

## SENATE—Monday, July 27, 1970

The Senate met at 12 noon and was called to order by Hon. CHARLES H. PERCY, a Senator from the State of Illinois.

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

Eternal God, who art the source of our life and the end of our pilgrimage, we praise Thee for Thy presence with us all our days. Send us now to our tasks with fresh vigor and noble purpose.

Keep our country and our people in Thy hand. Heal all divisions and preserve us from inward strife. May this Nation be a beacon of hope to all who seek freedom and all who honor Thy name. May we so live as to bring judgment upon evil doers. Make us worthy to mediate Thy grace to all who seek righteousness and justice. Keep us generous and kind but always firm and resolute in the right.

In the Redeemer's name we pray. Amen.

## DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore of the Senate (Mr. RUSSELL).

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, D.C., July 27, 1970.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. CHARLES H. PERCY, a Senator from the State of Illinois, to perform the duties of the Chair during my absence.

RICHARD B. RUSSELL,  
President pro tempore.

Mr. PERCY thereupon took the chair as Acting President pro tempore.

## MESSAGES FROM THE PRESIDENT

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

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. PERCY) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

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

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had passed a bill (H.R. 18515) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1971, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 75) directing the Secretary of the Senate to make corrections in the enrollment of S. 2601.

## HOUSE BILL REFERRED

The bill (H.R. 18515) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1971, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, July 24, 1970, be dispensed with.

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

## LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

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

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

## WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the Legislative Calendar, under rule VIII, be dispensed with.

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

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

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

## DEATH OF MICHAEL J. KIRWAN, REPRESENTATIVE FROM OHIO

Mr. YOUNG of Ohio. Mr. President, it is with a feeling of sadness that I announce the death of Congressman MICHAEL J. KIRWAN, of Ohio, at the Bethesda Naval Hospital.

MIKE KIRWAN was serving his 34th consecutive year in the Congress, representing the 19th Ohio Congressional District, commencing with the 75th Congress.

It is with a feeling of pride I inform the Members of this Chamber that MIKE KIRWAN was my close personal as well as a political friend for nearly 40 years.

As a young boy, MIKE KIRWAN worked

in the coal mines and later as a very young man for the Pennsylvania, Lehigh Valley, and also Southern Pacific Railroads and as a yardmaster for the Youngstown Northern Railway. During his youth he traveled extensively in our country, particularly throughout the West working in wheat and oil fields, on ranches, and in lumber camps. In World War I, he served in combat in France. He became a sergeant in the field artillery and won decorations from our Government.

Mr. President, as a soldier MIKE KIRWAN learned devotion and as a laborer in the mines and fields he developed a sensitivity and compassion for the weak, the unfortunate, and those who toil with their hands.

In the House of Representatives, MIKE KIRWAN served as a member of the Rivers and Harbors Committee and from 1943 he served as a member of the Appropriations Committee.

He was first elected to the 75th Congress in 1936 and thereafter to every succeeding Congress and by ever-increasing majorities.

Congressman KIRWAN had very little formal education. It was necessary for him to work in the coal mines at an extremely early age. He became a self-educated and very knowledgeable man. During his years as Representative in Congress from the 19th Ohio District he spoke out in support of Democratic candidates and Democratic causes not only in every area of Ohio but in many States in the Midwest and Far West. He was a forthright and blunt speaker. He never dodged speaking out for unpopular causes. He spoke with sincerity and eloquence.

He was a sincere, honest, and industrious public servant in the House of Representatives. Due to that the 19th Ohio District, long regarded as a Republican stronghold reelected him from 1938 to 1968 by ever-increasing majorities. Last year MIKE KIRWAN announced his retirement and that he would not seek reelection. This was due to his failing health.

MIKE took great pride in bringing about the erection of dams throughout every area of the United States. Whether any particular dam has been named after him I do not know, but I do know that there are hundreds of dams, highly needed at the time, which were erected due to MIKE KIRWAN's efforts and leadership. These are his monuments.

Congressman KIRWAN was first elected to the House of Representatives in 1937. He was appointed to the Committee on Appropriations in January of 1943. He became a champion of conservation, including national parks and mineral resources, and made great efforts for the improvement of the welfare and education of the American Indian. He wanted every Indian child in our Nation to have the opportunity to have a good common school education which, due to economic conditions, was denied him.

Congressman KIRWAN was on the Sub-

committee on Interior Appropriations from 1955 to the present time. From 1965 to the present time, he was chairman of the Subcommittee on Public Works Appropriations. He was influential in pollution control and dealt with the officers of the Corps of Engineers and TVA officials. He was extremely influential in flood control in the Missouri River Basin.

Long before the present generation became aware of the problem of pollution, MIKE KIRWAN was fighting for the preservation of forests, national parks, and fish and wildlife while serving as chairman of the Subcommittee on Interior Appropriations. At the time of his death, he was chairman of the Subcommittee on Public Works Appropriations. He also served as chairman of the Democratic Congressional Campaign Committee from 1947 to the present time.

MIKE KIRWAN was devoted to his wife and children and grandchildren in addition to the public service. He and his wife, the former Alice Kane, were the parents of two sons and a daughter. In addition, he and his wife were blessed with 20 grandchildren.

Mr. President, MIKE KIRWAN, above all, was a man of integrity. He was a man whose word and fairness were unquestioned in the Congress of the United States.

The citizens of Ohio have lost a tireless and dedicated citizen. Congress has lost an able and productive legislator. All of us who knew MIKE KIRWAN have lost a loyal and trusted friend.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. YOUNG of Ohio. I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished senior Senator from Ohio in what he has just had to say about our late colleague, MICHAEL J. KIRWAN, of Youngstown, Ohio. He was, in the words of the distinguished Senator, a man of the people. He was a man who had little formal education but who had a great deal of commonsense.

I feel a personal debt to MIKE KIRWAN, because when I first came to the House 28 years ago, an attempt was made by the Army Engineers to use Flathead Lake for irrigation purposes in the Bonneville area during the course of the Second World War.

I went to MIKE KIRWAN and, because of his great assistance, we were able to thwart the desires and the plans of the Army Engineers. Out of that came the authorization for Hungry Horse Dam, which was finally completed and which saved Flathead Lake. This was achieved as the result of the astounding momentum applied by MIKE KIRWAN. Without him it might well have been a different story.

The distinguished Senator mentioned the fact that many dams were built because of his interest.

I can personally testify to that because in addition to saving Flathead Lake, he was responsible in large part for the Libby Dam now under construction, and also for the Yellow Tail Dam

which is practically completed at the present time.

So MIKE has been a good public servant. His loss will be felt. It will be a long time before anyone will be able to fill his shoes. He has left behind enough in the way of monuments to make his mark and to remind the people of this Nation that he was a great public servant who worked in their behalf.

Mr. STENNIS. Mr. President, I wish to join the sentiments expressed in remarks regarding the late MIKE KIRWAN and his remarkable record in Congress. The people of this entire Nation, in my opinion, owe a debt of gratitude to him for his fine attention to details, as well as his vision, with respect to public works projects throughout the land. He gave unstintingly of his time, not only taking care of his district but also the affairs of this Nation in an able, remarkable, unselfish, and distinguished way. The people can well be thankful that he lived, and in such a fine constructive way.

I know his soul will find a lasting reward.

#### URBAN SCHOOL DISTRICTS MEET ON UNANSWERED DESEGREGATION QUESTIONS

Mr. SPONG. Mr. President, one of the greatest domestic problems of the moment concerns our public schools. Confusion, uncertainty, and doubt exist over constitutional requirements, court rulings, Federal policies, and sound education procedures.

The 1970-71 school year is almost upon us, yet school districts throughout our Nation do not now know the conditions under which they will have to operate this fall. In fact, the two largest municipal school systems in my State are in this position.

Moreover, the need for a law with equal application throughout the United States—a fact about which I spoke last Monday—is becoming more apparent.

In view of the common problems, 11 school districts representing areas both inside and outside the South met this past weekend in Charlotte, N.C., to discuss possible alternatives. As a result of this meeting, the school districts adopted a resolution which contains two principal parts. First, it reaffirms the agreement of the school districts that segregation by race has no place in education. Second, it specifies that the school districts do not believe that arbitrary racial balance in each school and busing to achieve racial balance are required by the Constitution.

The resolution also recognizes the responsibility of professional educational organizations and school districts to assure that consideration is given to sound education procedures in the court proceedings which are underway.

Mr. President, I should like to read the text of a telegram from the Charlotte, N.C., meeting which includes a resolution:

Here is the text of a resolution adopted in Charlotte on Saturday by representatives of eleven large urban school districts includ-

ing Cincinnati, Ohio; Norfolk, Virginia; Pontiac, Michigan; Winston-Salem, N.C.; Denver, Colorado; Chattanooga and Memphis, Tennessee; St. Petersburg (Clearwater), Florida; Houston, Texas; Richmond, Virginia; Charlotte, N.C.

It is agreed that segregation by race has no place in education, both because it is unconstitutional and because it is educationally unsound. Chief Justice Burger has recently outlined a national problem when he stated: "As soon as possible, however, we ought to resolve some of the basic practical problems when they are appropriately presented including whether, as a constitutional matter, any particular racial balance must be achieved in the schools; to what extent transportation may or must be provided to achieve the ends sought by prior holdings of the court." The answers to these questions will have far reaching impact on public education and must be resolved as quickly as possible and in such a way as to promote the best possible education for our students.

To conclude that the answers to these questions require arbitrary racial balance in each school and busing to achieve racial balance is to make a decision not required by the constitution. This would be an educational decision without appropriate regard for the educational impact of the decision and without regard for the many factors involved in a good educational program. While some school boards and some State legislatures might decide that it is good public policy to achieve racial balance by busing or by any other means, it is quite a different thing to say that this is required by the constitution. Once it becomes a constitutional mandate it becomes frozen and unchangeable, whereas sound educational policy requires the trial of many different approaches and flexible decision making to meet new problems as they arise from time to time.

Professional associations and large urban school systems ought to follow pending lawsuits in this area very closely. Where these key educational issues are before the Supreme Court, professional associations and large urban school systems ought to supply amicus curiae briefs to bring to the attention of the Supreme Court the educational considerations involved in the analysis of the Chief Justice's questions.

WILLIAM E. POE,  
Chairman, Charlotte-Mecklenburg Board  
of Education.

#### REQUEST FOR FAIRNESS DOCTRINE TO APPLY TO SPOT ADVERTISEMENTS ON AMENDMENT TO END THE WAR

Mr. DOLE. Mr. President, I have today released a partial list of television stations which have been requested to provide air time, without cost, to present the viewpoint of those opposing the so-called amendment to end the war.

I have written the television stations currently running or scheduled to run spot advertisements purchased by the Amendment To End the War Committee.

Under the fairness doctrine, a broadcasting station is required to present contrasting views on all issues of public controversy. That obligation to broadcast opposing views applies, regardless of the availability of paid sponsorship.

I have received a number of responses from television stations throughout the country indicating a willingness to schedule, without cost, spots presenting



the viewpoint of those who oppose the amendment to end the war.

I ask unanimous consent to have printed in the RECORD a partial list of some 60 broadcast and television institutions now running the so-called amendment to end the war spots along with my letter to those stations.

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

**LETTER SENT TO BROADCASTING STATIONS RUNNING "AMENDMENT TO END THE WAR" ADVERTISING SPOTS**

I have been informed you are currently running a spot schedule purchased by the "Amendment to End the War" Committee in support of the McGovern-Hatfield Amendment to the Military Procurement Authorization Act.

The Fairness Doctrine, as you know, requires that you present contrasting views on all issues of public controversy. The obligation to broadcast opposing views applies, regardless of availability of paid sponsorship.

Therefore, comparable air time, without cost, to present contrasting views on the "Amendment to End the War" (Amendment 609 to H.R. 17123) is respectfully requested.

Since Senate consideration of the Amendment is pending, I urge immediate consideration of this request.

Sincerely yours,

BOB DOLE,  
U.S. Senate.

**PARTIAL LIST OF BROADCASTING STATIONS RUNNING "AMENDMENT TO END THE WAR" SPOT ADVERTISEMENTS WHICH HAVE RECEIVED ATTACHED LETTER**

Boise, Idaho: KTVB, KBOI.  
Idaho Falls, Idaho: KIFI, KID.  
Twin Falls, Idaho: KMYT.  
Dodge City, Kansas: KTVG.  
Pittsburg, Kansas: KOAM.  
Topeka, Kansas: KTSB.  
Wichita, Kansas: KTVH.  
Bowling Green, Kentucky: WLTV.  
Lexington, Ky.: WBLG.  
Paducah, Ky.: WPSD.  
Grand Rapids, Mich.: WOOD.  
Jefferson City, Mo.: KOMU, KRCG.  
Joplin, Mo.: KODE.  
K.C., Mo.: KCMO, WDAF.  
Springfield, Mo.: KTTS, KYTV.  
St. Joseph, Mo.: KQTV.  
St. Louis, Mo.: KSD.  
Las Vegas, Nev.: KORK.  
Reno, Nev.: KCRL, KTVN, KOLO.  
Manchester, N.H.: WMUR.  
Albuquerque, N.M.: KOAT, KGGM, KOB.  
Roswell, N.M.: KBIM.  
Bismarck, N.M.: KFYY.  
Fargo, N.D.: KTHI, KXJB, WDAY.  
Pembina, N.D.: KCND.  
Eugene, Oregon: KVAL.  
Medford, Oregon: KMED.  
Portland, Oregon: KGW.  
Providence, R.I.: WTEV, WPRI.  
Burlington, Vermont: WVNY.  
Harrisonburg, Va.: WSAV.  
Richmond, Va.: WTVR.  
Roanoke, Va.: WSL, WDEJ.  
Bellingham, Wash.: KVOS.  
Seattle, Wash.: KING, KIRO.  
Spokane, Wash.: KREM, KXLY, KHQ.  
Yakima, Wash.: KIMA.  
Beckley, W. Va.: WOAY.  
Blue Field, W. Va.: WHIS.  
Charleston, W. Va.: WCHS.  
Clarksburg, W. Va.: WDTV.  
Parkersburg, W. Va.: WTAP.  
Huntington, W. Va.: WSAZ.  
Wheeling, W. Va.: WTRF, WSTV.

**PAID TELEVISION ADVERTISING FOR PURPOSES OF LOBBYING**

Mr. DOLE. Mr. President, many have doubts about Members of the Senate using paid television advertising to lobby their colleagues in behalf of a legislative cause, however worthy.

A commentary by Frank Reynolds on ABC evening news of July 7 indicates that this concern goes beyond the Senate and into the media itself. I ask unanimous consent to have Mr. Reynolds' commentary printed in the RECORD.

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

**FRANK REYNOLDS' COMMENTARY**

Television commercials are now being shown on stations across the country—urging viewers to express their support for the McGovern-Hatfield amendments to end the war in Viet Nam.

