court did not permit a court to restrict disclosure to the defendant in order to screen out obviously irrelevant material, or to protect legitimate investigations or the reputations and privacy of third parties incidentally referred to in the files. Indeed the *Alderman* rule of disclosure contains no time limitation, so a defendant can seek suppression of evidence of events which occurred many years after the alleged violation of his rights. Where the suppression claim is stale and improbable, it becomes impossible reliably to determine whether suppression really would have ever been warranted, the harm done to Government operations and to others' reputations is especially gratuitous, and the opportunity for tactical harassment by a defendant of the Government are enhanced.

Experience has revealed that the type of disclosure *Alderman* requires often leads unnecessarily to flight by suspect, destruction of evidence, damage to the privacy and reputations of third parties when disclosed files are leaked to the press or made public by court order as was done last year in New Jersey, danger to undercover agents and informants, and deterrence of citizens from becoming witnesses. It has also been the experience that protective court orders confining disclosure to defendants and their counsel have not been effective.

For those reasons, the unlimited nature of the *Alderman* rule creates a dilemma for the Government and a bonanza for every defendant who at any time has been unlawfully surveyed: The defendant can commit crimes in the knowledge that, if he is charged, he automatically can file a motion to suppress all the evidence against him and the Government invariably will be required either to disclose its confidential files or, if disclosure would cause such harm to the Government or third parties that the Government cannot make disclosure, the defendant will obtain dismissal of the charges against him. Thus, in many cases the *Alderman* rule is, for a person who has been surveyed, literally a "license to steal"—and engage in any other activity of organized crime.

Such a defendant, when he is charged with a crime, invariably files a motion to suppress. The Department of Justice is encountering a great many such motions, based upon the unlawful surveillance conducted by the Department from 1961 to 1965, and the *Alderman* case has begun further to aggravate the problem of delay of criminal trials. That problem already was a disgrace to our judicial system. The President's Commission on Crime in the District of Columbia, for example, found that, in large part because of a great increase in pre-trial motions, the time needed to prosecute a District of Columbia felony case doubled between 1960 and 1965. The Commission suggested that because of what it considered "excessive" delays in criminal cases ". . . greater priority should attach to efforts aimed at accommodating . . . judicial and legislative requirements [regulating the conduct of trials and securing the rights of defendants] with the goal of expeditious handling of criminal cases." It is the aim of title VII to replace the one-sided and heedless *Alderman* decision with the kind of accommodation to which the President's Commission referred, thus reconciling the rights of a defendant with the interests of society, and doing justice to both parties.

The need for remedial legislation is well illustrated by the progress of the Federal Government's case against Felix (Milwaukee Phil) Alderisio following the Supreme Court's reversal of his conviction for committing extortion in Colorado in 1959. He was a co-defendant of Alderman himself, and the Supreme Court remanded Alderisio's case for full disclosure of the confidential files and a new hearing on his claim that the evidence against him was the indirect fruit of electronic surveillance.

The district court, after full disclosure and two and a half days of defense interrogation of numerous F.B.I. agents and supervisors connected with the surveillance, found that "there is absolutely no relevancy in any of the material from any of the logs of the electronic surveillance to any evidence offered at the trial of this case," and reaffirmed Alderisio's four and one-half year prison sentence for the extortion. (*United States* v. *Alderman*, Crim. No. 17377, U.S. District Court, D. Colo., July 7, 1969.)

Alderisio, still pursuing the dilatory tactics he had used since the extortion case began, appealed the district court's latest decision. Then, on January 30, 1970, the case finally was closed. Alderisio agreed to withdraw his appeal from the extortion conviction, and to plead guilty to a charge of possessing (as a convicted felon) 33 firearms confiscated from his home, and no defense to one of 21 counts of bank fraud—both committed while he was free during the extortion proceedings, which had begun when he was indicted in 1964. In return, he obtained the Government's agreement to drop the other 20 fraud counts and to let the new two-year sentence on the gun charge and five-year fraud sentence run concurrently with the extortion term. Since the new sentences are concurrent, they will add only 80 to 120 days to Alderisio's time in prison.

Alderisio, who has been identified as an enforcer and leader of loan sharking and gambling operations for La Cosa Nostra in the Chicago area, thus used the dilatory tactics title VII would curb to postpone beginning his punishment for extortion until 10 years after the crime and five years after indictment, remaining free in the meantime

to commit bank fraud and a gun violation punished by only 80 to 120 days imprisonment—and this despite the fact that his motion to suppress was groundless and he was (he now practically concedes) guilty of all three crimes. The F.B.I., the Justice Department, and the Federal courts, on the other hand, spent a fortune and ten years obtaining his imprisonment. Society got a raw deal, and Alderisio, as the Chicago *Sun Times* reported (Sat., Jan. 13, 1970, p. 6, col. 1), said, as he walked grinning from the court, "I just made the best deal of my life."

Title VII contains three basic provisions. First, Title VII directs the opponent of a suppression motion, such as the Government in a criminal case, to admit or deny the occurrence of the alleged violation of the defendant's rights, on which the motion to suppress is based. Second, it permits a court to order disclosure of information in connection with the motion only if the court finds that the information may be relevant to the suppression claim, and that disclosure is in the interest of justice. Finally, the Title entirely forecloses consideration by the court of a claim that evidence of an event is inadmissible because supposedly it was indirectly derived from an unlawful act occurring more than 5 years before that event. These three provisions would fully protect the right of a defendant to have evidence which actually was derived from a violation of his rights excluded from any trial against him, but would prevent the abuses occurring under the present rule.

Enactment of Title VII is fully within the constitutional powers of the Congress since the *Alderman* decision was merely an exercise of the Supreme Court's supervisory jurisdiction over the lower Federal courts. Each of the three major provisions of title VII fully protects the right of a defendant to obtain exclusion of inadmissible evidence. The first requirement, that the Government admit or deny the occurrence of the alleged invasion of the defendant's rights, actually places or codifies a burden upon the Government, rather than the defendant. The second provision, eliminating any requirement for disclosure unless the information to be disclosed may be relevant and its disclosure is in the interest of justice, would bar disclosure only when disclosure would be patently abusive and improper. It might be applied, for example, in a case such as *Aiuppa* v. *United States,* 394 U.S. 310 (1969), in which an organized crime member who once had been overheard during an electronic surveillance was found by a forest ranger to have violated migratory bird laws. The present rule of Alderman requires massive disclosure even in such an obvious case or irrelevancy, and there can be no objection to providing for the kind of bare threshold screening of files that would exclude that kind of case from the disclosure requirement.

The third provision of Title VII, which would entirely bar consideration of suppression motions as to which more than 5 years had passed from the time the moving party's rights were violated to the time he committed the crime for which he is to be tried, similarly applies to only the most extreme and obvious cases in which the right to seek suppression is being abused. This provision, of course, preserves the rule that the *direct* product of the violation of the defendant's constitutional rights is always inadmissible. The provision deals only with motions to suppress evidence on the ground that the evidence was *indirectly* derived from other evidence obtained unlawfully.

The phrase "obtained by the exploitation of" carries with it this technical distinction. See *Wong Sun* v. *United States,* 371 U.S. 471 (1963). All that this third provision does is to recognize that it is virtually impossible that, for example, a wiretap conducted in 1970 can lead the police indirectly to evidence of a crime which the defendant does not even commit until 1976. Since that is the case, this third provision sets up a period of limitations, similar in some respects to the statutes of limitation which prevent the bringing of a criminal prosecution or a civil law suit more than a given number of years after unlawful conduct. This provision of Title VII, like those statutes of limitations, is designed in part to prevent the delay, expense, uncertainty, and injustice which result when stale claims, especially those which are as dubious as the ones covered by this provision of Title VII, are litigated long after the facts. That we should reach this result ought not be considered unusual. After all, the citizen who is the victim of unlawful police conduct, such as an unconstitutional electronic surveillance has not only the right to have the product of the surveillance excluded from any criminal trial against him, but also a civil cause of action under the Federal Safe Streets Act against the officer, while the officer himself is exposed to criminal punishment for conducting the surveillance. Nevertheless, it remains unquestioned that the officer's criminal responsibility, and his civil liability to the person surveyed, are both limited by statutes of limitations, which entirely bar criminal and civil proceedings, regardless of whether the evidence of the violation is perfectly clear. Since the third provision of Title VII forecloses only claims which are both stale and inherently improbable, there can be no reason to make suppression the only one of the three remedies for the officer's violation whch is subject to no "statute of limitations," even the limited one here proposed.

Together, the three principal provisions of Title VII will curb the use of dilatory tactics in cases in which they are obviously abusive, and will fully protect the right of defendants to obtain the exclusion of evidence which actually was illegally obtained, while protecting the public interest by aiding the proper functioning of our courts.

TITLE VIII—SYNDICATED GAMBLING

Title VIII, dealing with syndicated gambling and related corruption, was introduced at the instance of President Nixon, who in his Message on Organized Crime in April of 1969 described gambling profits as the "life line of organized crime" and placed high priority on an effective federal effort against organized gambling. The directors and managers of the major numbers, booking, and sports gambling operations across the country are, of course, the same Mafia leaders who engage in extortion, labor racketeering, corruption of legitimate business, and the panoply of other illegitimate enterprises which support organized crime. For various reasons, though, including the dependence of gambling operators upon the telephone, it is in their gambling businesses that the captains of these criminal conglomerates are most exposed to prosecution.

Gambling also is unusual in the degree to which, since it necessarily is conducted in the view of a rather wide segment of the public, it must be protected by corruption of members of the executive, judicial, and even legislative branches of federal and state governments. Although most enforcement officials and prosecutors across the country are honest and diligent, it remains true that organized gambling must corrupt at least a few officials in each locality in which it is to flourish, and that Mafia controlled or licensed gambling today operates in every corner of the United States.

Title VIII provides new tools for curbing both the large-scale gambling operations themselves and the corruption of local officials on which they depend. Part A of title VIII contains special findings regarding the prevalence and methods of syndicated gambling. Part B would make it a federal felony for large scale gamblers and local officials to conspire to obstruct enforcement of state and local laws against gambling through bribery of the officials. Part C would provide the same punishment for the gambling operators who conduct such a major gamoling enterprise.

The prohibitions in Parts B and C largely overlap existing laws in virtually every state, prohibiting the gambling operations typical of the Mafia and the bribery by which they are protected. There is no intent in this legislation, however, to preempt law enforcement efforts under those state and local laws; on the contrary, it is essential that the primary responsibility for enforcement of the gambling and corruption laws remain in the hands of state and local officials. Title VIII's expansion of the existing federal jurisdiction over gambling cases will improve such local efforts, not merely by providing an impetus for effective and honest local enforcement, but also by making available to assist local efforts the expertise, manpower, and resources of the Federal Bureau of Investigation, the Internal Revenue Service, and other agencies of the Federal government which, under existing federal anti-gambling statutes, have developed high levels of special competence for dealing with gambling and corruption cases. The International Association of Chiefs of Police has endorsed title VIII, recognizing it not as a substitute but as a valuable addition to state efforts.

Existing federal laws are not always adequate for that purpose, and unnecessarily limit federal jurisdiction. The harm done by that deficiency in federal law was well illustrated by the frustrating outcome of the Columbus, Ohio, gambling and police corruption case to which I referred previously. That case ended with an acquittal by a jury apparently convinced of the defendants' substantial guilt, but not of the federal authorities' jurisdiction under existing law. According to Assistant Attorney General Will Wilson, "the daily intake of one operator . . . was believed to exceed $15,000." Cases of that size, especially where local enforcement is crippled by corruption, are most appropriate subjects of federal jurisdiction, and title VIII would supply that lack in our law.

Mr. Chairman, it seems that public remarks dealing with the subject of gambling legislation and enforcement almost invariably begin with a recitation of the evils of unlawful gambling, its scope, and its indirect impact upon other forms of criminality—I did the same thing in beginning my remarks here today. However, it often appears that the message does not sink in with the public, many of whom remain apathetic about organized gambling, perhaps considering a 25 cent number bet or a $5 horse bet off the track to be a harmless diversion engaged in with a friendly tavern keeper. At the same time, the policies underlying the gambling laws of the federal government and the states have come under repeated attack, by some law enforcement experts as well as social scientists and others, as being unrealistic, futile, or unwise. It is time, I think, when illegal gambling profits annually run to many billions of dollars and federal and state governments devote large sums to attempts to control gambling, to undertake a study of gambling policy more thorough and comprehensive than any ever undertaken in this Nation. For that reason, title VIII contains a Part D which would establish, two years after its enactment, a commission to review national policy toward gambling. This commission would examine every aspect of the gambling problem, from data on the scope and types of legal and illegal gambling, to the broadest and most basic policy grounds upon which public and governmental attitudes towards gambling

rest. Its proceedings and report would serve to enlighten the public on the relationship between local gambling and the national syndicate, and more importantly would provide the basis for a thorough reexamination by the federal and state governments of gambling policies, legislation, and enforcement practices.

TITLE IX—CORRUPT ORGANIZATIONS

Title IX of S. 30 is designed to prevent organized criminals from infiltrating legitimate commercial organizations with the proceeds of their criminal activities or with violent and corrupt methods of operation, and to remove them and their influence from such enterprises once they have been infiltrated.

Involvement of La Cosa Nostra leaders in legitimate businesses has become the rule rather than the exception. Indeed, Internal Revenue sources have revealed that among the 113 major organized crime figures in America, 98 are involved in 159 businesses. Among the business interests held by organized crime leaders are controlling interests in one of the largest hotel chains in America, a bank with assets of 70 to 90 million dollars, and a laundry business grossing 20 million dollars annually. Of all the dangers posed by organized crime to our society, this seems somehow one of its most frightening.