There is nothing new about whipping up public support for, or opposition to legislation pending before the Congress. The full page newspaper ad, usually signed by everybody who contributed to its purchase is an established fixture, and I suppose there is nothing intrinsically wrong with using television for the same purpose. But may be there is something not quite right about it, too.

Whether we like it or not—television is—"Show Biz." Is it right to use show biz techniques—perfectly proper for selling products—to sell ideas and issues?

There are those, and I'm one of them, who believe we now have entirely too much Hucksterism in the selling and packaging of political candidates—but apparently the same approach is to be used in the selling and packaging of public positions on nothing less than the nation's foreign policy. And no doubt on other questions, as well.

Suppose, someday the Congress is considering a bill to raise taxes, and the people opposed to it decide to strike at the minds of the voter through his children?

Captain Kangaroo fades from the screen and on comes some joker—probably wearing a cowboy suit—who then pleads with the kiddies to remind daddy to write his congressman and make sure those bad men in Washington do not take away the money daddy spends on ice cream, or candy bars.

It could happen.

I have nothing against television commercials. Frequently, they are better than the programs they interrupt, and my choice for TV's man of the year is that poor slob who had to keep saying—

"Mama, Mia, that's a spicy meat-a-ball!" But unless something happens, he may one day be persuading us, not to buy this or that, but to decide on matters somewhat more momentous. And even in the television age, the country may need statesmen more than salesmen.

**THE REDUCTION OF PRESIDENT'S BUDGET REQUESTS BY CONGRESS**

Mr. MANSFIELD. Mr. President, I am happy to state once again that this Congress, both the Democratic and Republican Members, have together cut the President's budget request for fiscal year 1970 which ended June 30, almost a month ago, by \$6,370,937,390, and that in addition, based on the second supplemental bill which passed Congress some

weeks ago, Congress—both the Republicans and the Democrats—reduced the President's budget request in that instance by an additional \$461,947,690.

I am happy also to note that last year Congress—both the Republican and the Democratic Members—made an allowance for a reduction of \$1.437 billion in this fiscal year and that last week Congress—both the Democrats and the Republicans—passed the Interior appropriations conference bill which had a reduction of \$6 million—million that is—that the bill now before us, the authorization bill for military procurement already provides a further reduction of \$1.3 billion and the Senate is only beginning its consideration.

Last Tuesday the Democratic Policy Committee unanimously agreed that the White House charge that this Congress has exceeded White House requests for spending was totally erroneous and unfounded. The committee noted—to the contrary—that President Nixon's spending requests from the Congress for fiscal year 1970 had exceeded by \$6.4 billion what Congress approved.

In other words, Congress reduced President Nixon's requests for spending by more than \$6.4 billion. It is true that in a few specific areas Congress added more appropriations than President Nixon requested. That was true in fields of health, education, antipollution control, poverty, and urban renewal. But at the same time Congress more than compensated for these additions by making larger cuts in President Nixon's spending requests for foreign aid and expenditures of the Defense Department.

In the face of such a record, it is difficult to envision just how Congress can be labeled "spendthrift" when it reduces President Nixon's—not President Johnson's—specific requests by \$6.4 billion during his first year in office. On top of that, during the consideration of the fiscal year 1970 budget, Congress also reduced President Nixon's request for fiscal year 1971 by an additional \$1.4 billion—a savings for fiscal year 1971, the year we are in now, which Congress has available to use in connection with appropriations measures it is now considering. In other words, it was a \$1.4 billion savings for fiscal year 1971 made prior to the consideration of spending requests now under consideration.

In addition, Congress reduced the President's second supplemental budget request for fiscal year 1969 by \$461,947,690, for a grand total of reductions so far of \$8,269,883,080.

It is anticipated Congress will make similarly large reductions as it examines the spending requests it now has under consideration from President Nixon. It is always assumed that in the appropriations process Congress will make certain additions and subtractions with respect to specific item. This is a question of priorities—of where we allocate our resources—and just as last year, Congress may find the priority needs of this Nation today lie more in the fields of health education, the environment and poverty

assistance and less in foreign aid and Department of Defense requests.

In any case, it is clear that on balance Congress will again reduce the total sum requested by the administration for spending. It will do so in an effort to bring this Nation out of the economic crisis in which it finds itself.

Mr. President, I ask unanimous consent to have printed in the RECORD a table of figures bearing on what I have said, which was prepared by the Committee on Appropriations. I wish to say, before the request is considered, that what Congress has done it has done on a bipartisan basis. It is not just the majority

which is responsible for these cuts, but the Congress, both Democrats and Republicans and they all deserve a great deal of credit for what has been done in this respect.

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

## [SENATE APPROPRIATIONS COMMITTEE PRINT]

ACTIONS ON BUDGET ESTIMATES OF NEW BUDGET (OBLIGATIONAL) AUTHORITY IN APPROPRIATION BILLS, 91ST CONG., 1ST SESS. AND 91ST CONG., 2D SESS. AS TO LABOR-HEW APPROPRIATION BILL, H. R. 15931, AND FOREIGN AID APPROPRIATION BILL, H. R. 15149—AS OF MAR. 5, 1970

[Does not include any "back-door" type budget authority; or any permanent (Federal or trust) authority, under earlier or "permanent" law,<sup>1</sup> without further or annual action by the Congress]

Bill and fiscal year (1)	Budget requests considered by House (2)	Approved by House (3)	Budget requests considered by Senate (4)	Approved by Senate (5)	Public Law (6)	(+) or (-), Public Law amounts compared with budget requests to Senate (7)
<b>Bills for fiscal 1970:</b>						
1. Treasury-Post Office (H.R. 11582) (net of estimated postal revenues appropriated)	\$2,314,714,000	\$2,272,332,000	\$2,314,714,000	\$2,280,195,000	\$2,276,232,000	-\$38,482,000
(Memoranda: Total, including authorizations out of postal funds)	(8,821,727,000)	(8,779,345,000)	(8,821,727,000)	(8,787,208,000)	(8,783,245,000)	(-38,482,000)
2. Agriculture (H.R. 11612)	6,967,562,050	6,806,655,000	7,237,562,050	7,642,797,650	7,488,903,150	+251,341,100
3. Independent offices-HUD (H.R. 12307) (including 1971 advance)	15,380,413,600	14,909,089,000	15,512,969,600	14,985,449,000	15,111,870,500	-401,099,100
(Fiscal year 1970 amounts only)	(15,205,413,600)	(14,734,089,000)	(15,337,969,600)	(14,985,449,000)	(15,111,870,500)	(-226,099,100)
4. Interior (H.R. 12781)	1,390,096,500	1,374,286,700	1,390,856,500	1,382,766,900	1,380,375,300	-10,481,200
5. State, Justice, Commerce, and Judiciary (H.R. 12964)	2,475,704,600	2,335,634,200	2,475,704,600	2,382,354,700	2,354,432,700	-121,271,900
6. Labor-HEW (H.R. 13111 vetoed by the President, Jan. 26, 1970)	(16,495,237,700)	(17,573,602,700)	(19,834,125,700)	(21,363,391,700)	(19,747,153,200)	(-86,972,500)
(Fiscal year 1970 amounts only)	(16,495,237,700)	(17,573,602,700)	(18,608,125,700)	(20,245,811,700)	(19,747,153,200)	(-1,139,027,500)
7. Labor-HEW (H.R. 15931 signed by President Mar. 5, 1970)	18,608,125,700	19,381,920,200	19,834,125,700	19,381,920,200	19,381,920,200	+452,205,500
Senator Cotton amendment Sec. 410; 2 percent reduction				-346,776,624	-346,776,624	-346,776,624
(Fiscal year 1970 amounts only)	(18,608,125,700)	(19,381,920,200)	(18,608,125,700)	(19,381,920,200)	(19,381,920,200)	(+773,794,500)
8. Legislative (H.R. 13763)	311,374,273	284,524,057	372,152,949	342,310,717	344,326,817	-27,826,132
9. Public works (and AEC) (H.R. 14159)	4,203,978,000	4,505,446,500	4,203,978,000	4,993,428,500	4,756,007,500	+552,029,500
10. Military construction (H.R. 14751)	1,917,300,000	1,545,559,000	1,917,300,000	1,603,446,000	1,560,456,000	-356,844,000
11. Transportation (H.R. 14794) (including 1971 advances)	2,090,473,630	2,095,019,630	2,090,473,630	2,147,152,630	2,143,738,630	+53,265,000
(Fiscal year 1970 amounts only)	(1,840,473,630)	(1,875,019,630)	(1,840,473,630)	(1,947,152,630)	(1,929,738,630)	(-89,265,000)
12. District of Columbia (H.R. 14916) (Federal funds)	228,842,000	188,691,000	228,842,000	173,547,000	168,510,000	-60,332,000
(District of Columbia funds)	(751,575,300)	(683,106,300)	(752,944,300)	(657,064,000)	(650,249,600)	(-102,694,700)
13. Defense (H.R. 15090)	75,278,200,000	69,960,048,000	75,278,200,000	69,322,656,000	69,640,568,000	-5,737,632,000
14. Foreign assistance (H.R. 15149)	3,679,564,000	2,608,020,000	3,679,654,000	2,718,785,000	2,504,260,000	-1,175,304,000
15. Supplemental (H.R. 15209)	298,547,261	244,225,933	314,597,852	296,877,318	278,281,318	-36,316,534
Total, these bills—						
As to fiscal 1970	134,719,895,614	128,021,451,220	135,200,040,881	*129,106,910,091	*128,829,105,491	*-6,370,935,390
As to fiscal 1971	425,000,000	395,000,000	1,651,000,000	200,200,000	214,000,000	-1,437,000,000
Total, 1970 bills including 1971 amounts	135,144,895,614	128,416,451,220	136,851,040,881	*129,306,910,091	*129,043,105,491	*-7,807,935,390
<b>Bills for fiscal 1969:</b>						
1. Unemployment compensation (H.J. Res. 414)	\$36,000,000	\$36,000,000	\$36,000,000	\$36,000,000	\$36,000,000	
2. Commodity Credit Corporation (H.J. Res. 584)	*1,000,000,000	*1,000,000,000	*1,000,000,000	*1,000,000,000	*1,000,000,000	
3. 2d supplemental (H.R. 11400)	4,364,006,956	3,783,212,766	4,814,305,334	4,459,669,644	4,352,357,644	-\$461,947,690
Release of reserves (under Public Law 90-364)	(82,463,000)	(82,766,000)	(79,999,000)	(80,230,000)	(80,230,000)	(+231,000)
Total, 1969 bills	5,400,006,956	4,819,212,766	5,850,305,334	5,495,669,644	5,388,357,644	-461,947,690
Cumulative totals	140,544,902,570	133,235,663,986	142,701,346,215	*134,802,579,735	*134,431,463,135	*-8,269,883,080

<sup>1</sup> In round amounts, the revised (April) budget for fiscal 1970 tentatively estimated total new budget (obligational) authority for 1970 at \$219,600,000,000 gross (\$205,900,000,000 net of certain offsets made for budget summary purposes only), of which about \$80,700,000,000 would become available, through so-called permanent authorizations, without further action by Congress, and about \$138,900,000,000 would require "current" action by Congress (mostly in the appropriation bills). Also the April Review of the Budget contemplates budget requests for advance fiscal 1971 funding in 4 items totaling \$1,661,000,000.

<sup>2</sup> Reflects reduction of \$175,000,000 for Appalachian highway program for 1970 and \$175,000,000 for advance funding for 1971. Authorization Act provided for contract authority in lieu of new obligational authority, with payments for liquidation to be appropriated later.

<sup>3</sup> Shifted from fiscal 1970 budget a portion of which is technically classified in the budget as "liquidation of contract authorization" rather than as new budget (obligational) authority.

<sup>4</sup> Although a reduction in the budget estimate of \$86,972,500 is reflected in the total column of the bill, it must be made clear that the budget estimate column to the Senate includes \$1,226,000,000 advance funding for ESEA for 1971 whereas none of these funds were included in the conference agreement. Deducting the \$1,226,000,000 from the budget estimate column gives a comparison for fiscal year 1970 only and reflects the conference agreement over the budget estimates in the amount of \$1,139,027,500.

<sup>5</sup> The budget estimate column to the Senate includes \$1,226,000,000 advance funding for fiscal year 1971 for ESEA denied by the Congress.

<sup>6</sup> Includes reduction of \$346,776,624 in the Cotton amendment, Section 410 of Labor-HEW appropriation bill, H.R. 15931.

Mr. PROXMIRE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. Nelson). The Senator's time has expired.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may proceed for 3 minutes.

The PRESIDING OFFICER. The Senator is recognized for 3 minutes.

Mr. PROXMIRE. Mr. President, I commend the majority leader for the speech he has made and the action which has been taken by the Democratic Policy Committee in demonstrating and documenting beyond any question that Congress last year and for the last 25 years has cut the request of whatever party had control of the White House. Congress cut the Johnson requests, the Kennedy requests, the Truman requests, and the

Eisenhower requests consistently. Of course, last year, as the distinguished majority leader said, we cut the request by President Nixon sharply.

However, I notice that the release by the Democratic Policy Committee was published on about page 27 of the New York Times and back somewhere in the other newspapers. I noticed the President's charge received first-page headline treatment in nearly every newspaper in the country. If one talks to well-informed Americans, including many Members of Congress, they say Congress is spending more than the President and that it is the President who wants to hold down spending. It is important that the majority leader has brought these facts to the attention of the public and we must continue to do it day after

day until we get through to the American people.

I wish to ask the Senator if it is not true that the first appropriation bill to pass Congress and go to the President was the District of Columbia appropriation bill. I am aware of that because I handled it. There was a cut there of about 22 percent or \$189 million below the President's request.

Mr. MANSFIELD. Yes. I forgot to mention that. I am glad the Senator has called attention to that for the RECORD.

Mr. PROXMIRE. On the basis of last year, when in 10 of 14 appropriation bills the cut was \$5.5 billion, can the Senator give a figure based on the largest estimate?

Mr. MANSFIELD. That figure would be \$6,370,935,390 plus \$461,947,690 cut



out in the second supplemental request, plus what Congress did last year in making an allowance for a cut this fiscal year which is under way of \$1,437 million. So the grand total is \$8,269,883,080.

Mr. PROXMIRE. I was so convinced that the Senator from Montana is correct that we will reduce the Nixon request this year, that last week I said on the floor of the Senate that if Congress did not reduce President Nixon's request I would personally contribute to my Republican opponent's campaign the sum of \$1,000 and he could have that sum out of my pocket to help him defeat me in the coming election. I thought that was kind of a spectacular proposal. I did not expect it to be a national story but I did not see anything at all about it in the newspapers.

I do not know how we can correct the impression some of the American people have. My staff and I sat up several nights trying to think of some way to dramatize this situation. It galls me that that situation exists after all the efforts by the majority leader, the minority leader, Democrats and Republicans, when the President can go on television and call Congress "spendthrift" and get away with it. What can we do? The Senator has made a very well documented speech. There is no answer from the other side, although the Senator from Kansas (Mr. DOLE) is present and he usually undertakes to answer almost anything Democrats say; and the Senator from Illinois (Mr. PERCY), and the Senator from Michigan (Mr. GRIFFIN) were here. We cannot get the story across to the American people. The public is convinced that Congress is spending money like a drunken sailor and that only the President is holding back the flood waters.

Mr. MANSFIELD. Mr. President, may I be recognized again briefly?

The PRESIDING OFFICER. The Senator from Montana.

Mr. MANSFIELD. May I say, before I yield to my distinguished colleagues on the other side, that I have emphasized that these cuts were made by both Republicans and Democrats. There is nothing partisan about this. It is something which we have done, and for which we are entitled to some credit.

May I say, by the same token, that the President is entitled to a bit of credit because of the fact that he reduced expenditures last fiscal year in excess of \$3 billion.

So I would hope that, instead of throwing the ball back and forth, we would continue to work in tandem, to work together, so that in that way we can both face up to our responsibilities, bring about the necessary reductions in expenditures and appropriations, and do so on the basis of a close examination of priorities, of balance and emphasis which I am happy to note the administration is likewise undertaking.

I am delighted to yield now to the distinguished Senator from Illinois (Mr. PERCY).

Mr. PERCY. Mr. President, I appreciate the distinguished majority leader's yielding to me.

I was astounded to find the distin-

guished Senator from Wisconsin complaining about not being able to get "visibility" for anything. It is just literally impossible for me to open any Chicago newspaper without reading about the Senator from Wisconsin. The Chicago Daily News is running every day a full-page extract of the distinguished Senator's book. I do not want to plug the book necessarily, but I think it is on the right track in many instances.

I have served on several committees with the distinguished Senator from Wisconsin, and I found there was a great "visibility" about him. So when he says he has great difficulty getting "visibility," I point out that he certainly does not take second place to anyone in the Senate in emphasizing the points he makes. I say that with admiration, because I think many of the things he has had to say should have been said and brought to the attention of the American public.

What I would like to get "visibility" for is that not only is the administration trying to present a prudent budget, but it has suggested that we in the Congress should tap new sources of revenue, and that we ought to raise revenues to match our expenditures, and if we do not raise revenues to match our expenditures we are going to have deficits; and we all know that those deficits come out of the hide of housing. We all know that whatever deficit we have rolls over the field of housing, because deficits require refinancing, which causes interest rates to go up, and it all comes out of the housing field.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PERCY. Mr. President, I ask unanimous consent to have 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. When we need an increase of \$1.3 billion in revenues, and the President presents a bill to Congress to tax leaded gasoline, which even the oil companies say is a good bill, because this puts a premium on the kind of gasoline which is polluting the atmosphere and enables them to price their product more realistically to provide a nonpolluting product, I do not see why the Congress cannot face up to its responsibility and pass that tax.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. MANSFIELD. Has the President requested Congress to act on legislation containing that tax, or has he just talked about it?

Mr. PERCY. To the best of my knowledge, he has requested Congress to act on it.

Mr. MANSFIELD. I know of no legislation sent to the Finance Committee or the Ways and Means Committee requesting a tax on leaded gasoline. I know of no legislation sent to the Post Office and Civil Service Committees requesting an increase in first-class postage, which I think the President has suggested. So suggestions do not count. I assume when he sends up his budget he has it all figured out as to just how in-

come will match outgo, and that he is doing so on the basis of the tax situation as it exists at the time the budget is sent up.

Mr. PROXMIRE. Mr. President, will the Senator yield further?

Mr. PERCY. I yield.

Mr. PROXMIRE. First, with respect to the response the Senator from Illinois has made, the Senator from Illinois did not answer at all the statement that Congress has cut appropriations. The Senator from Illinois merely made some response about the publicity the Senator from Wisconsin is getting from a Chicago newspaper which is serializing his book "Report From Wasteland."

That is the first point. Second, he says we ought to raise taxes. The President is not emphasizing that very much. He is wisely, from a political standpoint, putting his stress on Congress cutting down spending.

Is the Senator from Illinois in agreement that Congress is reducing spending, that we have cut down this and previous administration's requests, and that we have a record of reducing the President's requests? Does he agree with that record?

Mr. PERCY. I feel, if we set the record straight, that this administration has done more to cut expenditures of the very kind the distinguished Senator from Wisconsin has been emphasizing, and after all these years this is the only administration I have had experience with that has done so. Certainly, the whole idea of moving our capability from a 2½-war capability to a 1½-war capability has enabled it to work toward a reduction in our Armed Forces of about 750,000 men. That means a cut of approximately \$10 billion to \$12 billion.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PERCY. Mr. President, I ask unanimous consent to have 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. I made a speech on Friday on this very point. I said the administration has stated that it has changed its policy from a 2½-war capability to a 1½-war capability, but that there is nothing in the budget which reflected this. Any reduction in the Defense budget is as a result of the reduction of activities in Vietnam, for which President Nixon deserves a great deal of credit. But he did not put into effect the assumption that he is operating on the basis of one war instead of two wars. He is still approaching it on a two-war basis as far as strategic and tactical forces are concerned.

Mr. PERCY. Does the Senator deny that the Nixon administration has again reduced American troops in Europe by another 10,000 troops, plus their dependents?

Mr. PROXMIRE. That is from 320,000 to 310,000 troops?

Mr. PERCY. No; that is about 300,000, and it is the lowest number we have had there in 25 years.

Mr. PROXMIRE. That is a 2- or 3-

percent cut. It is not a cut that accommodates itself to a big change in policy.

Mr. PERCY. Would the Senator care to report on cuts that have been made in military installations in Wisconsin, because I can testify to cuts made in the State of Illinois, cuts we must absorb provided we are taking our fair share. This administration has more courage than any previous administration had in my experience in cutting back in some 300 congressional districts, many of which military installations had been kept there by sheer force of some congressman who said, "Cut every place but you cannot cut in my congressional district."

Mr. PROXMIRE. As far as Wisconsin is concerned, we have almost no military installations. We lost Truax Field in Madison under Secretary McNamara. However, the city council in Madison passed a resolution praising Mr. McNamara for cutting out that military installation. They did that although it meant a cut in payrolls in Madison.

Mr. PERCY. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. PERCY. I want to yield to the Senator from Arizona (Mr. GOLDWATER).

Mr. PROXMIRE. The Senator from Illinois still has not answered the question. The statement made by the Senator from Montana is that Congress has been cutting appropriations below President Nixon's requests, as it has every President's requests. This point has not been answered by the Senator from Illinois. All he has talked about is bases in Illinois and bases in Wisconsin. No Senator has been able to document the serious charge made by President Nixon, against the Congress and it is a serious charge.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PERCY. Mr. President, I ask unanimous consent to have 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. The distinguished Senator from Wisconsin knows full well that the Nixon administration has presented a tight, tough budget. He knows also that this administration has done more to reduce the proportion of that total budget absorbed by the military, and to increase the proportion for humanitarian programs, than many administrations in the past.

Mr. PROXMIRE. This is not a tight budget for the military, for space, or for the SST.

Mr. PERCY. So this administration has submitted a tough budget, prudently conceived, that is putting a realistic ceiling on the limit on spending; and in addition to that, the administration knows—and the distinguished Senator from Wisconsin knows—that on this floor, in night sessions and days sessions, we have added hundreds of millions of dollars to bill after bill, beyond what the administration has asked for. In addition, we have refused to come up with the added revenue that the administra-

tion has asked for in the form of a leaded gasoline tax, accelerated estate and inheritance taxes, and other revenue measures that the administration has introduced, including its urgent request that if we are going to raise payrolls and raise wages in the Post Office Department, we increase first-class postage, second-class postage, and third-class postage; and these are politically difficult recommendations to make.

They have asked for an increase of 33½ percent in third-class postage and 50 percent in second class. These are concrete steps this administration has taken to attain a fiscally sound policy, and we are helping defeat that fiscally sound policy on the floor of the Senate practically every time we get an appropriation bill before us.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. PERCY. I yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. To back up what the Senator from Illinois has been saying, I do not think it is incumbent upon the Republicans to defend the charge the President has made. I do not think that the Democrats can make any case at all to the contrary. In fact, I think the great increase in the food stamp program, the great increase in HEW—in fact, almost every domestic bill we have had this year has been upped on the floor of the Senate.

I should like to add a couple of items as to what the present administration is doing in the general field of defense. I do not happen to agree with it all, but almost 200 ships will be taken out of the fleet this year, greatly reducing the Navy's strength. We have greatly reduced the total "buy" of the F-111, consequently reducing the number of squadrons. We have reduced the "buy" of the C-5A. In fact, \$7 billion will be taken out of the defense budget this year. In addition to that, the subcommittees and the full Committee on Armed Services of the Senate have made further reductions.

So I think the President is correct in accusing not only the Democrats during this administration, but the Democrats prior to this administration, for the troubles we have.

Contrary to what the distinguished Senator from Wisconsin has said, the Vietnam war is not the cause of inflation. The inflation was caused by unnecessary domestic spending during the Kennedy and Johnson years, and we are now catching up with it. I intend to address myself at greater length to that subject sometime in the near future, but I thank the Senator from Illinois for his observations, which I think are eminently correct.

Mr. PERCY. Mr. President, while I hasten to state that I would hate to ever get partisanship into a colloquy on the floor of the United States Senate, but to point out a factual point, it is the \$60 billion of deficit financing that we had in, particularly the latter years of the Johnson administration, which caused the present inflationary problems we are facing.

Mr. PROXMIRE. I agree with that. The Senator is correct.

Mr. PERCY. The witnesses before the Joint Economic Committee and the Banking and Currency Committee, whether they be Democrat or Republican, have testified that when you run a deficit of \$25 billion in 1 year, and refuse to face the fact that you have a war going on that needs to have the public taxed to pay for it, and you think you can have guns and butter at the same time, someone is going to have to pay for it some day. Unfortunately, the burden falls on the Nixon administration to balance the budget, to stop inflation, and to grind down the war. If those are partisan remarks, so be it, but they are factual, and I daresay the Senator from Wisconsin would not attempt to refute them.

Mr. PROXMIRE. Mr. President, may I be recognized?

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. May I say to the distinguished Senator from Illinois that in the process of making what was a beautifully irrelevant speech he and the Senator from Arizona have made some statements with which I think we can all agree. His last statement is certainly correct. The Johnson administration did have a series of large budget deficits. Certainly at least the one of fiscal 1968 or fiscal 1969, a \$25 billion deficit at a time of high interest and inflation, was I think a great mistake.

I would also agree with the Senator from Illinois that Congress has increased some of the budget requests made by the administration.

But, this has little or nothing to do with the point.

The argument made by the Senator from Montana is that overall, when you consider all of the appropriation expenditures overall, domestic spending, general spending, and so forth, Congress cut President Nixon's budget last year by \$6.3 billion, according to the latest figures I have here, and that has not been challenged by the Senator from Illinois.

Congress cut every Eisenhower budget, every Kennedy budget, every Johnson budget, and I say that this year, if Congress does not cut President Nixon's budget, I will contribute \$1,000 to my opponent's campaign.

If the Senator from Illinois, the Senator from Arizona, the Senator from Kansas, or perhaps the Vice President, would wish to make a similar offer that if Congress does not cut the President's budget, the administration will contribute something to me, I would be happy to accept it.

Maybe if the President cannot cut spending below the Congress, the Vice President will run with me from my house to the office some morning, a matter of 5 miles. He is quite an athlete, a noted golf and tennis player, but he has not demonstrated his running ability. Maybe that would be a satisfactory return to me for my willingness if Congress fails to cut Nixon spending to contribute \$1,000 to my opponent's campaign.



At any rate, I have not heard any of the able Republican Senators say they believe Congress will not cut below President Nixon this year. Will the Senators surrender on that point?

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. DOLE. Mr. President, will the Senator yield?

Mr. PERCY. Mr. President, we all want to respond to the Senator.

Mr. DOLE. Mr. President, would the Senator agree to play golf with Mr. AGNEW?

Mr. PROXMIRE. I will even do that. I will even do it without a helmet, I am so sure that Congress is going to go below the budget.

Mr. DOLE. That is the point I am making.

Mr. PROXMIRE. That is the acid test, I think. If nothing else demonstrates my sincerity, that ought to do it.

Mr. DOLE. The Senator from Wisconsin is certain he has a sure thing; and, he says, we have cut every President's budget. So I hope that is not his final offer. Also, there was a front page story about the charges made by the Democrats, that they are not spendthrifts, recently published by a newspaper in my State. I have read it very carefully—

Mr. PROXMIRE. Is that a weekly newspaper, or a daily?

Mr. DOLE. It is a daily, which I read from cover to cover. Almost every day the Senator's name is in it.

Mr. PROXMIRE. Mr. President, it must be a great paper. I think its editor should be cited.

Mr. DOLE. But I want to say to the Senator from Wisconsin, as the Senator from Arizona has said, it is not necessary to document the charges made by President Nixon. We all recognize there have been cuts—and bipartisan cuts. There have also been increases in many programs. They have not generally been bipartisan. These are the areas we will call attention to sometime later this week on the Senate floor.

#### HENRY JACKSON: A STATESMAN OF UNCOMMON QUALITY

Mr. STENNIS. Mr. President, the July issue of Reader's Digest contains a highly complimentary, and well-deserved tribute to one of our colleagues and to his senatorial record: the junior Senator from Washington State.

The article in the Reader's Digest, written by Ralph Kinney Bennett, is entitled "Henry Jackson: 'A Statesman of Uncommon Quality'."

The article briefly reviews the background, accomplishments and life of a man whom the President himself characterizes as an American of great credit not only to his party but, more important, to his country.

I ask unanimous consent that the article be printed in the RECORD.

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

HENRY JACKSON: A STATESMAN OF UNCOMMON QUALITY

(By Ralph Kinney Bennett)

The afternoon session of July 17, 1969, was one of the most extraordinary in the history

of the U.S. Senate. The galleries were empty. Only Senators (95 of them) and a handful of Senate officers sworn to secrecy were in the chamber. The controversy over President Richard Nixon's anti-ballistic-missile (ABM) system had reached its denouement. Senators opposing the ABM had called for the secret session in order to display a classified Pentagon chart which profiled a potential Soviet-American missile exchange. If the public could see this chart, opponents boasted, it would "overwhelmingly" oppose the ABM.

Clustered around the chart, the Senators listened quietly as the anti-ABM position was spelled out: ABM's complex of missiles and ultrasophisticated radars would not work as a system; one of the radars was too expensive and too vulnerable to attack; and, ultimately, the whole system could be smothered by enough intercontinental ballistic missiles (ICBMs) were fired at it. It appeared that the opponents of ABM were going to carry the day.