While these few examples of the extent of organized crime infiltration of business are themselves disturbing from the point of view of economic concentration of power, the most offensive aspect of this infiltration is the means by which it is accomplished and maintained. The corrupt and violent methods by which organized crime members conduct their gambling and loansharking operations are adapted as means of acquiring and operating businesses. Threats, arson and assault are used to force competitors out of business and obtain larger shares of the market. Building contractors pay tribute for the privilege of using non-union labor, while labor unions infiltrated by organized crime raise no objection. A corporation is bled of its assets, goods obtained by the corporation on credit are sold for a quick profit, and then the corporation is forced into bankruptcy while the criminals who infiltrated it disappear. Large sums in stocks and bonds are stolen from brokerage houses and banks, and then used as collateral to obtain loans. Income routinely is understated for tax purposes, so that mob businesses have competitive advantages over businesses which report all their income. These methods and others give such a competitive advantage to the mob enterprise that monopoly power is approached or gained, and prices are raised.

Of course, all these unlawful means of acquiring and conducting businesses have been subject to criminal punishment all during the period in which their utilization has led the Mafia to a position of economic preeminence in our society. They have succeeded nevertheless, and that is because the criminal law simply has not been an adequate tool, by itself, to prevent and reverse such infiltration. Indeed, the processes of the criminal law seem to have been even less effective in the field of controlling organized crime infiltration of legitimate business than in controlling other types of organized criminal activity.

This is so because the criminal process has suffered from two major limitations as a means of protecting our economic institutions from this kind of infiltration. The first disability is procedural. Since a criminal conviction subjects a defendant to penalties involving loss of life, liberty, or property, our law quite properly has burdened the government in a criminal case with strict procedural handicaps, placing the government procedurally at a relative disadvantage. This one-sided character of the criminal process has been a handicap in the use of the criminal law as a means of avoiding infiltration of legitimate business by organized crime, just as it has hindered the use of the criminal law to curb other aspects of organized crime. Of course, while we may criticize or defend the precise contours of the procedural rules developed for criminal cases, none of us would deny that our law properly gives defendants considerable procedural advantages over the government in criminal cases, such as the requirement for proof of guilt beyond a reasonable doubt, the double jeopardy prohibition and so forth. Nevertheless, as much as we may approve such a scheme, we must recognize that the result is that the criminal law is a limited tool for dealing with organized crime infiltration of legitimate business.

The second disability of the criminal law as a means of dealing with that problem is the limited scope of criminal remedies, which traditionally have been limited to imprisonment and fine. While jailing or fining an organized crime leader is appropriate and effective in some respects, too often the organized crime leaders' business, like his Mafia family itself, is managed by subordinates in his absence and restored to his control when he is released from prison. Thus, criminal sanctions of the traditional kind are not effective to remove the unlawful influence from the legitimate organization.

The purpose of title IX is to fill these gaps in our power to deal with criminal infiltration of legitimate organizations. To the criminal penalties of fine and imprisonment is added the criminal sanction of forfeiture. By reviving the remedy of criminal forfeiture, which was used extensively in England and to a limited degree in the colonies but has found virtually no application in the United States, title IX would provide an effective adjunct to a criminal prosecution: it would punish the criminal appropriately by forfeiting to the government his ill-acquired interests in a legitimate business, and directly aid the business community by expelling him from the legitimate business he had abused. The government would have to dispose of the forfeited interest as soon as reasonably possible, and could sell the property in such a manner as to ensure that the enterprise was not again infiltrated by the convict or his criminal associates. Since the convict would not be compensated for the forfeited interest, the forfeiture would be a criminal one, and could be applied only if the individual's guilt were proven beyond a reasonable doubt in a criminal trial.

In addition to this innovative criminal penalty, title IX contains important civil provisions which in some respects are superior to the criminal process' remedies and procedures. As to remedies, title IX adapts the equitable remedies long applied by courts of equity and brought to their fullest development by federal courts applying the antitrust laws, as a means of requiring individuals who have used racketeering methods to acquire or operate legitimate businesses to divest themselves of their ill-gotten interests and to refrain from re-entering the same lines of business. In extreme cases, the civil remedies could include even the court-ordered dissolution of a business found to be corrupted from top to bottom.

Since these civil sanctions would be remedial rather than punitive, title IX also adapts the full range of procedures used in other civil cases to the organized crime context. Since a civil proceeding under title IX would not place a defendant in danger of imprisonment or other penalty, the federal rules of civil procedure would apply, and the government, like the defendant, would have rights of amending pleadings, discovery, appeal, and the other facets of procedural equality denied to the government in criminal cases. In addition, title IX grants the government the power to issue civil investigative demands comparable to those found to be so effective in the antitrust laws.

The improved remedies and procedures of title IX offer the first real hope for advancing the federal effort against organized crime beyond the level of imprisoning and fining those few organized crime members who can be convicted by the rigorous method of the criminal trial, and promise to provide a vehicle for cleansing the streams of commerce of one of their most harmful pollutants.

TITLE X—SPECIAL OFFENDER SENTENCING

Finally, Mr. Chairman, there is title X, which would add four new sections dealing with sentencing to title 18 of the United States Code.

The first section, authorizing extended prison sentences for carefully defined categories of particularly dangerous special offenders, would permit a federal prosecutor to file a notice before the trial of an adult felony defendant stating any grounds for finding him to be within the definition of a "dangerous special offender." The section defines the concept of dangerousness and the types of special offender: recidivist, professional offender, and organized crime offender. If the defendant is convicted of his felony beyond a reasonable doubt, the court then holds a full sentencing hearing with substantial presentence report disclosure and rights to notice, counsel, compulsory process, and cross-examination. If the facts sustain the special sentencing allegations, the court can impose a sentence appropriately higher than the ordinary maximum, though in no case can the special sentence exceed 30 years, and the court must record its findings and reasons for the sentence.

The other three sections of title X authorize appellate review of special offender sentences at the instance of the defendant or the government, codify the right and duty of a federal court to consider the fullest information possible in determining an appropriate sentence, and establish within the FBI a central repository for copies of conviction records to be admissible, for example, in sentencing proceedings or for impeachment purposes.

Title X would begin to correct the present tendency to concentrate the development and refinement of criminal law in the areas of procedure and substantive prohibitions, to the relative neglect of sentencing. Since the great majority of federal defendants plead guilty, sentencing is the most important stage of the criminal process to most defendants and the only significant stage for many of them. Nevertheless, while the prohibitions and procedures of criminal law have been elaborated and, some would say, tortured into extreme complexity and sophistication, federal law concerning sentencing has remained primitive and, especially in organized crime cases, utterly inadequate.

The basic defect in our sentencing law has been that, for a given crime, every offender has been exposed to a single maximum authorized punishment set by the Congress, while a sentencing court's choice of a particular sentence at or under that maximum has not been reviewable by the appellate courts. That defect has led the Congress, in setting maximum sentences for various crimes, to establish those maximums at compromise levels which reduce the risk of abusively high sentences for ordinary criminals, but are too lenient to protect society by confining recidivists, professionals, and organized criminals.

Federal and state racket prosecutors for years have been aware of the insufficiency of sentences imposed on organized crime leaders. Their experience was confirmed recently by the results of a staff study by the Senate Criminal Laws Subcommittee based upon sentencing data gathered by the Fed-

eral Bureau of Investigation. That study can be found in the Congressional Record of November 17, 1969. Therefore, let me simply mention now that we found that two-thirds of La Cosa Nostra members included in the study and indicted by the Federal government since 1960 have faced maximum prison terms of only 5 years or less, and that nevertheless fewer than one-fourth have received the maximum sentences, 12 percent have received no jail terms, and the sentences of the remainder have averaged only 40 to 50 percent of the maximums.

I have described several egregious individual examples of inadequate sentences for racket leaders in a recent article in the *Reader's Digest*. Rather than take the time of the Committee today by repeating several of those examples, let me simply refer to one of them, the case of Joey Glimco. The labor racketeering investigations of the Senate Select Committee on Improper Activities in the Labor or Management Field established that Glimco, a top Chicago henchman of Teamster boss James Hoffa and ruler of Chicago Teamster Local 777, embracing 5,000 taxi drivers and miscellaneous maintenance workers, was a mobster who could match criminal careers with the worst; his record included 36 arrests from robbery to murder. The Committee's final report required 56 pages to detail his marauding, and concluded:

"Glimco was shown to be a common thug and criminal who gained control of this union by violence and by those strongarm methods which are a stock-in-trade of the Chicago racketeer. Under Glimco, local 777 became a captive union. He ruthlessly stifled any opposition by the membership, while he ransacked the union treasury."

In February of 1959, Glimco was allowed to plead guilty to having taken gifts, ranging from turkeys, to a large sprinkler system, to his $5,000 Jaguar, as payoffs for a bogus contract that protected a businessman from the organized efforts of legitimate unions. Investigation and prosecution cost the government well over $200,000, but resulted in a four-count indictment that could have resulted in a four-year prison term. Nevertheless, Glimco received from the court only a $40,000 fine—no jail term whatsoever.

Title X will both promote more effective sentences for organized crime leaders and begin the process of rationalizing our federal sentencing law, by implementing the principle, approved by the Department of Justice, the American Bar Association, the National Council on Crime and Delinquency, the American Law Institute, and the President's Crime Commission, that every crime should carry not only a sentence for ordinary offenders, but also a greater maximum for more dangerous offenders.

All three of title X's definitions of special offenders—organized crime offenders, professional offenders, and recidivists—will apply in some cases to hard core members of large criminal syndicates. For example, the staff sentencing study I referred to previously indicated that almost 60 percent of Mafia members included in the study would, on conviction of another federal felony, qualify under title X as recidivists.

More importantly, the three definitions have been so drawn as to accurately define the three types of offenders who should be singled out for special sentencing treatment, regardless of their relationship to La Cosa Nostra. Again, recidivists are an obvious example. The staff sentencing study revealed that 68 percent of all persons arrested on federal charges during the period of the study who would have qualified as recidivists under title X accumulated an average of 4.3 charges per offender following those federal arrests. Now that the National Commission on the Causes and Prevention of Violence, like other investigations and authorities before it, has documented again the key role that recidivism plays in our exploding crime problem, we must at last enact a federal general recidivist statute.

The provisions of title X authorizing appellate review of sentences are very important for defendants who are shown under title X to be especially dangerous to the community and are made subject to exceptionally long sentences. Those provisions implement a recommendation of the President's Crime Commission that:

"There must be some kind of supervision over those trial judges who, because of corruption, political considerations, or lack of knowledge, tend to mete out light sentences in cases involving organized crime management personnel. Consideration should therefore be given to allowing the prosecution the right of appeal regarding sentences of persons in management positions in organized crime activity or groups. Constitutional requirements for such an appellate procedure must first be carefully explored."

Rulings announced by the Supreme Court during its last term, and careful hearings into the legal and constitutional facets of appellate review of sentencing can be applied as this title does within constitutional bounds. The provisions have been drawn in the light of those decisions and hearings, so as to preserve individual rights under the due process and double jeopardy clauses. Appellate review of sentences under title X will not only permit correction of unjust sentences in individual cases, it will also encourage the development of sentencing principles and enhance respect for our system of criminal justice.

The section of title X preserving the federal courts' access to full information for sentencing follows the lead of the Supreme Court in *Williams* v. *New York*, 337 U.S. 241 (1949). Like the *Williams* decision, this section rests on modern penological concepts of individualizing punishment to fit both the crime and the criminal.

The last section of title X authorizes the establishment within the Federal Bureau of Investigation of a central repository for copies of judgments of conviction with fingerprints of defendants attached. Federal law enforcement agencies are required to participate by forwarding records to the repository, and are given access to the contents of the repository. The states are given similar access on condition that they furnish copies of their conviction records.

Records from the repository will be extremely useful to both state and federal law enforcement agencies, since they can be used in court to impeach the testimony of witnesses, to establish prior convictions which are a predicate for enhanced punishment of recidivists or other special offenders, and to establish the fact of a conviction in any case in which the conviction otherwise becomes material. The section includes an express provision making the contents of the repository admissible in federal courts. At the present time, similar records are admissible in federal and state courts, but are difficult to locate and then can be obtained only by writing to the individual federal and state courts in which the convictions occurred. In addition, such records ordinarily are not kept and indexed with fingerprints, so the use of aliases often prevents the obtaining of a comprehensive set of admissible copies of convictions for a particular defendant. Enactment of this section will permit every federal and participating state police or prosecuting agent to obtain a complete and fully admissible record of all of a defendant's convictions simply by submitting his fingerprints, name, and other basic data to the central repository. The saving in time and money, and the increase in efficiency, can be expected to be dramatic.

It is important, however, that the FBI have sufficient time to establish the repository without disrupting its just inaugurated computerization project, a project that has only b gun to offer the hope of quick fruition in the last two weeks. The Bureau must also be accorded administrative flexibility to establish and revise efficient forms and procedures. (State legislatures will need time to enact legislation authorizing state participation in the repository and establishing admissibility in state courts, and federal and state courts and agencies will need some time to develop procedures for processing information handled by the repository.) This new development in computerization now leads me to urge that the Committee amend this section to authorize the Attorney General to make regulations concerning forms and procedures, leave the language of the section itself in terms of a general authorization, and give the Department of Justice discretion to establish the repository at any time within a three year period following enactment of the statute, rather than immediately.

Certain technical amendments to title X's provisions on appellate review of sentences are also desirable. They would clarify the applicability of the appellate review provisions to review of correction or reduction, as well as imposition, of a sentence, and simplify the terms used. They would further clarify the intent that the prohibition against increase of a sentence where the Government had not taken review would be applied, in the context of review of correction or reduction of a sentence after the Government had failed to take review of the original sentence, to prohibit increase of the sentence above its original level.

The substance of the amendments, and some discussion of their interpretation, appear in the Congressional Record in the Senate debate on S. 3246, the "Controlled Dangerous Substances Act." (CONGRESSIONAL RECORD p. 1323, Jan. 27, 1970.) Key sentencing provisions of that Act were largely modeled on those of S. 30, and included the technical amendments to which I now refer when the Senate passed S. 3246 by a vote of 82 to 0. (CONGRESSIONAL RECORD, pp. 1671, 1679, Jan. 28, 1970.)

The amendments also appear in H.R. 16134, introduced by Congressman Fascell on February 24, 1970. H.R. 16134 duplicates S. 30 except for these technical amendments.

These amendments will make explicit the intended reconciliation between sentence reduction by the trial court, and sentence review by the appellate court. They have my full support.

CONCLUSION

Mr. Chairman, every one of the ten titles of this bill, which I have just described, has roots in measures jointly introduced in the Senate by Republicans as well as Democrats. Once those original bills had been introduced, the Senate Judiciary Committee's Subcommittee on Criminal Laws and Procedures, which I am privileged to chair, held comprehensive and detailed hearings on the measures. We solicited and received written views and recommendations from law professors in the respective fields. The Subcommittee and its staff devoted a great deal of study to those comments. We examined two decades of proposals made by such distinguished bodies as the President's Crime Commission, the American Bar Association, the National Council on Crime and Delinquency, the American Law Institute, the National Commission on Reform of Federal Criminal Law, and many others. Indeed, I think I can say that we have considered virtually every major organized crime proposal made in the past 20 years, and have incorporated in this measure many of those that were found to be important, valid, and constitutional.

I add, too, that the Subcommittee held a series of executive sessions to consider this

material. It made numerous perfecting amendments in the bill before reporting it favorably to the full Judiciary Committee, from which it was then reported to the Senate. On the Senate floor, the bill was thoroughly debated. Several amendments were offered and considered. It is quite significant, I think, that only one Senator voted against its passage. The votes on the amendments, like the vote on final passage, were bipartisan.

Mr. Chairman, I believe it is the exhaustive study and consideration which this bill received in Committee on the Senate side that permitted it to command the bipartisan and nearly unanimous support of the Senate. We made full use of the opportunity for study, analysis, redrafting, and further redrafting, to produce in every title of the bill an appropriate accommodation between the interest of society in controlling crime and the rights of every individual to a fair procedure and just laws. Often, we found it was possible to design a provision in such a way that the particular procedure in question infringed no substantial interest of any individual simply by using careful definition and including full procedural guarantees. Where that was possible, we did so. In other cases, we found that due enforcement of the laws necessarily placed a burden or a risk on some individual interests. Where that was the case, we assiduously drafted and redrafted the provisions to minimize the impact upon individual interests and to balance them appropriately with the interests of society, scrupulously avoiding all conflicts with constitutional guarantees, and often giving individual defendants and others more rights than the minimum required by the Constitution.

The degree of success we have achieved in developing provisions which combine effectiveness with fairness is indicated by some of the endorsements those provisions have received. Title I's authorization of special grand jury reports criticizing identified local officials, for example, has been approved by the National Association of Counties and the International Association of Chiefs of Police. Although some of their members are potential subjects of such reports, those associations are responsible, highly-regarded exponents of effective action against crime and corruption. They have recognized title I as a balanced, fair proposal, and have strongly endorsed it.

S. 30 promises to strengthen the protection of society from the ravages of organized crime, while at the same time making secure the constitutional rights and legitimate interests of the accused. Its reconciliation of the competing interests of society and individuals has been informed and guided by an approach to criminal justice well-expressed by Dean Roscoe Pound when he wrote:

"Civilized society presupposes peace and good order, security of social institutions, security of the general morals, and conservation and intelligent use of social resources. But it demands no less that free individual initiative which is the basis of economic progress, that freedom of criticism without which political progress is impossible, and that free mental activity which is a prerequisite of cultural progress. Above all it demands that the individual be able to live a moral and social life as a human being. These claims, which may be put broadly as a social interest in the individual life, continually trench upon the interest in the security of social institutions, and often, in appearance at least, run counter to the paramount interest in the general security. Compromise of such claims for the purpose of securing as much as we may is peculiarly difficult. [Nevertheless,] . . . in criminal law, as everywhere in law, the problem is one of compromise; of balancing conflicting interests and of securing as much as may be with the least sacrifice of other interests."

We must not, however, in Pound's terms, indulge in an "excessive solicitude" for defendants, nor should we erect "technical obstacles" to a realistic and fair accommodation of society's need for protection and the rights of individuals. S. 30 is, I suggest, neither excessively solicitous of those accused, nor does it accord too much weight to the interests of society. It is, in short, what is needed by all: a fair balance. I hope and believe that upon this Committee's careful examination of S. 30, you will agree that it is an effective treatment of this difficult problem, ensuring equal protections and justice both for society and for the individual citizen.

Mr. Chairman, I urge that you give S. 30 expeditious and favorable consideration. I believe that this Nation is feeling what can only be described as "a tremor of righteous indignation." Peaceful, law-abiding citizens are becoming incensed at the prevalence of professionalized and organized lawlessness. They are demanding, as last week's Gallup Poll showed again, that the government give efforts to reduce crime priority over all other domestic programs.

Mr. Chairman, the public is demanding that we recognize that the right of society to be safe transcends the right of the criminal to be free. The public is aware that existing federal law lacks a number of necessary tools for dealing with the crime syndicate, but it believes those tools can be provided within the framework of the Constitution. Only by processing this bill to final enactment this year can the Congress meet its responsibility and truly respond to the urgent demand for wise and courageous action to rescue our society from the sickness and peril that organized crime has inflicted upon it.

Thank you.

TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a Nation. The total gross national product of the United States in 1967 exceeded that of every region in the world. The U.S. GNP totaled $789,700,000,000 compared to $589,478,000,000, the combined total of all the countries of Western Europe.

POSTAL REFORM VERSUS RIGHT TO WORK

(Mr. GROSS asked and was given permission to extend his remarks at this point in the RECORD and to include a letter.)

Mr. GROSS. Mr. Speaker, on May 22, the gentleman from Arizona (Mr. UDALL) placed in the RECORD a statement denouncing what he described as the "alarmist mail that threatens to undermine the effort of the Nixon administration to reform the Post Office Department."

The reference was to mail we have all been receiving which calls attention to the fact that the provisions of H.R. 17070, the Postal Reorganization and Salary Adjustment Act of 1970, pave the way for compulsory unionism of employees of the reorganized postal service.

It is interesting to watch Mr. UDALL, an eager candidate for the majority leadership, rush to embrace and defend the Nixon administration. In contrast, the chief lobbyist for a postal corporation and cochairman of the Citizens Committee for Postal Reorganization, Mr. Larry O'Brien, has not seen fit lately to praise any aspect of the present administration. It makes you wonder who has his signals crossed.

The gentleman from Arizona stated to the House:

"Right to work" is not an issue in postal reform. The bill reported by the Committee on Post Office and Civil Service neither advances nor retards the "right to work" movement; it leaves it precisely where it is now. It retains the status quo.

Either the gentleman from Arizona and I have not read the same bill, or we differ on our definition of the status quo.

Under existing law, the standards for examination, certification, and appointment in the competitive civil service, as found in sections 3301–3364 of title 5, United States Code, apply to postal employees just as they do to employees in other departments of the Government.

The policies governing all Federal agencies in their dealings with Federal employee labor organizations are set forth in Executive Order 11491, under the title of Labor-Management Relations in the Federal Service, and signed by President Nixon on October 29, 1969.

This Executive order states, in section 1 of its General Provisions:

Each employee of the executive branch of the Federal Government has the right, freely and without fear of penalty or reprisal, to form, join, and assist a labor organization or to refrain from any such activity, and each employee shall be protected in the exercise of this right.

In other words, a national "right to work" regulation exists for all Federal employees in the executive branch of Government.

The existing provisions of the Labor Management Relations Act of 1947 specifically exclude from its coverage the United States or any wholly owned Government corporation as an "employer," and specifically exclude Government employees as well.

This, Mr. Speaker, is the status quo.

The bill, H.R. 17070, makes several significant changes.

First, while the postal service will remain in the executive branch, postal employees under this legislation are removed from the competitive civil service and placed in a category of "postal career service." Appointments, promotions, and other personnel action will be governed by procedures established through collective bargaining.

Second, it nullifies the provisions of Executive Order 11491 as they would apply to the postal service.

Third, it makes the provisions of the Labor Management Relations Act of 1947 applicable to the postal service and

its employees. The significant application of the Labor Management Relations Act permits a union and an employer to make an agreement requiring all employees to join a union in order to retain their jobs.

Thus, this legislation takes a Federal executive agency and its 750,000 employees and places them under the coverage of a statute from which they are now excluded.

For the first time in our history, a group of Federal employees and those individuals who aspire to work for the Federal Government in the postal service, would be faced with the prospect of union membership as a condition of employment, and could be dismissed for failure to join a union if a union shop agreement is entered into.

The gentleman from Arizona makes the point that nothing in H.R. 17070 disturbs the provisions of section 14(b) of the Taft-Hartley Act, which permits the States to enact "right to work" laws. This is true, but that statement could not be more irrelevant. Section 14(b) of the Taft-Hartley presently has no application to Federal employees. What this legislation does is to deny Government employees in the postal service the absolute right to refrain from union membership—a right they presently enjoy under Executive Order 11491.

The issue that this legislation presents is simple: Is it proper that a Government employee be required to join a union in order to hold his job?

It is my opinion, Mr. Speaker, that such a requirement is highly improper and contrary to the entire body of policy which has evolved under the Federal competitive civil service system. The bill, H.R. 17070, overturns civil service policy as it pertains to 750,000 postal employees, and it paves the way for erasing the civil service merit system in all Federal departments and, throughout the country, at every level of Government.

Mr. Speaker, as might have been expected, Postmaster General Winton M. Blount has now joined the gentleman from Arizona in attempting to convince Members that compulsory unionism is not an issue in the consideration of so-called postal reform legislation.

In a letter which I assume went to all Members, the Postmaster General is just as far off base as the gentleman from Arizona. I regret that he would try to confuse the issue by stating that there is some "misunderstanding of this aspect of the bill." To the contrary, the issue is clear.

I call to the attention of my colleagues the text of my response to the Postmaster General's letter:

MAY 28, 1970.

HON. WINTON M. BLOUNT,
The Postmaster General, Post Office Department, Washington, D.C.

DEAR MR. BLOUNT: In your letter of May 26, 1970, you state: "Neither the Administration nor the Post Office Department has ever proposed that there be a union shop in the Postal Service."

Having made this statement, I find it incredible that you would refuse to support this simple amendment to H.R. 17070:

COMPULSORY UNIONISM

Add a new subsection to section 222 to read as follows:

"(b) Each employee of the Postal Service has the right, freely and without fear of penalty or reprisal, to form, join, and assist a labor organization or to refrain from such activity, and each employee shall be protected in the exercise of this right."

I would remind you, Mr. Postmaster General, that the Republican Party made a solemn pledge to the voters in our 1968 platform "to protect Federal employees in the exercise of their right freely and without fear of penalty or reprisal to form, join or assist any employee organization or to refrain from any such activities."

That you would see fit to ask Republican members of Congress to repudiate this pledge is unpardonable. I for one have no intention of doing so. It is also unpardonable that you would attempt to confuse the issue involved by asserting that there is some "misunderstanding of this aspect of the bill."

There is no misunderstanding, Mr. Postmaster General. To the contrary, the issue is clear. The bill would in fact permit compulsory unionism in the Postal Service, in direct contradiction to long-standing federal policy, publicly stated and declared by the last three Presidents of the United States.

Your suggestion that "the basic policy issues involved in the union shop question should only be considered in the context of an appraisal of the general labor law" is totally unacceptable to me and I trust will be summarily rejected by the House of Representatives.

The issue can and should be settled now; not at some time in the unforeseeable future.

Sincerely,

H. R. GROSS.

MINE EYES HAVE SEEN THE CENSOR

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous material.)

Mr. FASCELL. Mr. Speaker, Mr. Burnet Hershey, acting chairman of the Overseas Press Club Foundation, has written a very timely article. "Mine Eyes Have Seen the Censor" is a historical analysis of the rules and regulations that GI correspondents and newscasters have faced throughout this century. Mr. Hershey's article appeared in the Overseas Press Club publication, Dateline, well before the recent GI newscasters' cries of censorship were heard. From time to time the intensity of dispute and criticism increases so it is important to have this review from an experienced hand who can put some perspective into a discussion that he has been personally involved in for over half a century:

MINE EYES HAVE SEEN THE CENSOR

(By Burnet Hershey)

Two very young GI newscasters are in the military dog-house today because they accused the U.S. Command of wielding the censor's scissors on their staff—"suppressing unfavorable news and having our scripts distorted." One of these young Army broadcasters, on his Armed Forces Radio show, exploded a bomb as deadly as any mortar salvo when he told his listeners that he and his buddies were "not free to tell the truth."