Meanwhile, Sen. Henry M. Jackson had walked into the chamber, carrying penciled notes and a black looseleaf notebook, tab-indexed to the top-secret material it contained. The stocky Democrat from Everett, Wash., was about to put his reputation for perceptive thinking on national defense, nuclear warfare and Soviet-American confrontation to the test. For most of the 48 hours preceding this secret debate, Jackson had briefed himself intently on the bewildering intricacies of missile and anti-missile strategy. Now he rose to address his colleagues in his rich baritone voice: "I think the sensible thing to do is to follow through on the chart." He proceeded to do so, disposing of the faulty arguments that had been based upon it. ABM would work, he declared. It would strengthen the President's hand in arms-control talks with the Russians. It would not be easily overcome by Soviet missiles, since it could be adapted to meet considerable increases in the Soviet missile arsenal.

The Senator spoke firmly, pausing frequently to answer questions. Some opposition Senators remarked that Jackson was countering their argument with information on the Soviet offensive-missile buildup that they did not have.

"There is nothing mysterious about the intelligence information I got," he answered. "It is available to every Senator."

Smarting opponents said they would call another secret session to refute Jackson's remarks. But they did not and two weeks later ABM passed the Senate by a single vote, and was soundly backed in the House. "Jackson's speech was clearly the turning point," said Sen. Robert Packwood (R., Ore.).

#### NO LABELS

It was a victory for the White House, and the general in the field was a Democrat who, as one of his home-state newspapers pointed out, "did it against what appeared to be his own best political interests," thus proving himself to be "a statesman of uncommon quality."

Such an accolade embarrasses 58-year-old "Scoop" Jackson (the nickname, from a cartoon character, has stuck since he was four years old). But, as one of the most powerful members of the Senate, he has risen above partisanship many times to advocate a sensible American defense posture.

Once described by a newsmen as "a fair-minded, clean-cut Jimmy Stewart type, who speaks his mind but is never doctrinaire," Jackson also has an enviable record in another area of vital national interest—conservation and the environment. His credentials date back through a score of bills, including sponsorship of the Land and Water Conservation Fund, the National Scenic Rivers Act and the Redwoods National Park Act. "There aren't too many U.S. Senators beloved by both the Audubon Society and

Pentagon colonels," notes *Government Executive* magazine.

Jackson shuns labels and tries to take a realistic approach to each issue as it arises. After the signing of the Nuclear Test Ban Treaty in August 1963, for instance, President John F. Kennedy urged swift Senate ratification. Kennedy knew that "Scoop," the fellow he played softball with when they were bachelors in Georgetown, would sway votes if he approved it. But Jackson insisted that safeguards accompany the treaty: continued underground testing, maintenance of nuclear-weapons research, improvement of test-detection methods, and the ability to resume testing quickly in the event of a Soviet violation. "Fresh in my mind," he said, "was the sudden breaking of the nuclear-testing moratorium by the Soviets two years before."

The Kennedy people didn't want to rock the treaty boat, Jackson insisted. Finally, the safeguards he demanded were agreed upon, and on September 24 the treaty was ratified by a margin of 14 votes. The Associated Press reported: "Jackson's removal of himself from the doubtful list enhanced the chances for ratification of the pact by a substantial margin above the necessary two-thirds majority."

#### SOMETHING WRONG

Jackson was a freshman Senator when he first gave notice that he would play an active role in defense matters. At Kwajalein Island in the Pacific during some 1952 atomic tests, he met an "unconventional, ascetic-looking Navy captain" named Hyman Rickover.

When he learned later that this outspoken and brilliant man had been denied promotion twice, partly because of his "crazy" ideas about atomic submarines, Jackson spoke up in the Senate Armed Services Committee: "There is something wrong with the Navy's thinking and its promotion system if a man like this is passed over." Jackson won his fight. Rickover was promoted, and went on to help make the nuclear submarine a major part of our defense system.

In 1955, disturbed by the then half-hearted American ICBM program, Jackson worried that the Russians "would make a quantum jump and come up with a rocket delivery vehicle." He urged that our ICBM development be put on a wartime basis.

Prevailing on Sen. Clinton P. Anderson (D., N.M.) to join him, he drafted a letter to President Eisenhower, promoting him to undertake a full-scale briefing on the matter for the first time. Two years later, in 1957, the Russians surprised the world with the powerful rocket that launched Sputnik. Colleagues then began listening more closely to Senator Jackson, and American ICBM efforts were greatly accelerated.

The man who had been Vice President at the time of the missile letter later paid high praise to the man who had been so far-sighted. In 1968, President Nixon asked Jackson to be his Secretary of Defense. Jackson declined, for reasons that have remained a confidence between him and the President.

#### KREMLIN PULSE-TAKER

Senate liberals, familiar with Jackson's long voting record for civil rights, Medicare and other progressive measures, often find his energetic advocacy of military preparedness and wariness of communism disconcerting. Jackson, on the other hand, feels that some of his fellow Senators are overly sanguine or badly informed on the communist threat. "They said the ice was breaking in Eastern Europe; then Russian troops marched into Czechoslovakia." (Jackson predicted this invasion months before it happened.) "They said Vietnam was a civil war, then found out about all those North Vietnamese troops in Laos and Cambodia. Now that doesn't sound much like a civil war, does it?" In fact, he wrote an article for the *Seattle Times* years ago, in which he foresaw the movement of North Vietnamese

troops into Laos and a reaction of Cambodia away from threatening communists. "It's not clairvoyance," Jackson comments. "It's just making a judgment from available intelligence."

In four books, many speeches and articles,\* he has taken the erratic pulse of the Kremlin. His National Security Subcommittee has generated a continuing flow of scholarly, direct reports on such subjects as the character of Soviet leadership, the ominous Brezhnev doctrine of Soviet intervention, and Soviet and Communist Chinese methods of "negotiation." The Vancouver, Wash., *Columbian*, a newspaper which has differed with Jackson on many issues, notes: "However much one may disagree with the Senator on military-foreign matters, one must admit that he backs his arguments with facts and logic."

#### MUTUAL RESPECT

In a state noted for its ticket-splitting and independent voters, Jackson has a perfect election record. Descendant of a pioneer Washington family of Norwegian ancestry, he was elected prosecutor of Snohomish County at age 26, just three years out of University of Washington Law School. Elected to Congress in 1940, he spent six terms in the House, and was elected to the Senate in 1952, defeating an incumbent Republican despite that year's Eisenhower landslide. Elected again in 1958, by 319,000 votes, he topped that margin in 1964 with a 538,000-vote plurality.

The secret of his popularity? "The people respect him," says Stanley Golub, a Seattle businessman and one of Jackson's closest friends. "And they know it's a mutual respect. He cares about people."

Jackson starts his work day at about 6:30 a.m. with an hour and a half of reading the paper work he brought home with him the previous evening. Then he battles rush-hour traffic on the way to the Capitol in his battered white 1961 Chevrolet for a morning of committee meetings. As chairman of the Atomic Weapons Subcommittee of the Joint Atomic Energy Committee, he listens to a secret briefing on nuclear-warhead development. Later, at the Interior and Insular Affairs Committee, which he chairs, he discusses Alaskan native land claims with an aide, then sits down to hearings on his National Land Use Policy bill, which would establish a system of priorities for the use of our most valuable and limited resource.

After the hearings, Jackson asks about one of the girls on his staff who is ill. "Does she need anything? Is somebody going to stop by and see her?" Then he meets with some lumbermen about a conservation bill that they fear will hurt the logging business, one of the biggest in his state. They know he talks tough. During the controversy over his proposal to create a national park in the heavily forested North Cascades Mountains, he told a gathering of lumbermen: "It is a mistake for anyone in the forest industry to retreat to a position of adamant opposition to all proposals to preserve part of our national heritage." Yet he has also been blunt about what he considers conservationists' sometimes knee-jerk reactions: "Every time a tree is cut, a mineral mined, a dam constructed or a road built, the public interest is not being attacked."

#### THIRTY-POUND OFFICE

When he travels to his home state, Senator Jackson carries his "office" in a blue-canvas satchel bulging with about 30 pounds of notes and documents. The plane trip is a time to catch up on extra reading or to go over prospective legislation, speeches and committee reports. He makes notes with thick black lead pencils which always seem to disappear and show up later in the hands of two eager artists—his seven-year-old

\*See "Russia Has Not Changed Her Ways," The Reader's Digest, June '69.

daughter, Anna Marie, and his four-year-old son, Peter. (Jackson's name in Washington, D.C., society pages usually had "eligible bachelor" appended to it until 1961, when he married Helen E. Hardin, a beautiful woman with a graciously candid sense of humor.)

But moments with wife and children are relatively rare in the life of a man whose solid reputation as a lawmaker is based on action. He is not a legislative dilettante who quickly tires of a bill and lets his staff see it through. Jackson's push for his National Environmental Policy Act (which requires, every government and commercial endeavor to be approached in light of its possible consequences to the already tortured environment), for example, involved three years of almost daily personal work. All the while, he fought head-to-head battles with lobbyists from the Atomic Energy Commission, the Corps of Engineers and other federal agencies and industrial interests.

"You can't say to people you'll move your plant to another town if they don't like the smoke, because today the other town won't have you," he told business representatives. "You've got to deal with the problem." When the House began gutting his bill, he got on the phone to Rep. John Dingell (D., Mich.), its floor manager. "I don't know how he did it," says Bill Van Ness, special counsel for the Senate Interior Committee, "but the bill came through with just about all Jackson wanted. He's a fighter."

When the Veterans of Foreign Wars held their convention in the nation's capital early this year, they presented Jackson with their Congressional Award. President Nixon had come to the award dinner to deliver an address, but he also took the time to deliver a tribute to the Senator. Said the President: Henry Jackson is "a man who in his public life has spoken not as a partisan but as an American, a man who is a great credit not only to his party but, more important, to the United States of America."

#### AMERICAN PRISONERS IN NORTH VIETNAM

Mr. PERCY. Mr. President, over 1,400 American men are still held prisoners of war by the North Vietnamese, under conditions that violate the Geneva Convention.

While it is perhaps true, as Seneca said, that the sun also shines on the wicked, this particular North Vietnamese policy casts a shadow on the very tenets of civilization itself. Surely all civilized men, of whatever nationality, look upon this policy of the North Vietnamese with nothing but contempt and revulsion.

#### POLICE-COMMUNITY RELATIONS IN CHICAGO

Mr. PERCY. Mr. President, last week in Chicago I attended the funeral service of Sgt. James Severin, a police officer who had served with great distinction on the Chicago police force. I met with his family, and attended the funeral with the wonderful family of Patrolman Anthony Rizzato, who was buried the next day, his wife, Rose, daughter, Rosa, son, Anthony, brother, Nick—also a patrolman—and his wife.

These two fine men were shot in the back as they walked in an open field near a public housing project, the Cabrini-Green public housing project.

I should like to make several com-

ments on this tragic incident in the life of the great city of Chicago.

We have tried very hard to establish communications between the community of our minorities in Chicago and the Chicago police. I feel certain that much more can be done and will be done in the future than has been done in the past. But these two men volunteered to serve as part of a team in a volunteer group with a "walk and talk" mission to improve police-community relations in the area. They were shot by men who occupied an empty apartment in the public housing project. Our public housing projects throughout the country have become areas of very high incidence of crime. The people who live in these public housing projects live in fear.

I am delighted that the measure passed by the Senate and the House, which came out of our respective Banking and Currency Committees, contains a provision—which I strongly supported—which made it illegal ever again for public funds to be used for the construction of high-rise public housing for families with children. This type of housing provides too heavily concentrated, dense populations for families with children. For 30 years we have been trying to solve a housing problem on one side and creating a whole series of social problems on the other side. We are making changes, and we are making changes to try to better understand the nature of our law-enforcement problems in the high density areas of our urban communities.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PERCY. I ask unanimous consent that I may proceed for 2 additional minutes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator may have 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I ask unanimous consent to have printed in the Record two editorials published in the Chicago Tribune of July 21, 1970, one entitled "Police Restraint" and the other entitled "The Reign of Terror in Public Housing."

There being no objection, the editorials were ordered to be printed in the Record, as follows:

#### POLICE RESTRAINT

The behavior of Chicago police in the investigation and manhunt which followed the fatal shooting of two of their associates at the Cabrini-Green public housing project has to date been admirable. Their restraint and coolness are especially commendable in view of the provocation offered the force. The victims were their own, and policemen can be expected to make an emotional response in these circumstances. But they have not.

Three suspected snipers who gunned down Sgt. James Severin and Patrolman Anthony Rizzato with shots in the back as they walked in an open field near the project are in custody. A fourth surrendered yesterday. The shots were fired from windows of an unoccupied flat in Cabrini-Green. The two dead officers had volunteered for a "walk and talk" mission to improve police-community relations in the area.

Moreover, police who retrieved the bodies of the two policemen were themselves the targets of sniper fire from the project. That, too, could have contributed to tension, but



the police reacted with the highest standard of professionalism.

Especially encouraging was the cooperation they received from law-abiding residents of the housing project, who live in fear under the threat of intimidation by criminals. Police Supt. James B. Conlisk paid tribute to these responsible citizens, more than 100 of whom called or gave information. They have no more use for gang members and assassins than anybody else. Conlisk also made this appeal:

"It is time for the people of this community to rise up and erase this cancer that is eating at the very heart of this country. This is a prime example to get them to come forward and exert pressure to cast out those who are responsible for these dastardly murders."

Despite the crime at Cabrini-Green, the superintendent plans to continue the walking missions to communicate with the predominantly black citizens of the area and to persuade them that the police are on their side and only are interested in eradicating anti-social elements which prey upon them.

We feel that it is especially commendable that black policemen cooperated with the Rev. Jesse Jackson, national director of Operation Breadbasket, in seeking peaceful surrender of the only suspect still at large, and this was achieved with his surrender yesterday. It was their desire to avert more violence. We agree with the Rev. Mr. Jackson that the suspected killers are entitled to lawful processes of justice and that "trial in the streets" is by all means to be abhorred.

So far police conduct in the wake of an atrocity against brother officers has been a model of restraint. This example of responsible police work can contribute greatly to confidence between the police and the black community.

#### THE REIGN OF TERROR IN PUBLIC HOUSING

The murder of two policemen by snipers firing from Cabrini-Green housing project raises grave questions about the operations of these gigantic welfare institutions. More than 300 apartments at this project are vacant because people are afraid to live there. Similar conditions prevail at some other buildings of the Chicago Housing Authority. Shootings, robberies, rapes and vandalism are so commonplace that the buildings evidently are controlled not by the authority but by criminal gangs.