Specialist S/Robert Lawrence said that he and eight other members of the news staff had signed a letter asking the Army network for a clear definition of censorship policy. He said the request "was totally ignored." He also charged that "significant network news reports concerning the Vietnamese government, a local peace demonstration, and black market activities in Saigon recently were banned" from the network. He also said that he had been told that he could not select film for the war portions of his telecasts because his choices were unfavorable to the South Vietnamese government.

Now in the semantic jungle where we swing from tree to tree—and often hang ourselves by our own rope—this started out as the old and tired gripe of the "credibility gap." Then it sprouted into a hassle about "military justice." Now, it seems it has finally burst its army-beef cocoon and has emerged as what it really is—the complaint of the "generation gap." Maybe in Saigon it was blown up to look like a freedom-of-the-press issue. At home we have been living with the Agnew-Mitchell controversies, the network jousts, and the public and private autopsies on the communications profession, so why all the concern with a couple of GI newscasters, one of whom was ordered back to driving a truck, while the other probably was assigned to a tour of latrine duty.

Not to overstate its importance, but the entire matter may now have to undergo reexamination and perhaps a Defense Department revision of the rules laid down in all three big wars for the establishment and conduct of field press censorship in combat areas. Specifically, it may call for a reappraisal of the rules governing armed forces news and newsmen.

Everyone knows and understands that both the military and the civilian press have been arguing about freedom and censorship for over half a century. Historical analysis of the ground rules discloses that, while the controversy may have existed in every war, there have been periodic adjustments and even a measure of liberalization. As a matter of fact, because the Vietnam war is not a "declared" war, no formal censorship has actually existed.

The Basic Field Manual, with its insistence on compliance by all communications media has always existed. It has never changed and remains as rigid as the oath of loyalty. A capsulated statement of its principal objectives is worth noting:

Field press censorship (says the army), will be governed by the principle that the maximum of information will be released to the public with a minimum time consumed in review, while denying the enemy information which would enable him to prosecute the war more effectively. Following this principle, news material will be released unless it:

1. Will supply military information of value to the enemy; or

2. Will have an adverse effect upon the combat efficiency of our forces or those of our allies; or

3. Is false or inaccurate in respects which are detrimental to our forces or those of our allies and of service to the enemy.

It is emphasized that field press censorship is exercised for security only, and that news material will not be deleted or stopped on policy grounds. The field press censor is concerned only with preventing the transmission of information which will aid the enemy. His authority will not be used to prevent the transmission of news upon the grounds of anticipated adverse reaction by the American public.

Fundamentally, no American has ever quarreled with these basic assumptions. And, much freedom has been allowed which cuts the censor down to tolerable size.

No dispatches between army censors and newsmen were more abrasive than the storms which were kicked up by General Pershing

in World War I and General MacArthur in the Korean War. Only a handful of correspondents are alive today who remember the rebelliousness of the New York *Tribune* correspondent in World War I, Heywood Broun—the brittle, non-conforming muckraker of his time; or the angry, youthful Westbrook Pegler who attacked censorship; or Floyd Gibbons, then sans eye-patch, with his irreverant, almost contemptuous approach to the military leadership; or Tom Johnson (former OPC Vice-President, now living in St. Paul); or Wythe Williams (founder President of the OPC) and their challenges of brass and censor in dispatch after dispatch. Some of these men had their accreditation revoked and were sent home; others were disciplined in various ways. But none of them ever knowingly jeopardized their country's security or honor.

Perhaps it is all best summed up by the long forgotten sign, crudely painted by Lt. Gerald Morgan, a top-drawer magazine writer of his time, and a pal of Richard Harding Davis, who became Pershing's chief censor. Censorship headquarters consisted of an old store in the city of Neufchateau. I think it had formerly been a bakery and it had the usual iron shutters under which was the proprietor's name. Here, through a roughly constructed cage, the American war correspondents covering World War I passed their dispatches to the censors who were working in the rear. Right over the cage, so that it could be seen by all, was a little sign in a tarnished gilt frame which read: The greatest story in the world is not worth the life of one American soldier.

Have you ever read Black Jack Pershing's wire to the War Department at a critical moment in the AEF annals? Tough as he was on the subject of censorship, Pershing passed this legacy on to Marshall, and Marshall must have handed it down to Eisenhower:

"Regret that—word—reached press correspondents resulting in submission of articles which censor has held not because of misrepresentation, but in order to avoid appearance of our presenting through press matters already sent you officially, suppressing these dispatches subjects us here to charges of keeping back information which press reasonably claim American people are entitled to know, such views must undoubtdely reach public in some manner, as criticism seems inevitable. Probably best not wait until it is published from hostile source but accept it from friendly source instead. Recommend, therefore, release to correspondents stories involving temperate criticisms on supply developments where they are known to be well founded. Early action a request.

"PERSHING."

To emphasize how muddled official thinking had been about censorship, the very liberal Secretary of War, Newton Baker, cabled his answer to the conservative, rigid soldier, Pershing: it was an emphatic "No."

All these restrictions, rules, do's and don't's were later expanded by an announcement that our State Department considered it "dangerous and of service to the enemy" to discuss differences of opinions among the Allies or difficulties with neutral nations. Finally, it was added that even speculation about peace might be dangerous!

Thus American newspapers had general principles to follow, but were forced to use their own judgment in conforming to them. No responsibility was accepted by the censorship organization, and the newspapers which made serious errors in judgment were subject to prosecution under the Espionage Act of 1917. This act imposed a maximum penalty of $10,000 fine and twenty years imprisonment upon those who interfered with draft operations or made false statements with intent to retard the success of the armed forces or attempted to incite disloyalty—the last being an especially ambiguous phrase. The act was later amended to include anyone who discouraged the sale of Government bonds; obstructed the making of loans by or to the United States; incited subordination, disloyalty, or mutiny; uttered, printed, wrote or published any "disloyal, profane, scurrilous or abusive language about the form of government of the United States," its Constitution, armed forces, or uniform; issued language intended to bring them into "contempt, scorn, contumely or disrepute;" discourage production of war necessities; or taught, defended, or suggested the doing of any of those things. Possibly this system begun under the initial war hysteria which swept the country in 1917, might have been modified if the war had lasted longer. As it was, war censorship was still in effect at the time of the Versailles peace negotiations, and American correspondents there found themselves, like their colleagues of other countries, apparently doomed to be shut out from the essential meetings of a conference which was showing scant respect for President Wilson's advocacy of "open covenants, openly arrived at." The way was now paved for newsmen and press officers alike to profit—but only partially—by the mistakes made in that first big war.

When World War II broke out, a more efficient, more sophisticated information branch had been conceived, full of promising beginnings, although a lot of improvising went on. By the time General Eisenhower had been given his command, the framework for a press and censorship section was ready to function. It turned out to be a gigantic operation with, eventually, some 1500 journalists, writers, photographers, radio broadcasters and artists accredited, indoctrinated and shipped to the scene of the action. To this small army was added the large corps of combat correspondents, whose place in the war-time apparatus of the U.S.A. had just really been established. One could hardly call the World War I *Stars and Stripes* a combat newspaper, nor its brilliant editors and reporters, combat correspondents. In World War II Alexander Woollcott, a frying pan strapped to his bulging waist and a shawl over his dirty uniform, spent some nights in the French mud dodging shrapnel. In Korea and Vietnam over one hundred combat newsmen lost their lives. Sixty-two of this number died covering the news in Vietnam.

The first few weeks after censorship was imposed in Korea, there were a few mistakes, a certain amount of confusion, and many publicly aired arguments. Most of this was due to the fact that both censors and correspondents were as yet unfamiliar with all the censorship regulations and the army's do's and don't's. This soon became the old problem of how to balance freedom of the press with military security. Added to this were political considerations and the sensitivities of more than a dozen "allies" of this United Nations "police action." General MacArthur and his two-star press officer were giving the boys a hard time. For example, double censorship was imposed and caused a veritable black-out of news from Korea. Under the plan, all news stories from Korea first had to be cleared by 8th Army censors and then transmitted to MacArthur's headquarters in Tokyo for double checking. The irony of this "security" plan was the fact that all news from Korea moved by telephone or teletype which could be monitored by the Reds or anyone else. One correspondent who attempted to write about censorship had his first story killed by MacArthur's censors.

During war, songs celebrating a variety of topics spring up, and it was inevitable that war correspondents should have songs about the censor. The Korean war song was sung to the tune of "The Battle Hymn of the Republic," and it went as follows:

Mine eyes have seen the censor with the copy on his knee;
He was striking out the passages that mean the most to me;
This sentence hurts morale as it's defined in Section Three—
This passage must come out.
And the chorus goes:
Glory, glory to the censor,
Glory, glory to the censor,
Glory, glory to the censor,
This passage must come out.

Something happened between the wars that influenced a few changes in press and censorship management. It had nothing to do with how to handle unruly correspondents or how to set up barricades against them. From a half century of experience in our three big wars I was able to put my finger on this change. *The declension of the brass hat had taken place.* I recognized the final stage when I ran into some officers with whom I had worked in Africa and Europe. There they were just commonplace human beings in undistinguished mufti, on their way to one of the innumerable monthly board meetings of a military industrial complexity. One was en route to the Blue Ridge mountains to play golf. He was not even called to Washington when war came again. Some had remained admirals and generals in the world of public relations, others had taken to writing books, and some tried a little politics.

New, younger officers replaced them and they took another look at the rules, rules, rules, and some of those rules got a real trimming. Vietnam has been a tough, but fairly untrammeled beat, because of some of these young officers. But they had to learn from the older ones. Not just about the new instruments which had increased the range, speed and variety of mass communications, but lessons about reporters and photographers and their problems and responsibilities. Eisenhower must have learned from Pershing that you cannot tamper with public opinion at home and that censorship was a hot potato.

Westmoreland, Abrams and Wheeler inherited the books from Eisenhower and Bradley and unquestionably brought the press and armed forces into the new decade, and the Vietnam war into its proper perspective—as a political, ideological war. Of course, there are still many smoldering differences over the quality of reporting. Newsmen themselves are divided on matters of editorial vs. factual dispatches, the credibility of U.S. officials and criticism of ARVN and of Saigon politicians.

These men were sons of World War I, they had fought World War II and Korea and they have no intention of leaving World War III to be finished by *their* sons. They may not yet be sure how that can be prevented; it is not yet within the scope of their objective. But it will not be forgotten or neglected.

How well aware they are of the irresponsibility of the 1918 veterans. Ernie Pyle once put it in one quoted sentence: "Those bluenoses back home better not try to put prohibition over on us while we're away this time!" That was an immediate objective because they regarded it as an immediate danger. And in the future each such threat will be resisted in turn as it presents itself clearly, but not in raucous voices of doom and rebellion.

DISTRICT OF COLUMBIA RESIDENTS OPPOSED TO HIGH INTEREST RATES

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD, and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, last week, the House of Representatives went on

record against high interest rates and against the destruction of local usury laws.

The vote was 176 to 118 against exempting FHA and VA mortgages from the District of Columbia's 8-percent ceiling on usury.

In taking this position, the House rejected the now well-worn cliche that higher interest rates can somehow assist housing. This is a fallacious argument that every available housing statistic refutes.

Each increase in interest rates prices another segment of the population out of the housing market. Today, we have allowed interest rates to rise to such astronomical levels that only the affluent can afford decent housing. In fact, under the present interest rate structure, an income of at least $12,500 is needed to properly qualify for an FHA-insured home mortgage.

Mr. Speaker, I am still mystified by the manner in which the District of Columbia usury bill was brought to the floor. I am still puzzled by the fact that that bill would have allowed one group of mortgages—Government-backed mortgages—to bear interest rates above the usury ceiling, while the conventional mortgages—the type of mortgage used by the most affluent—would remain under the 8-percent usury ceiling. Normally, we expect that the backing of the U.S. Government would give the homebuyer some break on interest rates—a slight improvement over conventional terms which bear no Government insurance. But the District of Columbia bill that was before us on May 25, would have reversed this and made the Government-insured mortgages the most expensive in the District of Columbia.

Since the House action, there have been a number of statements by various people in the District of Columbia. It is encouraging that many officials are showing a new interest in the question of high interest rates and their effect on low- and moderate-income housing. I hope that these officials will use their great influence with the White House to encourage a reversal of this administration's policy of high interest rates and tight money, which are so destructive to housing, not only in the District of Columbia, but throughout this Nation.

Perhaps some of the District of Columbia officials, who have been appointed by President Nixon, will go back to him and insist on a reversal of these high-interest-rate policies and thus free funds for housing in the District of Columbia.

Mr. Speaker, it has been implied that local lenders needed higher interest rates in order to survive. This is complete hogwash. I challenge any financial institution in the District of Columbia to show that it loses money when it makes a home loan at the legal District of Columbit usury limit of 8 percent. The truth is, Mr. Speaker, that financial institutions make a handsome profit at 8 percent, and they do not need 8½, 9, or 10 percent to turn a very neat profit.

Perhaps the officials of the District of Columbia could take a look at the books of the financial institutions operating in the District of Columbia and determine just what profits they are making on loans which stay within the 8-percent usury limit. Such a study would be quite revealing.

In the meantime Mr. Speaker, I hope that the proper officials in the District of Columbia will take steps to vigorously enforce the District of Columbia usury law on all types of loans, including home loans. In recent months, consumers in the District of Columbia have been forced to bring their own suits to protect themselves against apparent usury. The District of Columbia government itself should be in the forefront of the enforcement of the District of Columbia usury laws.