The CHA already has spent millions to hire private guards of its properties, but Charles R. Swibel, chairman of the authority, says he is going to Washington to ask for a \$7 million grant to enlarge his security force. It would be better if Congress and the federal executive department took a new look at the basic idea of public housing and its results in the last 30 years.

The only good excuse for public housing was to take care of families displaced by public improvements. Perhaps there was a further excuse in the years when thousands of families fled to northern cities as they were displaced from farms of the south.

Now, however, the highway building and other public improvement programs have diminished and the migration from the south has slowed. There has been little or no population growth in the core cities of metropolitan areas in the last 10 years.

Is there any good reason, therefore, for worsening social conditions among the residents of subsidized housing projects in the cities? A majority of those residents want to live in peace with their neighbors. Many of them are ambitious, eager to help their children raise their standard of living.

For the sake of all the ambitious, self-respecting families, the housing authority ought to eject troublemakers and those who are unwilling to observe the decencies of a civilized society. Such a move would make much more sense than hiring more guards to protect the innocent from the criminals.

It is now clear that it was a mistake to build huge concentrations of multistory public housing. It has also been demonstrated that it is not buildings that make slums, but people. To a large extent the public housing program has been subsidizing the slum makers and penalizing the most deserving families by setting income limits.

A thorough reexamination of the whole program is long overdue.

Mr. PERCY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Terror at Cabrini-Green," published in the Chicago Daily News of July 20, and a thoughtful article written by the columnist Mike Royko, entitled "A Shovelful of Bad Thinking," published on the same day in the same newspaper.

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

#### TERROR AT CABRINI-GREEN

There is savagery loose in Chicago—no milder word can describe what happened Friday at the Cabrini-Green Homes. And yet the community must keep this tragic happening in perspective.

This is not, first, a matter of black against white, and this is true even though the snipers who killed Officer Anthony Rizzato and Sgt. James Severin were presumably black.

It remains true in the fact of the bitterly ironic fact that the two officers were at the homes on a mission designed to improve relations between the police department and the Cabrini-Green neighborhood, the scene of so much violence and street-gang terror.

Our reporters relate that the Cabrini-Green families, themselves, were stunned and horrified and gave police every co-operation in the search for the snipers. And this is logical. Through the years these families have been the main victims of the savagery wrought by a handful of terrorists.

So rather than being taken as evidence of a widening gap between the races, this tragedy should serve as a shocking reminder of the problems the races share.

The roots of the problem run deep—in young people so alienated that they live in another world, a jungle where they lead their own violent existence under their own primitive laws, at constant war with the society they despise. On the South and West sides of Chicago, these alienated youths are mainly black. And because blacks are handy—and individually defenseless—most of the victims are black, though the maiming or killing of a white policeman has become some special badge of prowess.

The Chicago Police Department has incurred a frightful toll of casualties in trying to protect the community, and especially the black community, against these savages. Its job has been harder because the black community has both distrusted the police and feared the retribution of the gangs.

Now the reasons for co-operation have once more been made shockingly clear. There can be no safety here for anyone so long as the predators can rely upon the community's fearful acquiescence. There is a long road ahead at best; if blacks and whites do not work together, it will have no end.

#### A SHOVELFUL OF BAD THINKING

(By Mike Royko)

Richard J. Daley had been mayor only two days when he stood on a vast stretch of empty city land, holding a silver-painted shovel in his hand.

"This is my first official act as mayor of Chicago," he told the hundreds of people who stood there with him. "Let's do more and more of these fine things for the people of the city."

Then he thrust the shovel into the ground and turned the first clods of dirt, while the cheers of the people rolled across the emptiness.

It seemed like a fine thing for the people, as he put it, at the time of the ceremonial ground-breaking, April 22, 1955.

The old slum buildings that once covered the land had been bulldozed and the city would put up high-rise public housing projects and fill them with poor families.

Some people warned against it, saying that cramming thousands of poor families into 20-story buildings was dangerous. Some day, they warned, the high-rises would be far more evil than the rickety slums they replaced.

But the high-rises were the most practical "land use," which was another way of saying that going up was the best way to put the most blacks into the smallest space. That way, they wouldn't be spilling out of their black part of town.

So last Friday, two policemen lay dead near the spot on which the mayor had stood 15 years earlier, so full of optimism that the Cabrini-Green project and others like it were the answer to the black housing problem.

Where he had broken the ground, other policemen were hugging the ground while gunfire whined down at them from the beehive buildings. Others crouched or leaned across their squad cars, scanning the windows of the high-rises through the telescopes on their rifles.

For some, it wasn't a new experience. The sound of sniper fire has become as familiar in Cabrini-Green as the roar of the jets in the suburbs.

There have been times when bullets, and hand-thrown objects, rained down from the apartments, for days on end. During a riot, a fireman described being between the skyscraper slums as something like "standing in a waterfall of bottles."

It's even more dangerous inside than outside, where there is at least space to run. Riding the elevators in the buildings may be the most dangerous form of transportation in this city. "I'd rather drive without brakes on the Dan Ryan," said a black man who lived there until he could find a flat in a conventional slum. Police have been trapped in stalled elevators and fire-bombed from above. Tenants have been murdered, raped and robbed on them.

But the tenants ride them, because that's the only way, besides the stairs, to get "home." Anyway, the stairs aren't much safer, and it's not easy to climb 5, 10 or 15 flights every day.

Besides the people who live in the project, the police are the only real experts on Cabrini-Green, because they are the only outsiders who go in there regularly. The minds that conceived the place, built it, filled it, now turn to the police to tend it.

And so the police have become the only link between the rest of society and the people who live in the nightmare world of noise, heat, crowding, violence, poverty and ignorance.

They are expected, somehow, to keep under control something that is inevitably explosive as a nuclear reaction.

That's why the two uniformed men were walking there, in the open, a couple of blue targets on a baseball field, strolling where thousands of eyes could see them from the high buildings.

Neither of them—Sgt. James Severin and Patrolman Anthony Rizzato—were even policemen when the ground was broken for the project. Neither of them had anything to do with creating the project.

More important, neither could do anything about it.

They can't offer jobs or training to black youths, because they don't represent the big all-white trade unions. They can't offer a way out of the project, because they are not part

of the real estate power structure that controls the city's housing patterns for its own profits.

All they could do is gutsily walk around, try to make friends and persuade people that a white man in a uniform is not necessarily an enemy or an oppressor. By now, everyone has read that both men volunteered for it because they had social consciences. My best friend grew up with Severin and said that even in grammar school "he was the kind of kid who wanted to help people. He thought being a cop was the way to do it."

But they didn't belong there. It was a nice idea, but, as Rizzato's brother, also a policeman, said: "Look what it got him." The brother is right. In this stage of the urban war we are in, it's asking too much for a policeman to play good-will ambassador for society, at least in any situation where he doesn't have an even chance.

They could be two of the most decent policemen in the city, as they apparently were, and they would still be nothing but a couple of white heads on blue uniforms to the emotionally brutalized young men of the high ghettos, just as the nicest black kid in the city couldn't dare walk through Cicero or Bogan without expecting violence.

We've come too far in the wrong direction to expect the Officer Friendly approach to work in places like Cabrini-Green, the Taylor Homes, or any of the towering ghettos that are more heavily populated than many suburbs. When they were built, out of ignorance and political cunning, we took a giant's step in the wrong direction.

Unless the people who have the power to make changes are willing to walk there, and hold out something besides their hands, men like Severin and Rizzato shouldn't be expected to.

Maybe nobody should walk there, or live there. Maybe just once, this bigness-crazy city should recognize that something is too big and that something smaller would be better, and should tear those damn places down. The man who breaks ground for that kind of project will be looking beyond the end of his shovel.

Mr. PERCY. Mr. President, the death of these two men cannot be reversed. The tragedy that has been brought to their families cannot be relieved by anything that I might say here.

I felt privileged to be able to be within the confines of these fine families for a day and to better understand from them the problems that law-enforcement officials have in this country, particularly in urban areas. But what we can do is to dedicate ourselves to try to solve the problems that are brought up by these recurring incidents.

On the same occasion, I visited a Japanese-American girl, Carol Yumata and her parents at a Chicago hospital. A few nights before, her throat had been slit in the Palmer House Hotel, and she had witnessed the murder of a friend of hers in the Palmer House.

These incidents of crime must be stopped, and I dedicate myself, once again, as a result of having been privileged to be with these families who have had tragedy rained upon them, to do everything humanly possible to find a way in which we can have freedom in this country, freedom of the kind we should have—freedom from fear; not just the political freedom, the educational freedom, and the vocational freedom that were the foundations of this country and the reasons we were formed, but freedom from the fear of crime for all citizens, whether they be black or

white, young or old, whether they live in cities or even in rural communities. Crime is far too prevalent in American life and must be arrested.

#### PURPLE MARTIN CAPITAL NEWS OF GRIGGSVILLE, ILL. NOTES BIG THICKET BATTLE; URGES SAVING BIG THICKET IN TEXAS

Mr. YARBOROUGH. Mr. President, an article concerning the proposed Big Thicket National Park appeared in a recent issue of the Purple Martin Capital News of Griggsville, Ill. This publication is a monthly conservation paper, and the article on the Big Thicket shows growing national interest in the preservation of the Big Thicket. The people of America are becoming increasingly aware of the need to save this beautiful and unique area.

The article, entitled "Save the Big Thicket," is an excellent one. It describes the proposed Big Thicket National Park which would be established by my bill, S. 4, I recommend the article to all interested conservationists.

Mr. President, I ask unanimous consent that the article by Mrs. Hazel C. Green, "Save the Big Thicket," in volume 5, No. 6, of the Purple Martin Capital News from Griggsville, Ill., dated June 24, 1970, at page 9, be printed in the RECORD.

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

#### SAVE THE BIG THICKET

(By Hazel C. Green)

Save The Big Thicket! For going on 60 years now, people who recognize and are aware of the beauty, uniqueness, and ecological values of an area, have been trying to save a part of The Big Thicket of Texas. As Ethel Osborne Hill said Friday, June 12 in Beaumont, Texas, at the Senate hearing on Senator Yarborough's Bill S 4 to create a Big Thicket National Park: "I'm one of the members of the original Big Thicket Association, which died off because everybody died but me". (She's 92 years YOUNG). The present Big Thicket Association is the prime mover in the recent efforts to save some of what's left of the Big Thicket.

Senator Ralph Yarborough of Texas introduced the first Big Thicket bill (S 4) in October 1966 and each successive year since. The Senate hearing in Beaumont Friday, June 12, 1970, was the first real breakthrough we've had on our efforts. Senator Alan Bible, chairman of the Subcommittee on Parks & Recreation held the hearing which was very successful. Some 35 witnesses, mostly scientists and conservationists who have studied the Big Thicket for many years were heard and many scientific papers were submitted for the record testifying to the great value of this area. Stands taken by them were for 100,000 acres or more of a chain of unique park areas and natural preserves (called "String of Pearls") linked by environmental corridors along the areas streams roadways, as shown by the accompanying map (not printed in Record).

The lumber interests and Chambers of Commerce plugged for a stingy 35,500 acres of these selected areas, isolated and unconnected. These important park and ecological areas would soon be ruined by drainage and alterations by the everencroaching "development" and lumber-cutting.

Senator Bible, who was unusually complimentary to the proponents of the larger park, said several significant things:

1. The question was not should Texas have a third national park, but how large should it be and how much should it cost.

2. That he thinks he understands all the issues, and one is that it is urgent to get it now, and that it is important not only to Texas but to all of the United States.

3. This meeting demonstrates what has made America the great nation that it is.

4. He will ask the National Parks System to make a recommendation to the Department of Interior and Congress within 30 days after a 14-day waiting period from date of this hearing, for further letters and expressions from the people for the record.

5. Senator Bible (and Senator Yarborough) urged all people in America to write immediately to the National Parks Service and their Congressmen in Washington, D.C., urging that as much of this wilderness wonderland to be preserved as possible.

What and where is the Big Thicket? Some say it is more a state of mind than any well-defined area. In fact there are so many "defined" areas depicting the Thicket that you can take your choice of its exact coverage. Most agree that it has dwindled from a 12-county area of three million or more acres, to four counties and around 300,000 acres.

Dr. Francis E. Abernethy of Stephen F. Austin State University in Nacogdoches, edits a fascinating book: "Tales From the Big Thicket." He says there are about as many stories about where the Thicket is as there are about what is in it. "It is roped off from the general public by briars and ty-vines and by myrtle and yaupon thickets that you have to crawl through on your hands and knees. And I hope it stays that way" . . . "The Big Thicket is still thick, and its depths are still as mysterious and forbidding as they were when the first settler came to live on corn and sweetpotatoes, bear meat and venison. The little black angry bees still live in the hollows, and the buck deer leave their big scrapes on the dim woods trails. Wild hogs that can rip a man from ankle to appetite still root for mast in the pin oak flats. And if you are desperate enough, here is one last place where you can find a hiding place till the trouble blows over".

Actually, it is an area of East Texas predominantly hardwood and pine forests; rivers, bayous, creeks; springs, bogs, swamps and seeps; of prairies, hills, and canyons, rocks, and sand; and such a diversity of plants, rare molds and mosses, and ferns, of other vegetation that they have never all been counted and identified. Wild animals and some not so wild; birds—land and water—, including the long-lost ivory-billed woodpecker; and people, natural and warm and hospitable, and from whom have come five of the governors of Texas. And this I know—it can get ahold of you and once you go there, you can't wait to go back.

Here is a treasured area such as is found no where else in America according to the scientists and ecologists, being hacked up by lumbermen oil companies, and real estate promoters at the rate of 50 acres a day—the last 300,000 acres of it fast being destroyed, and a lot of it deliberately. Much of vital ecological, historical, and archeological importance has been lost forever, but we can save some of it, if we all act NOW.

If you want to see what it is like, there is a colored slide show produced by the Lone Star Chapter of The Sierra Club. It is available to organizations and groups free for nothing, if you pay the postage. You will need a Kodak Carousel projector, tape recorder, and screen. This powerful 35 mm film in picture and narrative, describes this unique biological cross roads of North America; its origins, legends, history, effects of civilization on it, and the acute situation in which Big Thicket finds itself today. Write for the film giving two or more suitable dates to: Don Wigley, Bank of Texas, P.O. Box 53270, Houston, Texas 77052.



# SENATOR ERVIN, GALLANT DEFENDER OF THE CONSTITUTION

Mr. YARBOROUGH. Mr. President, during my 13 years in the Senate, I have admired the distinguished and able senior Senator from North Carolina (Mr. ERVIN) for his courageous and vigorous leadership in defense of our constitutional liberties. I regard Senator ERVIN as the most outstanding constitutional authority in Congress.

A recent newspaper article about the distinguished Senator appeared in the Houston Chronicle. The article, by Gregg Herrington of the Associated Press, is entitled "To Thousands, Senator Ervin Is Last Hope Against Police State," and is found in section 1, page 5, of the July 26, 1970, issue of the Chronicle.