Mr. Speaker, the great majority of the residents of the District of Columbia are opposed to high interest rates and do not want to see the usury laws wiped out.

Last week, I received a letter from Mr. Anthony Z. Roisman, vice chairman of the Greater Washington Chapter of Americans for Democratic Action, expressing continued opposition to interest rate increases in the District of Columbia. I place in the RECORD a copy of this letter:

BERLIN, ROISMAN & KESSLER,
Washington, D.C., May 26, 1970.

HON. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency, Rayburn House Office Building, Washington, D.C.

DEAR CHAIRMAN PATMAN: It is always a pleasure to read your floor comments in opposition to the series of bills which have sought to raise interest rates in the District of Columbia. It was a particular pleasure to find you once again leading a successful opposition to such ill-conceived legislation—in this case H.R. 17601. The Greater Washington Chapter of the Americans for Democratic Action and all the citizens of the District of Columbia are much indebted to you for your vigorous and continuous opposition to these proposed interest rate increases.

I want to assure you that the Greater Washington Chapter of ADA and other local organizations are now working on legislation to deal with the housing crisis in a responsible way. Following the excellent suggestions which you set forth in your dissent to the Report on Mortgage Interest Rates we hope to develop a bill which will require lower interest rates, will provide some form of inner-city development bank for housing and will require lenders to devote a significant portion of their assets to low and moderate income housing. We hope that the House District Committee will pursue its oft-expressed desire to improve housing and give prompt and favorable approval to these legislative proposals.

I shall keep you informed of these developments and if the Greater Washington Chapter of ADA can ever assist you in your battle against irresponsible interest rates, please let us know.

Sincerely,

ANTHONY Z. ROISMAN,
Vice Chairman, Greater Washington Chapter of Americans for Democratic Action.

WHERE, OH WHERE, HAS THE PRESIDENTIAL COMMISSION ON FINANCIAL STRUCTURE GONE?

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PATMAN. Mr. Speaker, has President Nixon seen the light and decided that this city already has too many Presidential commissions?

Back on January 30—more than 4 months ago—the President, in his annual Economic Report to the Congress, announced that he was appointing a Commission on Financial Structure and Regulation. This Commission was, in the words of the Economic Report, to conduct a "thorough examination of needed changes in our financial institutions and our regulatory structure."

The announcement, which appears on page 104 of the Economic Report of the President, concluded with this statement:

> This study will be carried out by a Commission to be appointed by the President early this year.

Weeks went by and we heard not a word about this Commission. Then, on April 21, after many inquiries about the Commission's status, President Nixon wrote the chairman of the Senate Banking and Currency Committee, John Sparkman, telling him:

> It is my intention to move promptly with the objective of having the Commission fully organized, staffed and ready to begin its important work no later than June 1.

Mr. Speaker, we are now well into the first week of June and there is still no Presidential Commission on Financial Structure and Regulation. I understand that this Commission does have a Chairman, Mr. Reed O. Hunt of the State of Washington, but no members, no staff, no work plan, no address, no telephone, and not even a letterhead. It only has a Chairman.

Mr. Speaker, it appears that the President has come around to the thinking of a lot of Members of Congress that these Presidential commissions are a great big waste of time. If this is the case, I want to be among the first to commend the President.

Presidential commissions usually turn out to be no more than a tax-paid lobbying front for specal interests. The special interests invariably move in on these Presidential commissions and try their best to supplant the decisionmaking process of the legislative and executive branches to the detriment of the public interest.

Mr. Speaker, I realize that there has been much fanfare, a lot of jockeying behind the scenes, and a great deal of lobbying concerning this Commission over the past 4 months. As a result, the administration may feel some embarrassment if it sweeps this unappointed and unannointed Commission under the rug. But I hope that this embarrassment does not prevent the President from doing the right thing.

Let me assure the President that any embarrassment that he might feel for having killed his own Commission will be overcome by a tremendous sigh of relief by the American people, overjoyed by the prospect of one less Presidential study commission.

HIGHER AIR PASSENGER FARES

(Mr. DEVINE asked and was given permission to extend his remarks at this

point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, on May 13, 1970, while discussing the conference report on the Airport and Airway Development Act of 1970—H.R. 14465—I expressed my personal concern about higher and higher air passenger fares—CONGRESSIONAL RECORD, page 15295.

My attention has been invited to an article appearing in the Washington Post on May 2 entitled, "U.S. Airlines May Press Fare Boost," as follows:

U.S. AIRLINES MAY PRESS FARE BOOST

(By Robert J. Samuelson)

America's domestic airlines may soon press for another fare increase to offset rising costs, according to the chief economist of the Air Transport Association.

Last year, the airlines received two fare increases from the Civil Aeronautics Board, a 3.8 per cent rise in February and a 6.35 per cent increase in October.

These changes helped "to prevent a deficit for the entire industry" George James the ATA's vice president for economics and finance said this week.

"This relief however has been only temporary . . . The deficit may have been only postponed and further relief may soon be required" he continued.

747 FARE REVISIONS

A number of airlines have already proposed fare revisions for the new Boeing 747 jumbo jet and for regular flights during the summer. The CAB is studying the recommendations, which would primarily:

Apply a surcharge to tickets for flights on the 747. The additional payment would be $5 for coach seats and $10 for first-class on a coast-to-coast flight. The surcharge would decrease for shorter trips; for example, the first-class addition for a Chicago-New York flight would be $5 and the coach surcharge would be $3.

Impose a surcharge of 5 percent on ticket prices for flights of more than 1,000 miles during the "peak" summer season between June 1 and Sept. 30.

TWA PROPOSALS

These changes were first proposed by Trans World Airlines, and three other carriers—United, Continental, and Braniff—have filed plans encompassing some, or all, of TWA's ideas. Braniff, however, requested that the 5 percent summer surcharge apply to all flights, regardless of distance.

Although he did not say so explicitly, James seemed to be talking about a more general fare increase. His remarks were made in a talk to financial analysts in Dallas.

For the first quarter of 1970, the financial results of many of the large carriers have been poor. Except for airlines with a large number of routes to Southern, resort cities, the first quarter is often bad, but deficits in 1970 have been exceptionally large for a few carriers.

TWA LOSSES

TWA had a loss of $39.7 million against a deficit of $14.9 million last year, and United reported a loss of $15.1 against $1.2 million in 1969's first quarter. Executives of both airlines have indicated the air traffic controllers' slowdown aggravated their problems.

In his speech, James was pessimistic about a quick upturn in earnings. "Wages, fuel, and landing fees are rising significantly," he said, emphasizing that wage settlements since the third quarter of 1969 have resulted in cost increases of 11 percent a year.

But a major reason for the industry's poor outlook, he conceded, is a widening gap between airlines' growing capacity (available seat miles) and the likely increase in actual traffic.

For 1970, James predicted, traffic would rise only 8 percent (against 9.7 percent in 1969 and 14.6 percent in 1968), but capacity will jump 13 percent.

Then on Tuesday, May 26, another article appeared in the Post entitled, "Jumbo Jet Orders Cutback Hinted," which recites an interview with Stuart G. Tipton, president of the Air Transport Association. Mr. Tipton suggests "selective" fare increases—for example, $5 surcharge on transcontinental and summer season trips. Further, that Mr. Tipton, one-time top staff officer at the Civil Aeronautics Board and in day-to-day contact directly or through his staff with airline representatives, has "no doubt" that the CAB will be "forced" to grant some type of fare "relief" before the Board's present investigation is completed. I certainly hope he is wrong. The article is as follows:

BY AIRLINE GROUP: JUMBO JET ORDERS CUTBACK HINTED

(By Robert J. Samuelson)

Unless profits show some improvement, airlines might be forced to reduce their orders for new, giant jet aircraft, the Air Transport Association warned yesterday.

According to the ATA, the industry's chief trade association, the 11 trunk carriers and Pan American are now committed to spend $6.6 billion between now and 1973 for 336 new jets, including 129 Boeing-747s at a cost of approximately $22 million each.

Stuart G. Tipton, president of the ATA, made the forecast in the group's annual report on the state of the industry. In a telephone interview, Tipton declined to make specific predictions.

Tipton's statement appeared to be a warning to the Civil Aeronautics Board to take quick action to raise airlines' sagging revenues. Last year, airline profits dropped to $55.3 million from 1968's $216.1 million.

In the first quarter of 1970, the 11 trunks and Pan American showed a collective loss of $45.5 million against a deficit of $21 million a year earlier. A large part of the total reflected big losses at Trans World Airlines ($38 million) and Pan Am ($20 million).

In the interview, Tipton said he has "no doubt" that the CAB will be forced to grant some type of fare relief before the board's present general fare investigation is completed. The board has imposed a deadline of early 1971 for finishing the investigation.

Fares were raised twice in 1969—3.8 per cent in February and 6.35 per cent in October—and a new airline passenger ticket tax of 3 percent will be levied beginning in July. Some airline economists now fear that yet another increase would simply drive away passengers and depress revenues even further.

In the interview, Tipton argued for "selective" increases "where the public would be most willing to pay more." The CAB recently rejected such a selective airline proposal—a $5 boost on coast-to-coast 747 flights and a summer season surcharge of 5 per cent on long trips.

According to the ATA report, both inflation and slowdown have squeezed airline profits.

The slowdown appears to have discouraged travel (the increase in revenue passenger miles declined from 15.4 per cent in 1968 to 6 per cent in the first quarter of 1970), leaving the carriers—which augmented their capacity by 16 per cent last year—with empty seats.

In looking over the May issue of Airline Management & Marketing magazine, I find an article about pressure by the industry for a further increase. This article is as follows:

HIGHER FARES

Pressure mounted last month for further increases in domestic passenger fares. The continued national recession, rising costs and the adverse impact of the controllers' strike added up to emergency fare relief for the carriers.

The opening move (AMM/AA, April) was TWA's bid for a 5% surcharge on 747s plus a summer season increase of 5% on long-haul flights. United has joined in both proposals, with a few markets excepted. Braniff wants the 5% seasonal increase, but without the limitation to long-haul flights. Continental wants the 5% seasonal increase on long-haul flights in the continental U.S.; CAL has also applied for a 10% hike in mainland-Hawaii fares. American was preparing a fare increase filing at presstime.

Since CAB is in the early stages of a General Fare Investigation, the proposed increases pose the possibility of an interim emergency investigation. If the agency approves the tariffs, no problem. But if it suspends, the law gives it 180 days to complete a formal investigation. That could give priority status to the interim case.

The 6% increase granted last October 1 continues in effect. If approved, the new tariffs would be added to that increase.

It seems to me the airline industry would do well to pay attention to the statement I made on the floor on May 13. I do not know what message the top management back home is getting from their representatives in Washington, but my constituency is not a bit happy about the mounting, higher airline passenger fares.

The CAB and the administration would do well to hold the line until at least the present appeal is terminated and the pending CAB investigation is completed, which should be in early 1971.

TODAY'S YOUTH MUST PICK UP THE CHECK

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, Francis Wallace, author and historian, recently made a speech before the Bellaire Kiwanis Club in Bellaire, Ohio, suggesting that today's youth must pick up the check.

I am including the newspaper account which appeared in the Bellaire-Martins Ferry Times-Leader, May 25:

TODAY'S YOUTH MUST PICK UP CHECK, WALLACE SAYS

The best advice that the "establishment" can give to the younger generation is that they will have to pick up the check for what is happening today when they become the "establishment" and inherit the nation in the next several years, said Francis Wallace, Bellaire author, in a talk on "Discipline and Dissent" at the Tuesday meeting of the Bellaire Kiwanis Club in the City Restaurant.

The blueprint for today's violence and destruction was plotted more than 25 years ago, Wallace said in recalling a speech which he had made in November, 1944, in which he charged that those who would destroy the United States would accomplish their objective by spreading fear and hate, undermining the schools, communications, churches and government, and replacing the

Christian philosophy with mechanistic and atheistic theories.

People who are surprised at the violence on college campuses and in the streets, especially government leaders who profess astonishment, haven't been keeping up with their homework in the past quarter century, Wallace said.

The pattern has been there to see, he pointed out in quoting from the Congressional Record and from other sources, and the nation's leaders should have been forewarned.

Student dissent and disagreement are inherent rights which never should be denied to young people, for such denial is against the principles of the nation, but dissent and disagreement untempered by discipline lead to chaos, he said.

Ninety-five per cent of the nation's students and faculty are good, sincere people, but they are being misled and manipulated by the five per cent who are intent upon wrecking the nation. In support of this contention, Wallace referred to inflammatory speeches of destruction by radicals Mark Rudd, Bernadine Dohrn and Jerry Rubin at Kent State in the months preceding the recent riot in which four students were killed.

The great majority of the students are sincere in their ideals, wanting a better world, but so does everybody, even the adults, he said. There are no instant miracles; however, each succeeding generation improves on what it inherits, and things gradually get better, Wallace stated. The immature idealist, no matter how sincere, is being manipulated today by the professional "destroyers" who take the idealists, play on their principles, and end up twisting the idealists into playing the game the way the "pros" want it played.

Basic to the pattern of disruption is the destruction of law and order, the actual point of many "student demands" and particularly at Kent State, for without law and order there can be no society, Wallace said.

Faculty members who support the radicals and agitate the students play a dangerous game not only with the young people but with the future of their colleges and their country, he stated. Wallace pointed to recent incidents at UCLA at Berkeley where a professor who had been on the side of the students eventually found his class taken over by the radical minority to such a degree that to regain his authority, the professor had to resort to holding classes in his home.

College administrators usually are gentle men accustomed to obedience, and when suddenly they find themselves faced with the radical rabble shouting threats and issuing demands, they are ill equipped to cope with the situation and end up by surrendering to the minority, against their own best judgment, Wallace said.

Parents and grandparents are the molders of the nation's youth, and they have the obligation to continuing playing the "chief of police" in disciplining the young and teaching the right virtues, Wallace said. This is not an easy thing to do, as any parent knows, but to keep the young from working their own destruction, it has to be done, he warned.

Young people must be taught to look behind the front, to find the truth, to weigh the consequences of destruction and disruption, for when they are over 30 and have inherited the country, they will have to pick up the check, he concluded.

TWISTED, BIASED REPORTING

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, in the Washington Post on June 2, Frank Mankiewicz and Tom Braden, in their column, again demonstrated that Vice President SPIRO T. AGNEW is right.

Some of these birds just cannot write a straight story. They like to slant as they see fit, twist and philosophize in such a manner as to expound their own theories, notwithstanding the facts.

Look at the headline, "Nixon Will Try, But Can't Disguise the Failure of Cambodia Operation." This breaks all legal and journalistic tenets by basing an assumption on an assumption.

The erstwhile frontman for the late Bobby Kennedy has concluded that President Nixon's Cambodia posture is a failure, notwithstanding the facts, and tries to anticipate what the President might say in his nationwide address, yet has already concluded that it is a failure.

In any event, just to memorialize this type of journalistic gymnastics, I am reprinting the article which follows:

NIXON WILL TRY, BUT CANNOT DISGUISE THE FAILURE OF CAMBODIA OPERATION

(By Frank Mankiewicz and Tom Braden)

The President could not wait until the troops were out of Cambodia—he opted for an "interim report" this week. It will confirm that the purpose of the Cambodian invasion has become not to save the lives of American soldiers but the face of American generals and the seats of Republican congressmen.

Mr. Nixon will list the weapons, the ammunition and the rice we have taken and destroyed. But the weapons and the ammunition can be replaced—by the Russians if necessary. The hundreds of Americans who will have died in Cambodia cannot. What cannot be avoided, once all the "success" language is cleared away, is that Cambodia was not only a political setback of major consequence for the administration, but a military failure as well.

Item: We do not even claim that the "central headquarters" for the Vietcong had been captured. On earlier offensives, such as Operation Cedar Falls and Operation Junction City in 1967, we reported it overruns bunkers, communications equipment and all. This time, it seems to have passed to the control of the Scarlet Pimpernel and eluded us. No matter—six months after the last time we captured it the enemy launched the Tet offensive.

Item: Simultaneous leaks from what seems to be the same Pentagon source to selected newsmen last week indicate a major effort to mask the failure of Vietnamization which the Cambodian campaign revealed. In the first two weeks, while our casualties went sharply up, those of the South Vietnamese went as sharply down. Morale in the ARVN, it is reported, has never been higher. It is, apparently, an army which prefers bullying Cambodian civilians to fighting the Vietcong at home. It is no wonder that Thieu and Ky want to stay indefinitely.

Item: High South Vietnamese sources now say that the cost of remaining to "assist" the Cambodian army will run at the rate of $200 million. This is a heavy cost for the American taxpayer, who may not understand why he must pay the South Vietnamese to Cambodianize one war while still paying something on the order of $30 billion to Vietnamize the first one.

Item: Our military planners—anxious to take advantage of Prince Sihanouk's overthrow—ignored the historic hatred between the Vietnamese and the Cambodians. The report that Thai "volunteers" will defend Phnom Penh merely increases the problem. Thais are also unwelcome in Cambodia. Furthermore, one wonders how much we will pay to provide the Thai volunteers.

Item: The new Cambodian government has imposed martial law and will crack down on its own citizens, understandably restive over the presence of the South Vietnamese and—more important—over the fact that since the invasion the North Vietnamese have taken over a number of provincial capitals and have tightened their grip in the areas they already held.

Item: The ease with which the enemy seized and briefly held Dalat, South Vietnam's ninth largest city, over the weekend suggests just what Vietnamization has come to. Areas once thought pacified have fallen again to the Vietcong, now that the South Vietnamese are off in Cambodia improving their morale by fighting women and children.

Item: Since the fighting began in Cambodia, American casualties in South Vietnam have remained above the earlier "tolerable" level.

Item: The Vietcong now control more of Laos than they did before the Cambodian invasion.

The President's interim report may boost his popularity for a while. It may even nudge a senator or two to vote against the Cooper-Church amendment to stop funds for more operations in Cambodia. But the facts remain. "Vietnamization" was always doubtful—an army which would not fight with Americans was a poor bet to fight without them. Now, the failure is plain through all of Indochina. The generals have never known what this war was about, and the President—like his predecessors—had no reason to believe that they did.

TOWARD WAGE AND PRICE STABILITY

(Mr. WIDNALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WIDNALL. Mr. Speaker, on May 27, I introduced on behalf of the House Republican members of the Joint Economic Committee, Mr. BROCK, Mr. CONABLE, Mr. BROWN of Ohio, and myself, a House joint resolution on wage and price stability. That resolution called upon the President's Council of Economic Advisers to publish data on the inflationary implications of major price and wage decisions in the private sector. Since introducing that measure, we have received several inquiries concering what seemed to be unequal treatment of price activities as opposed to collective bargaining agreements in the language of the resolution. Today, I would like to introduce a new resolution clearing up any apparent bias in the treatment of price and wage behavior.

The resolution I introduce today embodies the unanimous recommendation of the minority members of the Joint Economic Committee in their views on the 1970 Joint Economic Report. It requests that the Council of Economic Advisers publish when appropriate, but no less than once a month, the implications of unusually significant price decisions made or proposed in major industries and the implications of unusually significant collective bargaining agreements

entered into or proposed in major industries. By making public such an analysis of price decisions and their relation to our progress toward economic stability and a similar analysis of wage and benefit increases, we hope to bring public opinion to bear on business and labor to promote responsible, noninflationary behavior.

On May 27, I went into the reasoning behind our proposal and the arguments for it and I would refer my colleagues to my introductory statement at that time for more detail. I would like to say, however, that Senator JACOB K. JAVITS will introduce an identical Senate joint resolution in the other body quite shortly on behalf of the Senate minority members of the Joint Economic Committee. Further, since the introduction of the original resolution, Under Secretary of the Treasury Charls Walker has stated he finds "considerable merit" in the proposal. I hope this is an indication that the administration is moving toward careful consideration and implementation of our resolution.

WASHINGTON NATIONAL AIRPORT AND THE 727

(Mr. MURPHY of New York asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MURPHY of New York. Mr. Speaker, I note with regret the flurry of criticism which has followed the introduction of the stretch version of the Boeing 727 jet aircraft into Washington National Airport. It seems to me that much of this criticism stems from a lack of knowledge of the facts of the case.

There is a great demand by busy Government officials and businessmen for what are essentially commuter flights between the major cities of the Northeast and Washington, D.C. Washington National Airport provides a convenient, time saving point of arrival and departure. With the restrictions that have been placed on the frequency of flights into that airport, larger aircraft are needed to provide the seats required by the traveling public.

If the stretch 727 were noisier or dirtier, I would be the last to recommend its use here in Washington. Conversely, however, at LaGuardia we have found that this newer version of the 727 is somewhat quieter and cleaner than the older versions.

The Arlington Chamber of Commerce has recently studied this matter closely and has come to the same conclusion. It is their community that is most effected by aircraft noise and pollution and they recommend the continued use of the stretch 727. Their efforts in correcting the public record on this subject have been admirable.

I know that men and women in my district want to be able to fly into Washington National from LaGuardia and if there are to be seats enough for the rising demand, we must use the larger jets. For more complete response to the criticism of the stretch 727 at Washington National, I would like to submit for the RECORD, the following detailed responses to the specific criticisms which have been put forth:

THE MISUNDERSTANDING AT WASHINGTON NATIONAL AIRPORT—AN ANSWER TO CRITICISM OF THE "STRETCHED" 727

FAA's decision to deny Washington National Airport access to the 727–200 was made in 1966 when crowding of the passenger terminal was a major problem. Although other considerations such as weight, size and noise were mentioned at that time, the Agency subsequently has acknowledged that these are inconsequential and that increased passenger capacity of the airplane is its *primary* concern. Supporters of the original FAA position obviously believe that the additional seats of the 727–200 would increase terminal crowding.

Those who might be impressed by that view today should be made aware of the very significant changes that have occurred at WNA since 1966. First, the number of airline schedules was cut back to a maximum of 40 per hour. The airlines then expended over $15 million to improve the convenience and capacity of their passenger terminal accommodations. The auto parking areas have been expanded and some improvement has been made in auto access and traffic flow.

There is attached a list of concerns re the operation of the 727–200 at WNA together with a factual response to each. Note that many of the concerns are based on misunderstanding of 727–200 characteristics or of the differences between that airplane and other equipment which has routinely operated at WNA since 1966.

As analysis of the facts in this case clearly indicates that the stretched 727, operating at WNA, introduces *no* new problems with regard to size, weight, noise, pollution or overcrowding of facilities. On the contrary, it offers the opportunity to satisfy today's traffic requirements with a reduction in the total number of daily operations.

These statements are based upon verifiable facts—not opinion. For elaboration or clarification please contact E. W. Norris, The Boeing Company, Washington, D.C., telephone: 484–2443.

CRITICISM AND RESPONSE

1. Terminal Congestion—See also, "Traffic generation," discussion No. 8

Scheduled operations, reduced to only 40 per hour[1] to alleviate 1966 crowding, have been maintained despite subsequent 15 to 20 million dollar terminal construction by the airlines to improve convenience and expand capacity. This 1966 objection should be reconsidered in the light of the vastly improved 1970 terminal accommodations, schedule restrictions and nightly curfew.

2. Increased seating capacity—See also, "Traffic generation," discussion No. 8

The highest capacity aircraft regularly serving WNA are the DC9–30 with 107 to 117 seats and the 727–100 with 95 to 105 seats.

Seating capacity of the 727–200's currently operated by carriers serving WNA runs from 122 to 137. Thus, the highest capacity 727–200 would offer only 20 more seats than the DC9–30 now operating at WNA.

3. Size

The only geometric difference between the 727–100 and 727–200 is 20 ft. in additional fuselage length. WNA gate positions are adequate for both. Recent experience with the 727–200 at WNA has demonstrated full compatibility with that facility. WNA management reports "no new problems."

[1] Extra sections are permitted to meet peak hour passenger demand which exceeds capacity of the scheduled operations.

4. Weight

WNA runways are adequate for dual wheel gear aircraft weighing up to 200,000 lbs. Maximum allowable weight for the 727–200 at WNA is 162,900 lbs. This limitation, based on field length considerations, is 3,900 lbs. more than the maximum allowable weight for the 727–100. When airport temperature exceeds 59°, these weights are further reduced by performance considerations.

Take-off gross weight required to carry 137 passengers 650 nautical miles from WNA is only 154,200 lbs.

Landing impact loads in 727 aircraft have been reduced by changing the pressure in the landing gear cylinders.

5. Community noise

Both standard and stretched 727 models have the same wing area, same engine thrust—hence, similar performance and noise characteristics at the same weights. Many of the stretched models incorporate "hush kits" further reducing noise. All 727 models are quieter than smaller jets such as the BAC–111 and Caravelle which now operate at National. All jets are restricted by the 10:00 p.m.–7:00 a.m. curfew.

6. Air pollution

Despite general acknowledgment that jet aircraft contribute less than 1% to total U.S. air pollution, the aircraft industry has developed and the airlines are now retrofitting JT8D engines with components that make the 727, 737 and DC–9 virtually smoke-free. Target completion date—late 1972. All new production aircraft are being delivered from the factory with smoke-free engines.

7. Safety

All models meet same design and operating safety standards. The 727–200 in worldwide operation with 20 airlines, has an unblemished safety record.

8. Traffic generation

Some of the concern regarding potential terminal congestion is based upon the theory that the mere availability of additional seats in the 727–200 will generate additional passenger traffic. Such a theory discounts the fact that all traffic that wants to move is *now* moving on existing schedules *or on extra sections.* Availability of additional seats in *some* 727's would not increase seat demand or terminal crowding but it would reduce the need for some of the extra sections. Regular schedules are fixed by the 40 per hour limit. Each extra section eliminated due to availability of extra seats in the "stretched" 727 would reduce the total daily operations, airways and airfield congestion, controller work load and community noise exposure.

727 operations currently account for 225 (36%) of the 619 daily flights scheduled at WNA.

The *average* seating capacity of the stretched 727's operating at WNA is 127—only ten more than the stretched DC–9. If 40% of the 727 scheduled flights were operated with the stretched model, it would introduce (0.4 x 225 x 10) or 900 additional seats per day. Assuming a high load factor of 70% (vs. industry average of 50%) this would accommodate (0.7 x 900) or 633 passengers per day, or 42 passengers per hour, distributed throughout the airport at the various improved airline terminals. Presumably all of these passengers would have been handled by extra sections if the extra seats of the 727–200 were not available. To the extent this is so, the extra seats do not add to the WNA terminal traffic load. It is simply a matter of extra seats or extra sections for a given traffic load.

STATEMENT OF ARLINGTON CHAMBER OF COMMERCE ON WASHINGTON NATIONAL AIRPORT

The Arlington Chamber of Commerce has noted the FAA's decision to evaluate the

use of Boeing 727–200 "stretch" jets at Washington National Airport. We are also aware of the belief in some quarters that this decision will lead to increases in passenger congestion, noise, air pollution, and safety hazards.