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

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

## TO THOUSANDS, SENATOR ERVIN IS LAST HOPE AGAINST POLICE STATE (By Gregg Herrington)

WASHINGTON.—Sen. Sam J. Ervin, a home-spun North Carolina Democrat, is attracting a following that stretches across the breadth and ideology of the country.

The affable 73-year-old Tar Heel, whose foremost guide is the U.S. Constitution, is receiving thousands of letters from people who tell him he is their last remaining hope against a computerized police state.

Last week, while the veteran of 16 years in the Senate was unsuccessfully fighting the District of Columbia crime bill as a document "as full of holes as a mangy dog is of fleas," the anticommunist mail stacked up in his subcommittee on constitutional rights.

Letter writers say they are alarmed over Army computer banks on antiwar demonstrators, federal snooping into library records to determine who is reading books on explosives, and customs agents opening personal mail from overseas.

"Freedom of the individual is one thing I've always fought for," Ervin said, "And, yes, I'm really concerned about us losing it."

"In the case of the District of Columbia crime bill," he said, "you've got the President of the United States wanting to repudiate a law put into effect by the First Continental Congress—the right to bail."

The reference was to preventive detention, that part of the bill which will allow a judge to hold a defendant without bail if the judge thinks he might endanger society if freed.

Ervin is equally contemptuous of the no-knock provision permitting warrant-armed police to break into a residence unannounced if there is reason to believe narcotics or other evidence would be destroyed if they waited for the occupants to answer the doorbell.

"It's better for a few people to get away with narcotics than to destroy the rights of all citizens," Ervin said. "I believe a man's home is his castle."

In a Senate speech against the crime bill last week Ervin said with typical emphasis "one of the great hungers of the human heart has been for a place where a man could retreat to converse with his God and family without molestation."

Some other Ervin views:

On pornography: Ervin believes local community standards should dictate, not the Supreme Court.

On Vietnam: Ervin says "you shouldn't go into a war unless you're going to win it. We could have won it long ago."

On women's liberation: Ervin said some feminists' demands are "about the same as requiring a man to nurse his baby."

Anyway, he said, in his own home Margaret, his wife of 46 years, "lays down the law."

# SENATOR NELSON INVESTIGATES DRUGS

Mr. YARBOROUGH. Mr. President, a recent article concerning investigations made by the distinguished Senator from Wisconsin (Mr. NELSON) into practices of the drug industry raises some very serious questions about what should be done to protect peoples' lives and livelihood.

Senator NELSON's investigations demonstrate that great discrepancies exist when the activities of drug companies in this country are compared to what the same companies do in other countries. In brief, while citizens in other countries are more likely to be harmed by inadequate warnings on their drugs, American citizens are more likely to be overcharged for the same drug.

It was learned from these investigations that it is not an uncommon practice for American drugs to be marketed in other countries, without disclosing known dangers of those drugs. These warnings are required to be given to American consumers but the companies do not give the same warning on the same drugs in countries whose laws are less sophisticated than ours.

Mr. President, this practice raises a serious question as to our responsibility to citizens of other nations for drugs produced in and exported from this country by U.S. companies.

The article also points out that while the citizens of the United States are better warned about their drugs, they often pay much higher prices for the same drug.

It is obvious that the same drug produced by the same company does not decrease in danger as it crosses a national border, nor does it seem appropriate that its value should change so radically by virtue of crossing that border.

Mr. President, I ask unanimous consent that the article by Mr. Morton Mintz, entitled "Medical Safety Is Geographic," published in the July 12, 1970, issue of the Washington Post, on page C1 be printed at this point in the RECORD.

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

## MEDICAL SAFETY IS GEOGRAPHIC

(By Morton Mintz)

Suppose your child has a sore throat. You take him to a doctor. Will the doctor prescribe a potent antibiotic that could kill the child?

The answer to that question may depend on whether you happen to be in the United States or another country.

If the physician is in practice here—and if he reads and heeds warnings that the Food and Drug Administration requires the manufacturer to put in labeling and promotional materials in the United States—he will not prescribe such a medicine.

But if he practices abroad, he may pre-

scribe the drug for the simple reason that the very same manufacturer withholds from foreign physicians the warnings he is forced to give to American physicians.

A drug company doctor must learn that "when a drug has been found too dangerous for use in this country, he can approve its use in other countries where the laws are less stringent and people have less protection," Dr. A. Dale Console, former medical director of E. R. Squibb & Sons, told Sen. Gaylord Nelson (D-Wis.) last year.

"He must learn, when a drug has been found useless on one side of the Rio Grande, it can be sold as a panacea on the other side," Dr. Console added in a letter.

## ABOUT 42 VARIETIES

As a specific example, he cited Marslid, a Roche Laboratories antidepressant. The DFA removed it from the American market in January, 1961, after reports of 53 fatal and 193 nonfatal cases of liver damage in users. Drugs "with similar therapeutic usefulness, but with greater safety were available," the agency said.

But four years later in Mexico, Console said, "I went to a drugstore and after some difficulty in giving Marslid the proper Spanish inflection, I was offered a bottle of the drug over the counter (a common practice in Mexico)."

Spokesmen for the pharmaceutical industry, while stopping short of claiming to be observing the Golden Rule, sometimes vigorously defend their conduct.

"I will match the integrity and the morality of the pharmaceutical industry with that of our accusers any time," Foster Whitlock, chairman of the Ortho Pharmaceutical Corp., told the Rutgers Pharmaceutical Conference two years ago.

And the Upjohn Co., which no longer can sell in the United States an antibiotic combination called Panalba, says that it has informed foreign medical authorities of the circumstances and left a decision up to them. The product is sold abroad as Albamycin-T.

The classic case of a double standard for a medicine involves the potent antibiotic chloramphenicol. Various companies sell it throughout the world under a bewildering variety of at least 42 trade names, including Alficetyn, Chloramasaar, Juvamycin, Leukomycin and Paraxin.

But in the United States and numerous other countries in Asia, Europe and Latin America, chloramphenicol is almost synonymous with Chloromycetin, the trade name of Parke-Davis of Detroit and far and away the most popular brand.

The firm has massively promoted Chloromycetin to physicians. Many of them like to prescribe it because it is relatively free of minor side effects than rival antibiotics that, like chloramphenicol, are effective against a broad range of infections.

Parke-Davis began marketing Chloromycetin in 1949. Abroad, the firm sells it directly or through licenses or joint ventures with foreign firms.

Much more frequently than other broad-spectrum antibiotics such as tetracycline, Chloromycetin can be lethal—a fact that became known almost 20 years ago. With this in mind, the FDA approved a labeling for Chloromycetin that recognizes it as the preferred antibiotic, or "drug of choice," for a mere handful of people—victims (not carriers) of typhoid fever—and as an alternative medication for another handful, the victims of other relatively uncommon infections of the salmonella species.

Every year, however, millions of people in the United States and millions more in foreign countries—in most of which drugs are sold without prescription—take Chloromycetin capsules. Still others receive it by injection.

But medical scientists have testified before Sen. Nelson's Monopoly Subcommittee that even in this country, 90 to 99 per cent of the prescriptions for Chloromycetin are needlessly—written either for diseases for which no medicine is effective or for diseases that can be treated by safer medications.

On the basis of exhaustive studies by the California Department of Health and the California Medical Association, Chloromycetin causes a fatal blood disease in one user in 24,200 to 40,500, depending upon dosage.

The disease is aplastic anemia. It destroys the ability of the bone marrow to manufacture blood components. It is usually fatal.

Parke-Davis includes the estimated death rates in the FDA-required labeling. It omits them from foreign labeling.

#### NEEDLESS DEATHS

The rates indicate that among the millions of people who take Chloromycetin every year, hundreds needlessly die. In the United States alone, an estimated four million persons have taken Chloromycetin in a single year, and, according to the California statistics, between 98 and 165 of them died as a result.

Whether here or abroad, the victims, often children, and their families were unaware of the danger or the promotional lures that may have led physicians to prescribe chloramphenicol.

In Japan, Chloromycetin is available without prescription and is extremely popular. Some thanks surely is owed the promotional exuberance and ingenuity of the supplier, Sankyo Co., Ltd.

Sankyo's labeling describes the product as a "beautiful two-layer tablet, sepia-colored on one side and yellow on the other."

A translation of the labeling also discloses that although Sankyo considers Chloromycetin "a remarkably ideal antibiotic," it has fortified its tablets with no fewer than seven B-complex vitamins. Medical scientists unhesitatingly denounce such a mixture as scientifically preposterous. But Sankyo's labeling says:

"Since the vitamins in the drug are rationally distributed, the drug is capable of controlling symptoms of vitamin B deficiency, thus strengthening the resistivity of the body to infection and increasing its recuperative power."

The labeling recommends Chloromycetin in a long list of diseases for which the FDA and Parke-Davis say in the American labeling, no data to substantiate effectiveness exist.

These diseases include measles, whooping cough, ulcerative colitis, shingles, and chicken pox.

Only "in rare cases" may aplastic anemia occur, the Japanese labeling says. There is no acknowledgment that it is usually fatal.

#### A FOREIGN VENTURE

A similar situation prevails in other countries, including Italy. The story goes back to the 1950s. At the time, Dr. Console, now in private practice in Princeton, was medical director of E. R. Squibb.

Replying to a list of questions submitted by Sen. Nelson at the request of Sen. Jacob K. Javits (R-N.Y.), Console recalled that in 1955 his firm was considering the possibility of foreign marketing chloramphenicol under its own label, as a Parke-Davis licensee.

"I was presented with the prospect of . . . making all the excessive claims for the drug and excluding a warning statement since it was not required in the countries in which sale (was) proposed," he said.

"I refused to approve the tentative copy and made it clear that I would tender my resignation before I would approve the copy," Console's letter continued. The proposed arrangement never materialized.

Last year, Console and his wife, who is also a physician, were in Italy. There, they made a

study of psychiatric, medical and drug practices in communities ranging from a small hamlet in Sicily through medium-sized cities, such as Bologna and Florence, to Rome.

In the medical schools and teaching hospitals, the hazards of chloramphenicol are "well appreciated," Console told Nelson in a second letter last September. Yet practicing Italian physicians continue to prescribe it so often that it ranks in popularity with tetracycline and penicillin.

Console said he was appalled to find that the brochure inserted by Parke-Davis in each package urges use of Chloromycetin in "infections of the respiratory apparatus caused by bacteria and viruses," as well as in surgical, urinary and intestinal infections.

"... insofar as chloramphenicol is concerned, the practices I observed from 1951 to 1957 (while at Squibb) have not changed one iota," he continued. "The increasingly strong warning statements required by the FDA are for American consumption only and we are forced to the conclusion that a drug that is dangerous for Americans is eminently safe for Italians."

A confrontation about this kind of discrepancy occurred on Capitol Hill Nov. 29, 1967. At the time, most of the approximately 2,500 words in the FDA-approved prescribing instructions for Chloromycetin were, in one way or another, negative or ominous.

The labeling begins with a warning that, for emphasis, is typographically boxed. Pointing out that Chloromycetin can cause aplastic anemia, the blood disease, even in short-term use, the warning goes on to say:

"Chloramphenicol must not be used when less potentially dangerous agents will be effective."

In the boxed warning and later in the labeling, the following statement is underlined:

"It must not be used in the treatment of trivial infections or where it is not indicated, as in colds, influenza, infections of the throat; or as a prophylactic agent to prevent bacterial infections."

At another point, the same message is paraphrased in capital letters.

At a hearing before the Nelson subcommittee, the witness was Leslie M. Lueck, Parke-Davis' director of quality control. With him was Lloyd N. Cutler, special counsel for the Pharmaceutical Manufacturers Association.

Lueck had come to present evidence that his firm's version of chloramphenicol capsules enters the bloodstream in the therapeutically useful amounts with greater speed than chemically similar, less expensive generic versions.

Nelson showed Lueck a two-page Chloromycetin advertisement in the Journal of the American Medical Association. The FDA-required warnings, set in small type, filled most of one page.

Are the warnings "justifiable," Nelson asked.

Lueck's answer was, "Yes, I think they are. I think they are very adequate."

Nelson then proceeded to contrast the promotion of Chloromycetin in the United States and Britain, where, in January, 1967, the Committee on Safety of Drugs had told British doctors of 24 reported chloramphenicol deaths in the past two years.

Emphasizing that it did not know "how many cases have occurred but have not been reported," the British committee said that the 24 cases accounted for 80 per cent of all fatal blood diseases in patients taking antibiotics. Yet 54 times as many prescriptions were written for other antibiotics as for chloramphenicol.

"... chloramphenicol should never be used systematically for the treatment of trivial infections," the committee said.

#### NO WARNING AT ALL

Nelson next showed the Parke-Davis witness an ad for Chloromycetin that had run in the British Medical Journal on Feb. 11, 1967. This was about a month after the Committee on Safety's bulletin and nine days before the ad in the Journal of the AMA.

That advertisement "does not have any warning in it at all," Nelson said. "How do you explain that?"

Lueck really couldn't explain it, having conceded to the senator that the effect of the antibiotic "is the same on people in other countries as it is here." But Lueck did have a defense: Parke-Davis "has always met all the requirements, the legal requirements, of whatever country we distributed our products in . . ."

American laws require that drugs exported from the United States must comply with the law of the country of destination. Thus, for example, the FDA regulates the labeling (and the safety and efficacy) of Chloromycetin that Parke-Davis produces at a plant in Puerto Rico for the United States—but it cannot regulate the Chloromycetin synthesized at the same plant for Latin American countries.

Recently, the FDA asked the State Department to warn physicians throughout Latin America that Parke-Davis has created "a potentially hazardous health situation" by labeling Chloromycetin to overstate the benefits and understate the perils, much as in Italy, Japan and elsewhere.

After The Washington Post disclosed the FDA request to have American embassies alert physicians in Latin American countries, Parke-Davis asked to meet with the FDA. The company requested—and the FDA agreed—to add a sentence to the message the agency had drafted for the State Department, saying that Parke-Davis would change the Latin American labeling to bring it into line with that in the United States.

At the Monopoly Subcommittee hearing in November, 1967, Sen. Nelson told Lueck, the Parke-Davis executive, that meeting the requirements of other countries raises "a very serious moral question."

"It sure shocks me," Nelson said. "What the witness says is we will meet the standards of the country where the drug is sold. That means, of course, there is not a single underdeveloped country in the world that has any defense against the exploitation of their people for profit by an American corporation that does not warn them of the serious, mighty serious, possibly fatal consequences here."

The senator went on to ask:

"Do you mean to testify that your company will stand on the proposition that we will send drugs to Tanganyika, we will send to Latin American countries, we will send to all the underdeveloped countries in the world and since they do not have any standards we will fool them all we can, and make a great big profit and never tell doctors that there is a risk of serious blood dyscrasias (abnormalities)? Is that what you are telling the committee?"