Our investigation reveals the following:

1. The 727–200 is clearly bigger; it will carry 122 passengers vs. 92 in the current version.

2. While the capacity is larger, the engines are also newer and more efficient. Specifically:

a. They are quieter—Reductions of 4 PNdb (decibels) in take-offs and 2 PNdb in landings.

b. They are also "cleaner," in that they consume less fuel. The stretch version burns 7% less fuel in climbing to 3,000 feet.

3. Despite larger capacity and newer engines, the total weight has increased less than 3%, and is well within the weight limitations of the runways of National Airport.

Therefore, the only real question is whether the larger aircraft will result in additional congestion at this already busy airport.

In our detailed study report of last November, the Arlington Chamber of Commerce observed that existing constraints on night operations, size of aircraft, and number of flights per hour would serve to limit significantly any further passenger growth at National Airport. This growth was anticipated to level off at about 16 million passengers per year by 1980. Our study report recommended approval of a proposal to modernize passenger access, parking, and terminal facilities to meet this limited demand. We did not recommend further expansion.

With this in mind, the proposed use of 727–200 stretch jets may well be in everyone's best interests. If such aircraft are introduced, it should permit the FAA to cut back further on the current commercial flight limitations of 40 per hour. In other words, the same volume of passengers could be scheduled on fewer flights. If this were done, there would be twofold reductions in noise and air pollution, due to improvements in the newer aircraft as well as a reduction in the total number of flights. Thus the contemplated use of these stretch jets could well be a step in the right direction for all area residents.

The Arlington Chamber of Commerce reaffirms its previous position on National Airport and we emphasize the critical necessity for constraining further growth at National. We further believe that the FAA should be permitted to evaluate the benefit of the 727–200 stretch jets. However, if such larger aircraft are to be utilized, there should be immediate compensating adjustments by the FAA in the number of aircraft landings and take-offs allowed, to prevent further congestion at National Airport.

A RESOLUTION DEPLORING AMERICAN MILITARY PRESENCE IN CAMBODIA AND REQUESTING THE WITHDRAWAL OF TROOPS AND ARMS COMMITMENT TO CAMBODIA

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, tonight, the President of the United States will again go on national television to report on the war.

His decision to invade Cambodia measurably widened the war and deepened our involvement in this Indochina conflict.

A large segment of our population expressed their outrage at this unconstitutional usurpation of power by the President.

In my State of Hawaii both houses of the legislature adopted resolutions expressing their disapproval. In addition the city council of the city and county of Honolulu, and the Hawaii State Democratic convention held in Honolulu on May 8–10, 1970, both went on record in opposition to the President. Because of their significance and timeliness I insert these resolutions at this point in the RECORD:

RESOLUTION BY THE CITY COUNCIL OF THE CITY AND COUNTY OF HONOLULU

A resolution deploring American military presence in Cambodia and requesting the withdrawal of troops and arms commitment to Cambodia

Whereas, it is the obligation of the City Council of the City and County of Honolulu to express itself on all matters affecting the health and welfare of its citizens; and

Whereas, the continued U.S. involvement in Southeast Asia has tragically divided this country and claimed over 40,000 American lives, with Hawaii suffering the greatest per capita loss of the nation; and

Whereas, it has been the announced policy of President Nixon to disengage the U.S. from this war through negotiation, the phased withdrawal of American troops, and the vietnamization of the conflict; and

Whereas, the invasion of Cambodia occurred by Executive Order without the consent of Cambodia or Congress; and

Whereas, this invasion of Cambodia enlarges the explicit parameters of the war, endangers scheduled troop withdrawals, and severely damages the credibility of an American commitment to peace;

Now, therefore, be it resolved by the City Council of the City and County of Honolulu that it deplores the American presence in Cambodia and its concommitant widening of the war; and

Be it further resolved by the City Council of the City and County of Honolulu that it respectfully requests President Nixon to reconsider and rescind his decision of troops and arms commitment to Cambodia; and

Be it further resolved by the City Council of the City and County of Honolulu that it respectfully requests the Hawaii Congressional delegation and their colleagues to do all within their power to restore the Constitutional balance of power which reserves decisions of war to Congress, and to thereby reverse American commitment to Cambodia; and

Be it finally resolved by the City Council of the City and County of Honolulu that copies of this resolution be sent to the Honorable Richard Nixon, President of the United States, to the Hawaii Congressional delegation and to all news media.

MAY 12, 1970.

RESOLUTION (ADOPTED BY THE HAWAII STATE DEMOCRATIC CONVENTION MAY 8, 9, 10, 1970)

A resolution supporting the stand of Hawaii's democratic congressional delegation concerning the war in Southeast Asia

Whereas, the Hawaii congressional delegation, Representative Patsy T. Mink and Spark M. Matsunaga have spoken out against American military involvement in Southeast Asia; and

Whereas, United States Senator Daniel K. Inouye has courageously stated in a recent speech that our government's initial entry into, escalation of, and continuation of the war in Vietnam and Southeast Asia has been and is a tragic mistake of monumental proportions; and

Whereas, the Legislature of the State of Hawaii has taken a strong stand against the escalation of the war in Southeast Asia; and

Whereas, this war has divided the American people as no other issue since the Civil War, has alienated large numbers of Americans, and diverted critically needed resources from domestic programs; and

Whereas, this war has cost the American people 49,000 lives, 270,000 wounded and upwards of $140 billion dollars; and has cost the Vietnamese people over 800,000 dead, countless wounded and displaced, and a hopelessly shattered way of life; now, therefore,

Be it resolved that the Democratic Party of the State of Hawaii support Senator Inouye's proposal that the American government "propose an immediate and complete ceasefire without terminal date" and that "to secure such a ceasefire we should, if necessary, be prepared to unilaterally halt all offensive operations and limit our forces and those under our control to purely defensive roles"; and

Be it further resolved that the Democratic Party of the State of Hawaii wholeheartedly support Senator Inouye's call for an Asian conference of the governments of Southeast Asia on the overall problems of the area known as Indochina, and abide with the outcome of these political negotiations.

RESOLUTION

(Adopted by the Hawaii State Democratic Convention May 8, 9, 10, 1970)

A resolution requesting the Democratic Party of Hawaii to revoke the Gulf of Tonkin resolution

Whereas, the Gulf of Tonkin Resolution has been used as authority to expand the hostilities in Southeast Asia; and

Whereas, this Gulf of Tonkin Resolution may in the future be used to further expand these same or future hostilities; and

Whereas, President Nixon has committed to withdraw forces from Cambodia no later than July 1, 1970, ending the need for such resolution; now, therefore,

Be it resolved that the Democratic Party of Hawaii in this convention recommend to our members of Congress that the Gulf of Tonkin Resolution be revoked and the authority for engaging in armed conflicts be reinstituted in the Congress in accordance with the provisions of the Constitution of the United States.

RESOLUTION

(Adopted by the Hawaii State Democratic Convention May 8, 9, 10, 1970)

A resolution calling for congressional action to limit the war in Southeast Asia.

Whereas President Richard M. Nixon has authorized and directed acts of war by United States forces in the countries of Laos and Cambodia without even the foreknowledge, much less the discussion, debate and declaration, of Congress; and

Whereas the acts of war directed by the President prolong and widen an already tragically destructive war in Southeast Asia at a time when the United States has publicly declared to the world its desire for peace in that part of the world; and

Whereas the actions of the President set dangerous precedents of arbitrary, unilateral power for the executive branch to commit hostilities at will, exclusive of Congressional procedures; and

Whereas the continuation of war in Southeast Asia promises not peace but only more destruction in a land which has been torn by more than a quarter of a century of war; therefore

Be it resolved that the Democratic Party of Hawaii, in the desire for constitutional government and world peace, appeals publicly to the Congressional representatives from Hawaii and to the entire Congress of the United States to use those constitutional means available to it to restore the balance between the executive and legislative branches of the government.

RESOLUTION

(Adopted by the Hawaii State Democratic Convention May 8, 9, 10, 1970)

A resolution relating to the Cambodia situation

Whereas, the Nixon Administration has unilaterally decided to invade Cambodia; and

Whereas, said Administration has refused to heed the lessons of our bitter experience in Vietnam; and

Whereas, said Administration has refused to heed the widespread expressions of citizen opinion in the United States; now, therefore,

Be it resolved that we, the delegates to the 1970 Biennial Convention of the Democratic Party of the State of Hawaii, recognize the deep concern of the students of the University of Hawaii about this most important national crisis.

SKIPJACK TUNA BILL

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, I have today introduced the Central and Western Pacific Tuna Fishery Development Act to establish a tuna fishery as a means of broadening the economic bases of the State of Hawaii, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

The objective of this bill is to tap the latent tuna resources of the central and western Pacific Ocean. The potential harvest of skipjack tuna that is not now being caught has been estimated in the hundreds of thousands of tons.

Less than 5,000 tons of this vast potential will be taken this year in Hawaii by the only fishery for the skipjack tuna in the central Pacific. Our State's fleet of 17 small vessels uses the inefficient pole-and-line method, and 62 percent of the annual catch is made in 4 months of the year.

More modern, productive and year-round techniques are needed. We must determine the applicability in these waters of modern purse seine gear that has proved effective in the eastern Pacific. We must also locate the principal aggregations of skipjack tuna in these areas throughout the year.

My bill authorizes the Secretary of the Interior to carry out a 3-year program of tuna exploration, tuna stock assessment, improvement of harvesting techniques, gear development, biological resource monitoring and economic evaluation of the potential for a tuna fishery in these areas, and authorizes for these purposes appropriations of $3 million.

The potential benefits of this program are considerable. According to the State of Hawaii Department of Planning and Economic Development, a catch of 400,000 tons of skipjack tuna would yield at present prices $400 million at the retail level.

For the trust territory and Guam, with their limited land-oriented commerce, this immense new resource would contribute greatly toward the development of a viable economy. For American Samoa, where catches of other tuna species have declined markedly in recent years, skipjack tuna yields would revitalize the fishing industry that is its most important private enterprise.

For the State of Hawaii, the tremendous resources of skipjack tuna, much of which lies within 1,000 or 2,000 miles of the islands and now remains untouched, represents the possible gain of a fourth major industry to buttress an industrial economy that rests on a base of tourism, sugar and pineapple.

The United States imports 60 percent of its tuna consumption. The development of a productive skipjack tuna industry will have a significantly favorable impact on the national economy.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. COWGER, for the period of June 8, 1970, to June 21, 1970, on account of a factfinding inspection of Southeast Asia and the Near East.

Mr. PEPPER (at the request of Mr. ALBERT), for today, on account of official business.

Mr. MCKNEALLY (at the request of Mr. GERALD R. FORD), for today and the balance of the week, on account of official business.

Mr. HELSTOSKI (at the request of Mr. ALBERT), for today, on account of official business.

Mr. MCMILLAN (at the request of Mr. ALBERT), for today and through to the 10th, on account of official business.

Mr. ASPINALL, from 2:30 p.m., June 4, until noon, June 10, 1970, on account of official business.

Mr. WILLIAM D. FORD (at the request of Mr. O'HARA), on account of illness, on June 2 and June 3.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. STOKES) and to revise and extend their remarks and include extraneous material:)

Mr. LOWENSTEIN, for 20 minutes, today.

Mr. RARICK, for 10 minutes, today.

Mr. GONZALEZ, for 10 minutes, today.

Mr. FARBSTEIN, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MOORHEAD, to extend his remarks immediately preceding the vote on the previous question on H.R. 17802.

Mr. GERALD R. FORD during his remarks on H.R. 17802 and to include a letter from the President of the United States.

Mr. PHILBIN in five instances.

(The following Members (at the request of Mr. LLOYD) and to include extraneous material:)

Mr. WHALLEY.

Mr. QUILLEN in five instances.

Mr. WYATT.

Mr. GUBSER.

Mr. KING in two instances.

Mr. STEIGER of Wisconsin.

Mr. SPRINGER in two instances.

Mr. FRELINGHUYSEN.

Mr. ARENDS.

Mr. KUYKENDALL.

Mr. SCHERLE in two instances.

Mr. COUGHLIN.

Mr. BROWN of Ohio.

Mr. ESCH.

Mr. CRANE in four instances.

Mr. MORSE.

Mr. MATHIAS.

Mr. WATSON in two instances.

Mr. DUNCAN in two instances.

Mr. BUSH in two instances.

Mr. RHODES in five instances.

Mr. MCDADE.

Mr. BUTTON in two instances.

Mr. MYERS.

Mr. WOLD in two instances.

Mr. WYMAN in two instances.

Mr. MIZELL in two instances.

Mr. BROYHILL of Virginia in three instances.

Mr. HAMMERSCHMIDT.

Mr. BLACKBURN in two instances.

Mr. PRICE of Texas.

Mrs. REID of Illinois.

Mr. TALCOTT in two instances.

Mr. SKUBITZ in two instances.

(The following Members (at the request of Mr. STOKES) and to include extraneous matter:)

Mr. CELLER.

Mr. BOLAND.

Mr. PEPPER in three instances.

Mr. FISHER in four instances.

Mr. MOLLOHAN in eight instances.

Mr. LOWENSTEIN in 10 instances.

Mr. HAMILTON in 10 instances.

Mr. RODINO in two instances.

Mr. GAYDOS in five instances.

Mr. MCCARTHY in three instances.

Mr. HATHAWAY.

Mr. OTTINGER in two instances.