Lloyd Cutler, special counsel for the drug industry organization, interceded to enter a general denial.

"You are indicting every drug company in Great Britain and the United States," he told Nelson heatedly.

The senator replied that he "would be pleased to indict on moral grounds" any company that would do what Parke-Davis had done in selling Chloromycetin abroad.

But elastic promotional standards neither begin nor end with Parke-Davis or Chloromycetin. Consider Merck & Co.'s Decadron (dexamethasone), which went on the market in the late 1950s as an anti-inflammation hormone used mainly for rheumatoid arthritis.

The late Sen. Estes Kefauver, at a hearing of the Senate Antitrust Subcommittee,



showed John T. Connor, then president of Merck, a Decadron ad that claimed, "No steroid side effects."

"This particular ad is used by our international division," a flustered Connor said. Dr. Augustus Gibson, the firm's director of medical research, then acknowledged the claim to be "not true."

Several years later, a Merck entourage appeared before Sen. Nelson to testify about indomethacin, a successor to Decadron that is sold here as Indocin and in about 100 other countries as Indocid. At the time, the FDA-approved labeling recommended indomethacin principally for rheumatoid arthritis, but—on the ground that evidence of safety and efficacy was insubstantial—not for numerous other diseases.

Nelson, at a hearing on May 3, 1967, asked Merck President Henry W. Gadsden about "your standard of guidance for advertising" in a country lacking a regulatory agency or sophisticated medical community.

"Our standard of guidance, sir, is whatever has been approved by the scientists of Merck as appropriate medical positioning of the product," Gadsden answered.

Nelson said this troubled him. Many companies "may not be as conscientious as Merck," he said.

A couple of months before the hearing, Abbott Laboratories ran an ad in the *Journal of the AMA* for Enduron, a thiazide diuretic used to combat high blood pressure and congestive heart failure. In removing excess fluid from body tissues, Enduron had the advantage of causing "less potassium loss" than rival thiazide diuretics, the ad claimed.

The FDA, which at this time had not yet abandoned vigorous enforcement of the drug advertising regulations, compelled Abbott to send a "corrective letter" to physicians saying that the agency considered the ad misleading.

But a year after sending the letter to doctors in the United States, the firm was making the repudiated claims to doctors in Canada and, possibly, elsewhere.

Meanwhile, the FDA and a group of 30 specialists in infectious diseases retained by the National Academy of Sciences-National Research Council have ruled the Upjohn Co. product Panalba hazardous. On the principal ground that its mixture of two antibiotics, tetracycline and novobiocin, had no advantage over its ingredients used separately, it was also ruled ineffective.

Mainly because of the needless administration of its novobiocin component, the FDA has estimated that the medicine needlessly injured hundreds of thousands of persons in the United States every year, a few of them fatally.

After resisting all the way to the Supreme Court the FDA's attempts to take Panalba off the market, Upjohn halted sales of the drug in the United States a few months ago. Elsewhere, however, the company continues to sell the mixture as Albamycin T. In 1969, foreign sales totaled \$10 million.

In Kalamazoo, Mich., an Upjohn spokesman said, "In every case, we have advised competent health and registration authorities of everything that has transpired in the United States in regard to the Panalba case. 'We have left it up to them to judge whether we should continue to sell the product in their country,' the company told *The Washington Post*."

"Our action in regard to Panalba in the United States was based on our respect of a regulatory order. In no way does it alter our opinion in regard to the efficacy and safety of the combination antibiotic products."

#### PRICED HIGHER HERE

In pricing, as Sen. Kefauver was the first to bring out, it is often Americans who are disadvantaged. One example involves Serpasil, the CIBA brand of reserpine, which is widely used to lower blood pressure. The com-

pany's price to pharmacists for 100 tablets in the 0.25-milligram dose was \$4.50 in the United States—but \$1.05 in Bonn, \$1.19 in London, \$1.24 in Bern, \$1.52 in Rome, \$1.56 in Vienna, \$1.60 in Rio and \$3 in Mexico City.

Another example is Thorazine, the Smith Kline and French brand of chlorpromazine hydrochloride. This is a potent tranquilizer discovered by the French firm of Rhone-Poulenc. SKF, the exclusive licensee in the United States, charged pharmacists \$6.06 for 100 25-milligram tablets.

But a State Department survey made for the Nelson subcommittee showed that the price to druggists for the same product was \$1.08 in London and Paris, \$2.52 in Teheran, \$2.53 in Rio, \$3.48 in Vienna and \$4.80 in Mexico City.

Selling in lots of 1,000 to the U.S. Defense Supply Agency, SKF charged the government \$32.62. At the same time, the exclusive licensee in Canada, Bell-Craig, was charging \$2.60—one-twelfth as much—in sales to the Canadian Department of Veteran Affairs.

#### MR. WILLIAM RANDOLPH HEARST, JR., COMMENTS ON THE MIDDLE EAST CRISIS

Mr. YARBOROUGH. Mr. President, an editorial on the Middle East situation by Mr. William Randolph Hearst, Jr., has come to my attention. The editorial provides some insight on the continuing crisis and suggests that the United States should act in concert with our NATO Allies and Japan in efforts to stand up to Russia in the Middle East.

I recommend to the Senate this editorial by William Randolph Hearst, Jr., entitled "Arab Canal Crossing—All-Out War," which appeared in the July 12, 1970, issue of the Hearst newspapers.

Mr. President, I ask unanimous consent to have this editorial printed in the RECORD.

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

#### ARAB CANAL CROSSING: ALL-OUT WAR

(By William Randolph Hearst, Jr.)

TEL AVIV.—Having completed the Asian part of a quick trip around the world this weekend finds us in the Middle East—which many diplomatic crisis watchers think is now the world's greatest danger spot.

We, Joe Kingsbury Smith, our chief foreign writer, and my son Willie, who has just crossed over the adult threshold, arrived here in the Miami Beach of Israel at dawn—which was 4:45 a.m. to be exact—after a 17-hour flight from Hong Kong, via Bangkok, Colombo and Bombay.

Waiting for us at the airport was a friend of previous visits, Sam Becker, representing the Israeli government, who whisked us away to the attractive seashore Dan Hotel, where Joe and I stayed on our first visit to Israel in 1955.

On the drive in from the airport, there were impressive signs of the construction that has been going on in recent years despite the fact that Israel has been in a virtual state of war since 1967, when it scored a smashing victory over the Arabs in the six-day war, but found no peace.

New office buildings and apartments have sprung up like mushrooms in what was once a virtual shanty town of old wooden houses. A few of these relics of the original Jewish colony that settled in Tel Aviv shortly after the turn of the century still stand, but they are barely noticeable in the midst of the modern, tree-lined city that this one-time heap of sand dunes has become under the dynamic drive of the Jewish people.

Evidence of what this energetic race is doing to build up its national home and turn the once barren Palestine into fertile land can be seen in the eucalyptus, pine and cypress trees that one sees along the airport route. They are part of the 100 million trees planted in Israel since the Jewish state was established in 1948.

One would never realize in the peaceful atmosphere of Tel Aviv that Israel was still fighting for its existence, with almost daily border clashes in the war of attrition that the neighboring Arab states are waging against it.

We found here the same apparent calmness that seemed to prevail when we were in Saigon and in the war-threatened Cambodian capital of Phnom Penh. It has been my experience that people in danger areas are much less jittery than those who are far away from the scene of danger.

That the Middle East is a powder keg with a rapidly burning fuse there is no doubt. The fuse may fizzle out, or it may be stamped out, if the Western powers have the good sense, courage and determination to stand up to the Soviet Union.

If Russia's rulers think the West, and especially the United States, will do nothing to protect Israel and their own vital interests in the Middle East, then the fuse might spark an explosion that could rock the world.

From our talks with General Moshe Dayan, the brilliant Israeli Defense Minister who master-minded the swift victory over the Arabs in 1967, and other knowledgeable people here in Israel, it was apparent that nobody really knows what the Soviets are up to in their latest moves in Egypt. These include the installation of Soviet SAM Two and SAM Three antiaircraft missiles in the Suez Canal Zone.

Seen from the Israeli side, the situation makes me think of a man sitting in a room in which there is a burning fuse leading to another inaccessible, mysterious room. You don't know whether the fuse is going to fizzle out when it gets to that other room, or whether it's going to set off a powder keg, the size of which is unknown.

Two things are certain, though. One is that the situation in the Middle East is deteriorating. The other is that if the Soviets don't restrain Egypt, it is going to get worse.

There is genuine fear among the Israeli leaders now that Russia is going to let Nasser attempt a major crossing of the Suez Canal with the aim of driving the Israeli forces back from the east bank.

The Kremlin is believed to be intent on re-opening the Suez Canal for a number of reasons. The closure of the Canal has meant a prolongation of up to 38 days for Soviet supplies to North Vietnam around the South African cape route.

It is also believed the Soviets want quicker access for their warships to the Indian Ocean and the Persian Gulf as part of their long-range plan for extending Russian influence in that area and filling the vacuum being created by Britain's military withdrawal from such strategically important spots as Aden.

Another factor is thought to be Soviet concern over the outcome of its ideological dispute with Red China, and a desire to flank China by establishing a naval presence in the Indian Ocean.

Israeli military leaders suspect that the installation of Soviet missiles in the Canal Zone areas is intended to overcome Israel's air superiority and thus pave the way for an Egyptian crossing of the Canal in force.

The Israelis are confident that if the United States will keep them supplied with an adequate number of the latest Phantom fighter-bombers—they are thinking in terms of dozens, not hundreds—and other anti-missile equipment, such as electronic jamming for radar, they can handle any Egyptian attempt to cross the Canal providing the Soviet Air Force does not intervene directly in the fighting.

They are willing as they always have been to pay for whatever they get, but they do want long term credits because they are facing financial difficulties at the moment.

If the Russians do intervene the Israelis assert they will not hesitate to attack them and to fight as long as they can hold out. However, they realize they cannot alone take on indefinitely the Soviet Union as well as the Arabs.

Therefore, they are hoping the United States will say, in effect, to Russia: "Don't intervene directly because if you do, we will be forced to do so."

Israel's leaders are convinced that kind of a warning would deter the Soviets, since it is doubted that Russia wants to risk another Cuba-type confrontation with the United States.

I believe that we have got to stand up to Russia in the Middle East, but I don't believe we should have to do it alone. Western Europe is dependent on the Middle East for 80 per cent of its oil requirements. Nearly 90 per cent of the oil Japan consumes comes from that area. Our NATO allies and Japan should join with us in any diplomatic or military action that is deemed necessary to

deter the Soviets from recklessness in the Suez Canal area.

We have been told in no uncertain terms here that if Egypt attempts a major crossing of the Canal, it means all-out war insofar as Israel is concerned.

It is time somebody steps on that fuse—quickly.

### THE BUDGET AND APPROPRIATIONS BY CONGRESS

Mr. GRIFFIN. Mr. President, earlier in the morning hour today, a colloquy took place among the distinguished majority leader, the Senator from Wisconsin (Mr. PROXMIRE), and the Senator from Illinois (Mr. PERCY), and other Senators, concerning the extent to which Congress cut or did not cut President Nixon's budget for fiscal year 1970.

The discussion would not be complete without reference to an excellent statement delivered by the distinguished Senator from Colorado (Mr. ALLOTT) on July 21, reported in the CONGRESSIONAL

RECORD on page 25219. I shall not repeat in full what he had to say, but I would like to read a paragraph or two from his remarks:

Taking the narrow issue of appropriations alone, it has been argued that the Congress itself cut the Nixon budget by \$7.6 billion in certain areas of governmental appropriations, added roughly \$2 billion to other areas of appropriation, for a total aggregated reduction of \$5.6 billion.

Not so, says Representative GEORGE H. MAHON's Joint Committee on Reduction of Federal Expenditures, in its report on the impact of congressional actions and inactions of the 1970 fiscal year Federal budget. As shown in the following table, this Congress cut a \$5.9 billion surplus by \$46 million.

Mr. President, Senator ALLOTT had the table printed in the RECORD at that time; and I ask unanimous consent that it be reprinted in the RECORD.

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

BUDGET SUMMARY—A SUMMARY OF FISCAL YEAR 1970 AND FISCAL YEAR 1969 FEDERAL BUDGETS—REFLECTING CONGRESSIONAL ACTIONS AND INACTIONS AFFECTING THOSE BUDGETS DURING THE FIRST SESSION OF THE 91ST CONGRESS

(In millions of dollars)

Summary totals	Budget authority (obligational and lending authority)	Budget outlays (expenditures and net lending)	Budget receipts	Budget surplus or deficit
	(1)	(2)	(3)	(4)
<b>Fiscal year 1970:</b>				
Net total budget estimates as submitted Jan. 15, 1969.....	210,116	195,272	198,686	+3,414
Net total budget estimates as corrected by the new administration.....	211,412	196,921	198,686	+1,765
Net total budget estimates as corrected and revised to Apr. 15, 1969.....	205,901	192,899	198,686	+5,787
Net total budget estimates as revised and amended to date.....	204,201	192,880	198,800	+5,915
Adjustments for interfund and intragovernmental transactions and applicable receipts.....	+13,714	+13,714	+13,714	.....
<b>Total gross budget estimates.....</b>	<b>217,915</b>	<b>206,599</b>	<b>212,514</b>	<b>+5,915</b>
Budget estimates not requiring further action by Congress (previously enacted or permanent).....	80,712	114,896	202,712	.....
Prior year's budget authority.....	(80,712)	(85,165)	.....	.....
Current (1970) budget authority.....	137,203	91,703	9,802	.....
Budget estimates requiring action by Congress.....	.....	.....	.....	.....
<b>Effect of congressional action on budget estimates (net changes) to Dec. 23, 1969:</b>				
House.....	-3,687	+362	+158	-204
Senate.....	+2,512	+767	-2,173	-2,940
Enacted.....	* -837	* -1,569	-118	+1,451
<b>Effect of congressional inaction on budget estimates (see supporting table No. 3 and pt. 1 of supporting table No. 4).....</b>	<b>+1,313</b>	<b>+1,232</b>	<b>-265</b>	<b>-1,497</b>
<b>Total net effect of congressional action and inaction, 1st sess., 91st Cong.....</b>	<b>-476</b>	<b>-337</b>	<b>-383</b>	<b>-46</b>
<b>Fiscal year 1969:</b>				
Net total budget estimates as submitted in January.....	194,620	183,701	186,092	+2,391
Net total budget estimates, as revised.....	196,030	185,588	186,492	+904
Net total budget estimates, as changed by congressional action.....	195,568	185,263	186,492	+1,229
Actual net total as enacted by Congress and reported by the Treasury.....	195,568	184,769	187,843	+3,074

\* Budget authority estimates have not been revised since the May 20 withdrawal of \$1,700,000,000 for the previously proposed social security program.