Mr. RARICK in three instances.

Mr. DENT.

Mr. CORMAN.

Mr. ASHLEY.

Mr. BIAGGI in five instances.

Mr. WILLIAM D. FORD in two instances.

Mr. PATTEN.

Mr. FOUNTAIN in two instances.

Mr. KLUCZYNSKI in two instances.

Mr. EILBERG in two instances.

Mr. GALIFIANAKIS in two instances.

Mr. HUNGATE in three instances.

Mr. GONZALEZ in two instances.

Mr. BOLLING in two instances.

Mr. ANDERSON of Tennessee in two instances.

Mrs. GRIFFITHS.

Mr. FULTON of Tennessee in two instances.

Mr. CAREY.
Mr. FASCELL.
Mr. FRASER.
Mr. GRIFFIN.
Mr. MOORHEAD in two instances.
Mr. ANDERSON of California in two instances.
Mr. HENDERSON in two instances.
Mr. ST GERMAIN.
Mr. JACOBS.
Mr. MOSS.
Mr. SCHEUER.
Mr. SHIPLEY.
Mr. ROBERTS in two instances.
Mr. HAGAN in two instances.
Mr. MAHON in two instances.
Mr. MONAGAN in two instances.
Mr. ALEXANDER in two instances.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 614. An act for the relief of Franz Charles Feldmeier; and

S. 1786. An act for the relief of James Harry Martin.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on June 2, 1970 present to the President, for his approval, a bill and a Joint Resolution of the House of the following titles:

H.R. 11628. To transfer from the Architect of the Capitol to the Librarian of Congress the authority to purchase office equipment and furniture for the Library of Congress; and

H.J. Res. 1069. Extending for 4 years the existing authority for the erection in the District of Columbia of a memorial to Mary McLeod Bethune.

ADJOURNMENT

Mr. PATTEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 6 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, June 4, 1970 at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2105. A communication from the President of the United States, requesting the prompt enactment of legislation increasing the public debt ceiling (H. Doc. 91-345); to the Committee on Ways and Means and ordered to be printed.

2106. A letter from the Assistant Secretary of Transportation for Administration, transmitting a list of the purchases and contracts made by the Department of Transportation under clause 11 of section 2304(a) of title 10 of the United States Code, for the period November 1, 1969, through April 30, 1970, pursuant to the provisions of 10 U.S.C. 2304 (e); to the Committee on Armed Services.

2107. A letter from the Assistant Secretary of the Interior, transmitting notification of the receipt of an application for a loan from the Roy Water Conservancy Subdistrict, Roy, Utah, pursuant to the provisions of section 10 of the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

2108. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to the provisions of section 244(a)(1) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FISHER: Committee on Armed Services. H.R. 10772. A bill to amend title 10 of the United States Code to provide a more equitable standard for awarding the gold star lapel button; (Rept. No. 91-1142). Referred to the Committee of the Whole House on the State of the Union.

Mr. FISHER: Committee on Armed Services. H.R. 13195. A bill to amend title 10 of the United States Code to require that U.S. flags be presented to parents of deceased servicemen; with amendments (Rept. No. 91-1143). Referred to the Committee of the Whole House on the State of the Union.

Mr. FISHER: Committee on Armed Services. H.R. 11876. A bill to amend section 1482 of title 10 of the United States Code to provide for the payment of certain expenses incident to the death of members of the Armed Forces in which no remains are recovered; with amendments (Rept. No. 91-1144). Referred to the Committee of the Whole House on the State of the Union.

Mr. HÉBERT: Committee on Armed Services. H.R. 16731. A bill to amend provisions of title III of the Federal Civil Defense Act of 1950, as amended; (Rept. No. 91-1145). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 17255. A bill to amend the Clean Air Act to provide for a more effective program to improve the quality of the Nation's air; with an amendment (Rept. No. 91-1146). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 1059. A resolution waiving points of order against certain provisions of H.R. 17867, a bill making appropriations for foreign assistance and related programs for the fiscal year ending June 30, 1971, and for other purposes; (Rept. No. 91-1147). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BIAGGI:

H.R. 17894. A bill to amend the Clean Air Act so as to extend its duration, provide for national standards of ambient air quality, expedite enforcement of air pollution control standards, authorize regulation of fuels and fuel additives, provide for improved controls over motor vehicle emissions, establish standards applicable to dangerous emissions from stationary sources, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 17895. A bill to authorize the Council on Environmental Quality to conduct studies and make recommendations respecting the reclamation and recycling of material from solid wastes, to extend the provisions of the Solid Waste Disposal Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROYBAL:

H.R. 17896. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, and for other purposes; to the Committee on the Judiciary.

By Mr. WHALLEY:

H.R. 17897. A bill to provide that primary elections and runoff primary elections for nomination of candidates for the House of Representatives shall be held on the same day throughout the United States; to the Committee on House Administration.

H.R. 17898. A bill to require the Secretary of Commerce either to give the State of Pennsylvania alternative mileage on the Interstate System or to pay the Federal share of the Pennsylvania Turnpike; to the Committee on Public Works.

By Mr. ANDERSON of California:

H.R. 17899. A bill to amend title 10 of the United States Code to establish an equitable survivors' annuity plan for the uniformed services to the Committee on Armed Services.

By Mr. BROOMFIELD:

H.R. 17900. A bill to amend title 39, United States Code, to provide rates of pay for postal field service employees in certain areas and locations in accordance with private enterprise pay rates in these areas to assist in recruitment and retention of postal field service employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CELLER:

H.R. 17901. A bill to improve judicial machinery by providing for the appointment of a circuit executive for each judicial circuit; to the Committee on the Judiciary.

By Mr. FREY:

H.R. 17902. A bill to amend title II of the Marine Resources and Engineering Development Act of 1966; to the Committee on Merchant Marine and Fisheries.

By Mr. FULTON of Tennessee:

H.R. 17903. A bill to suspend the duties on certain bicycle parts and accessories until the close of December 31, 1973; to the Committee on Ways and Means.

By Mr. HENDERSON:

H.R. 17904. A bill to amend title 5, United States Code, to improve the administration of the leave system for Federal employees; to the Committee on Post Office and Civil Service.

By Mr. LONG of Maryland:

H.R. 17905. A bill to provide an equitable system for fixing and adjusting the rates of pay for prevailing rate employees of the Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MCCULLOCH (for himself, Mr. GERALD R. FORD, Mr. POFF, Mr. MACGREGOR, Mr. HUTCHINSON, Mr. MCCLORY, Mr. SMITH of New York, Mr. RAILSBACK, Mr. BIESTER, Mr. WIGGINS, Mr. DENNIS, Mr. FISH, Mr. COUGHLIN, Mr. MAYNE, Mr. BETTS, Mr. CLANCY, and Mr. DEVINE):

H.R. 17906. A bill to improve judicial machinery by providing for the appointment of a circuit executive for each judicial circuit; to the Committee on the Judiciary.

By Mr. PODELL (for himself and Mr. MCCARTHY):

H.R. 17907. A bill to require the Secretary of Commerce to make daily determinations of the extent of environmental pollution, to establish an Environmental Quality Index, to disseminate publicly information on pollution, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. MINK:

H.R. 17908. A bill to amend title 32 of the United States Code to prescribe standards for training and control of National Guard units assigned to duty in connection with civil disturbances occurring on or adjacent to institutions of higher learning, and for other purposes; to the Committee on Armed Services.

H.R. 17909. A bill to amend the Immigration and Nationality Act to allow the issuance of visas to brothers and sisters of citizens of the United States as immediate relatives, and for other purposes; to the Committee on the Judiciary.

H.R. 17910. A bill to authorize a program for the development of a tuna fishery in the Central and Western Pacific Ocean; to the Committee on Merchant Marine and Fisheries.

By Mrs. GREEN of Oregon:

H.R. 17911. A bill to amend the Higher Education Act of 1965 to extend to the College of the Virgin Islands the benefits now available to certain other institutions of higher education; to the Committee on Education and Labor.

By Mr. MOSS (for himself and Mr. KEITH):

H.J. Res. 1247. Joint resolution to amend section 19(e) of the Securities Exhange Act of 1934; to the Committee on Interstate and Foreign Commerce.

By Mr. WIDNALL (for himself, Mr. BROCK, Mr. CONABLE, and Mr. BROWN of Ohio):

H.J. Res. 1248. Joint resolution on wage and price stability; to the Committee on Government Operations.

By Mr. ADDABBO:

H. Res. 1060. Resolution to stop funds for war in Cambodia, Laos, Thailand, or North Vietnam; to the Committee on Foreign Affairs.

By Mr. BROTZMAN:

H. Res. 1061. Resolution to urge the withdrawal of Russian personnel from the Middle East; to the Committee on Foreign Affairs.

By Mr. O'NEILL of Massachusetts:

H. Res. 1062. Resolution authorizing the Speaker of the House of Representatives to appoint a special committee to investigate and report on campaign expenditures of candidates for the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. CHAMBERLAIN:

H.R. 17912. A bill for the relief of Jin Soo Park and Moon Mi Park; to the Committee on the Judiciary.

By Mr. ANDERSON of California:

H.R. 17913. A bill for the relief of Chan Ku Lee, his wife, Young A., and daughter, Eun Kyung; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause of rule XXII,

503. The SPEAKER presented a petition of the National Association of State Aviation Officials and other national associations representing the civil aviation industry, proposing immediate steps to increase the capacity of airports and airways, which was referred to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

JULIAN F. ROSS, SMALL BUSINESS ADVISER OF DEFENSE SUPPLY AGENCY, RETIRES

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1970

Mr. CORMAN. Mr. Speaker, as chairman of the Subcommittee on Government Procurement of the House Select Committee on Small Business, I would like to say a few words about our good friend, Julian F. Ross, the Small Business Adviser of the Defense Supply Agency, upon the occasion of his recent retirement from Federal service.

Mr. Ross has had an exceptionally distinguished career in the Federal service. He served in the U.S. Army, entering as a private in September 1942, and was released as a captain in June 1946. Continuing in the Reserves, he achieved the rank of lieutenant colonel prior to his retirement from the Reserve Corps. In civilian service, Mr. Ross has held various assignments with the Office of Price Administration; Office of the Quartermaster General, Department of the Army; Office of Design and Construction, General Services Administration, prior to his appointment to the Defense Supply Agency in February 1962.

Dedicated to the philosophy that small business must have a fair share of Government procurement, Julian Ross for many years has ably served the interests of the small businessman in America, as well as enforcing the high standards of procurement of the agency he represented.

Mr. Ross has always fully cooperated with our committee as a DSA witness in procurement hearings and in connection with the solution of many procurement problems and complaints presented to our committee by Members of Congress on behalf of their small business constituents. His achievements have been extremely helpful both to the small business community and to the Government.

Lt. Gen. Earl C. Hedlund, Director of the Defense Supply Agency, in recognizing these accomplishments, has presented to Mr. Ross the Agency's highest award, the DSA Exceptional Civilian Service Award. The citation on this award reads as follows:

For exceptional performance of duty as Small Business Advisor of the Defense Supply Agency from 15 May 1964 to 15 May 1969. Mr. Ross has consistently demonstrated an exceptional degree of professional ability. His outstanding leadership, integrity, and managerial ability forged Defense Supply Agency's Small Business Program to the forefront at its inception and has continued this preeminence through subsequent years with the highest rate of effectiveness, resulting in DSA being the only major Department of Defense element meeting or exceeding established goals. Mr. Ross' contributions reflect great credit upon himself and the Department of Defense.

In addition to this, Mr. Ross earlier received the DSA's Outstanding Performance Award for his years of service from 1962 to 1964. I would only comment that both awards and the citation emphasizes the respect and admiration that all of us—committee members and staff—have for Julian Ross.

While we shall miss him, it is our wish that his well-earned retirement will bring to Mr. Ross and to his family the enjoyment of good health and happiness for many years to come.

SOVIET NUCLEAR STRATEGIC ARMS BUILDUP

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 3, 1970

Mr. THURMOND. Mr. President, until such time the Soviets show some sign of deescalating their nuclear strategic arms buildup, it would be an unacceptable risk for the United States not to move ahead with the deployment of MIRV and the ABM Safeguard System. These systems are the two best bargaining weapons America has in negotiating a reduction in strategic arms at the SALT talks now in session in Vienna.

It is encouraging to note that the State newspaper in Columbia, S.C., fully supports the deployment of MIRV and ABM. In the May 22 issue, an editorial points out the grave danger of a unilateral moratorium on the deployment of MIRV. Full support of U.S. intentions to deploy MIRV and the ABM will place the United States in a strong position to trade with the Soviets. In my judgment, it would be foolish to give away our trump card in advance.

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

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

HOPES OF ARMS LIMITATION MUST NOT NULLIFY DEFENSE

Despite the best efforts to make the issue of national defense understandable, some critics of U.S. defense spending absolutely refuse to understand even a little about the subject. It suffices for their purpose to lament the "military-industrial complex," having done which they retire from debate, satisfied at a job well done.

The subject, needless to say, is considerably more complex than they imagine. Likewise considerably more important, for if the SALT talks in Vienna fail to make pacifists of the Soviets, the nation must fall back on the Pentagon for whatever security it will enjoy in the years ahead.

Yet the giddy feeling persists that the Pentagon should declare a moratorium on defense work for the duration of the Vienna talks. Senator Edward Kennedy, for example, declared in a speech last week that Defense Secretary Laird's insistence on the Safeguard ABM system and MIRV warheads "is undermining" attempts to get an international