\* The summer review of the 1970 budget reflected revised budget outlay estimates at \$192,860,000,000 and revised budget receipt estimates at \$198,800,000,000. The revised outlay estimates reflect many increases and many offsetting decreases on which full details are not available. Since revised detailed estimates were not transmitted to the Congress, it must be

assumed for scorekeeping purposes that the Congress was working with the Apr. 15 budget appropriation and outlay estimates.

\* Includes the effect of the Labor and Health, Education, and Welfare, and the foreign assistance appropriation bills, on which Congress has not taken final action, in the amounts approved by the committees of conference.

Mr. PROXMIRE. Mr. President, will the Senator from Michigan yield?

Mr. GRIFFIN. I yield.

Mr. PROXMIRE. The table to which the Senator from Michigan refers, as I understand it, is the one that was put together by Representative MAHON; is that not correct?

Mr. GRIFFIN. The Joint Committee on the Reduction of Non-Essential Expenditures, which is chaired by the distinguished Representative from Texas, Mr. MAHON.

Mr. PROXMIRE. Does the Senator from Michigan argue that the table indicates Congress did not reduce President Nixon's budget request for appropriations for fiscal year 1970?

Mr. GRIFFIN. As the Senator from Wisconsin well knows, because this de-

bate has raged month after month after month, it depends on which budget one is talking about.

When President Nixon took office, he inherited a budget left by President Johnson. If we refer to that budget, which President Nixon submitted shortly after taking office, we come up with one set of figures—

The PRESIDING OFFICER (Mr. HUGHES). The time of the Senator has expired.

Mr. PROXMIRE. I ask unanimous consent that the Senator from Michigan may proceed for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. After President Nixon had been in office awhile and had time to study the budget, he revised it and

then, as I recall, there was a second revision by the Nixon administration, so that all of these various revisions must be taken into account.

I think it is quite well established that no administration can spend money that Congress does not appropriate. If we in the Congress have been doing such a good job in cutting budgets over the years, it is rather strange that the United States seems to be going further and further into debt year after year after year.

I believe I heard one of the speakers say a little earlier that Congress cut each of the Johnson budgets. I recall one year in the Johnson administration that there was a deficit of well over \$20 billion. We certainly must have done a great



job in Congress in cutting the budget in that particular year.

Mr. PROXMIRE. I agree with much of what the Senator says. I agree that we did not do the job we should have done. All I am saying is that we cut every budget year after year of the President, so that if we did a poor job, the President did an even poorer job and that, of course, must include the incumbent President.

I am talking about action by Congress in fiscal 1970 on revising the budget by President Nixon. The last budget he sent down was reduced by \$6.3 billion and overall by \$7.8 billion below what President Nixon requested.

Mr. MANSFIELD. I should like to join the Senator from Wisconsin by making a few comments in addition to those already made on this subject. I am sorry I missed most of the initial remarks of the acting minority leader. But I do want to emphasize that the figures I submitted were the final verified figures published by the Committee on Appropriations. That Committee is composed of both Democrats and Republicans and as has been confirmed by the acting Chairman of the Appropriations Committee, the Senator from Louisiana (Mr. ELLENDER), they were figures based not on the Johnson budget but on the Nixon revised budget.

As I recall, President Nixon reduced the original Johnson budget by around \$5 billion, and what the Congress did was to reduce the Nixon budget by over \$6 billion—\$6,370,935,390; plus, for this 1971 fiscal year, \$1,437,000,000; plus, going back to the year just completed 1970, the second supplemental—H.R. 11400—we reduced that measure by an additional \$461,947,690 under President Nixon's request.

So, if we want the actual figures of what this Congress has done, and this applies to the Republican side of the aisle as well as to the Democratic side of the aisle—it was a bipartisan cut—the total effect of what Congress has done in reducing President Nixon's requests for spending is to have cut \$8,269,883,080 out of those spending requests.

I think that Congress—members of both parties in Congress—should be proud of this accomplishment.

I have also indicated that I am proud of what the administration has done, because President Nixon has reduced in excess of \$3 billion from projected expenditures. I want to give him full credit for doing so.

If we will work in tandem, together, we can face up to this problem and accomplish a great deal, rather than throw the ball back and forth to one another creating situations which belie the facts.

Mr. GRIFFIN. Mr. President, if I may have 2 additional minutes, I want to say for the benefit of the majority leader that I inserted into the RECORD a table prepared by the Joint Committee on Nonessential Federal Expenditures, chaired by the distinguished Representative from Texas (Mr. MAHON), a table with which the majority leader is familiar—and which was included in a speech

delivered by the Senator from Colorado (Mr. ALLOTT) last week. In light of the colloquy, which had developed earlier today, I believed it appropriate to call attention to the pertinent remarks which the Senator from Colorado made on July 21.

If the distinguished Senator from Montana does not agree with Representative MAHON of Texas and has some other figures from the Senate Appropriations Committee, of course, we are entitled to take a look at those, too.

Mr. MANSFIELD. May I say that I almost always agree with the distinguished chairman of the House Appropriations Committee, but I never disagree with the distinguished acting chairman of the Senate Appropriations Committee who, I think, is just as efficient and effective and as conversant with figures as is any Member of Congress in either body.

I was unable to listen to the remarks of the distinguished Senator from Colorado last week, although he told me ahead of time that he was going to make his remarks. I had another engagement. I want to repeat that it was my understanding afterward, however, that he had gone back to the original Johnson budget and used those figures, whereas what we have tried to do was to begin with the Nixon revised budget for 1970.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I yield to the Senator from Illinois.

Mr. PERCY. Mr. President, I would like to express my appreciation to the distinguished majority leader for the focus in which he has put this colloquy this morning. I am certain that my friend, the distinguished Senator from Wisconsin, would agree with me.

We have a joint problem, the administration and Congress and the American people, to do everything we can to cut expenses.

What concerns me is that when we look at the end result, instead of achieving that goal, by cutting out money for health needs, hospital requirements, educational needs, and supplementary food for the poor and save money in less sensitive areas.

It is for this reason that I pledged several months ago when I began to realize that instead of a \$1.3 billion surplus, we were going to have a \$1.3 billion deficit by the administration's own statement in fiscal 1971 and I predict a deficit of something like \$6 billion unless we do something about this.

I pledge my support where we can effect a reduction of at least \$4 billion in spending.

I have enumerated \$989 million that we can cut on items of this kind in the Defense Department. All other agencies of the Government can purchase abroad if there is a 6 percent to 12 percent differential, but the Defense Department cannot purchase abroad unless there is a 50 percent differential. We require that

50 percent of our agricultural products under Public Law 480 be shipped in American bottoms.

Later in the day, during the discussion on the military procurement bill, I intend to discuss food procurement. We spend \$7 billion in purchasing food for the Army, Navy, and Air Force.

I think that we can save 14 percent through sensible consolidation and eliminating the jealousy which exists between the Army, the Navy, and the Air Force which results in the setting up of food service for the most part on a company basis rather than on a consolidated basis.

There is a great deal that we can do to cut unnecessary spending. We are all in accord with that and we will then have more money to spend in the areas in which it is needed.

Mr. MANSFIELD. Mr. President, it strikes me that the reason for the deficit this year will be due to the fact that in certain areas of the economy—in housing, for example, in which the Senator is well versed, in lumber and related industries—there is a severe recession. It will mean a serious loss of revenue. When you add to that the fact that we have in excess of 5 percent of our working population unemployed, it means that there will be far less income to the Government.

Certainly there has been a miscalculation here, although an honest one. Certainly none of the experts could foresee that these events would occur.

The point that I emphasize again, and I cannot emphasize it too strongly, is that what we have done here we have done together, Republicans and Democrats, and what we want to do is to work with the administration, as the Senator from Illinois has stated several times. The idea is that together both branches can contribute to the process—the executive by paring the expenses down there and the Congress by reducing the appropriations up here. In that way, we will be able to try to bring about a leveling of the economy.

One of the places that can be touched and touched deeply—and the Senator from Illinois has mentioned this time and time again—is the \$14 billion out of the defense budget which it costs to maintain approximately 525,000 American troops and dependents in Western Europe. That is apart from the salaries and the benefits we pay to the Germans who are employed in our installations.

I would hope that the 6,000-man withdrawal from the Philippines, the 20,000-man withdrawal contemplated from Korea, and the further reductions in the offering for Vietnam would be followed in due time, and shortly, by substantial withdrawals from Western Europe, as well.

I think—I do not know—that the administration is moving in that direction. And if they are, they will have my full support.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to proceed for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIER. Mr. President, the Senator from Illinois has spoken about cutting spending. It is most appropriate to point out that when we consider the pending bill, anyone who is looking for an opportunity to cut spending will have that opportunity in spades in the next few weeks as we consider the pending bill.

The pending bill would provide \$19,242 million. As a matter of fact, that is below President Nixon's request by about \$1.3 billion.

Here is the issue. What spending do we want to cut? Over all, in the aggregate, I think our argument is overwhelming. We did cut the budget requests by our previous actions in the 1½ years this Congress has been in session, as the distinguished majority leader has pointed out, by more than \$8 billion.

It is true that many of us have voted for funds in the health and welfare areas above the President's requests. I plead guilty to that.

The fact is that with respect to overall expenditures, especially in the military area, the position taken by most Members of Congress, both Republicans and Democrats, has been to cut the amount well below the budget requests.

I am sure that the Senator from Illinois and other Senators will have an opportunity to vote on an amendment which some of us will offer to cut the President's request. That would reduce military spending overall by several billion dollars.

It seems to me that this is the most important opportunity for Senators to demonstrate whether they really believe in economy. Here is where we will get the biggest cut of all.

The Senator from Illinois and other Senators have referred to many instances in which Congress has gone above the President's request. In some cases it was by several million dollars and in some other cases it was by several hundreds of millions of dollars. We can do that consistent with fiscal responsibility by cutting the military budget by \$7 billion and we are going to have the chance to do that.

Mr. PERCY. Mr. President, I wonder if the Senator from Wisconsin is prepared to indicate in what form his amendment will come. Would this be a 10-percent cut in the defense budget?

Mr. PROXMIER. No; we are trying to develop an agreement between Democrats and Republicans who believe in reducing the defense budget overall, on a responsible and realistic figure.

We would like to get some indication of what they think would be a realistic budget cut. We have not decided whether it should be a 10- or a 15-percent cut.

This bill represents a cut below the President's request.

I feel that we should have an opportunity for Members of Congress to go on record on the matter of reducing the overall money spent.

We would like to get from the Senator from Illinois and other Senators their viewpoint on how much they feel would be a sound and responsible cut.

Mr. PERCY. Mr. President, is there any feeling on the part of the distinguished Senator that if we go at it in this apparently simple way and cut 5 percent or 10 percent across the board that we would really be abdication of our responsibility and shifting the burden to the Defense Department to decide what programs should be cut? Should we not address ourselves to specific programs?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIER. Mr. President, I ask unanimous consent for 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, should we not afford the Members of Congress an opportunity to vote on specific reductions rather than on some overall catch-all which really leaves no responsibility in our hands as to what programs are to be cut.

We would not know what is being reduced; whereas an amendment on a specific system, whatever it might be, gives us a chance to analyze, appraise, and hear the opinions of experts and members of the armed services and evaluate the effect on the reduction in that area.

Mr. PROXMIER. Last year we tried to make cuts on the basis of reducing specific weapons systems. We were successful to a modest extent and we were able to make some cuts. This year the feeling is that we would do better with an overall reduction. Many people feel this is a more responsible way for Congress to act. Former Comptroller of the Defense Robert Anthony, for instance, testified that this is much better because the Department of Defense has hundreds of experts who concentrate on trying to give us the strongest military force we can get, and if we can give them discretion to live within a modest sum, they can give us a military force with more firepower, mobility, and effectiveness than if we tried to cut sharply in one area and not in other areas. Of course, an argument can be made for the other approach, but we believe this is the best way to proceed.

Mr. PERCY. I cordially invite the Senator, if he is in the Chamber at the time, to join me when I discuss the subject of food for the Army, Navy, and Air Force and what I think is the unnecessarily wasteful way in which this is being handled. I would welcome the Senator's comments. I would be happy to provide now an advance copy of my text to the Senator and his staff so they might study it. I look upon the Senator as an expert in reducing waste in connection with unnecessary expenditures. This is a bipartisan effort. This system has been in existence under both Democratic and Republican administrations. I hope this administration takes the initiative in facing up to the problem. This is the kind of expenditure we can cut in the budget.

Mr. PROXMIER. I hope to be in the Chamber when the Senator makes his presentation.

Mr. ALLOTT. Mr. President, if it is true—as Jefferson said—that error of

opinion may be tolerated where reason is left free to combat it, then certain comments of the senior Senator from Wisconsin on the floor of the Senate last Friday may be open to fair comment.

The distinguished Senator said that President Nixon, and I quote "is getting away with murder," in his charge that Congress is contributing to inflation by increasing the President's budget request. In order to avoid being labeled "big spenders" the Senator would have us examine the President's budget request last year and compare that with the amount Congress appropriated. On the narrow issue of appropriations matters alone, the senior Senator from Wisconsin concludes that Congress has been more frugal than the President due to the fact that Congress cut the President's appropriation request by \$5.5 billion.

I cannot help but wonder how this kind of analysis squares with the conclusion of Congressman MAHON, the chairman of the House Appropriations Committee, that the total net effect of congressional action and inaction of the first session of the 91st Congress was to reduce President Nixon's \$5.915 billion surplus for fiscal year 1970 by \$46 million.

Much as I regret to mention again the facts and figures of the distinguished chairman of the House Appropriations Committee—facts and figures which I have repeatedly introduced into the Record—I feel that I must once again make mention of certain realities.

As Chairman GEORGE H. MAHON mentioned in his 1971 budget scorekeeping report—staff report No. 7—as of July 9, 1970:

#### A. BUDGET AUTHORITY FOR FISCAL 1971

1. House actions to July 9, 1970 on all spending bills—appropriations and legislative—have increased the President's requests for fiscal 1971 budget authority by \$7,486,977,000.

2. Senate actions to July 9, 1970 on all spending bills—appropriations and legislative—have increased the President's budget authority requests for fiscal 1971 by \$4,335,950,000.

3. Enactments of spending bills—appropriations and legislative—to July 9, 1970 have added \$457,434,000 to the President's budget authority requests for fiscal 1971.

#### B. BUDGET OUTLAYS FOR FISCAL 1971

1. House actions to July 9, 1970 on all spending bills—appropriations and legislative—have added a net of \$2,955,063,000 to the President's total estimated outlays for fiscal 1971.

2. Senate actions to July 9, 1970 on all spending bills—appropriations and legislative—have added a net of \$2,555,752,000 to the President's total estimated outlays for fiscal 1971.

3. Enactments of spending bills—appropriations and legislative—to July 9, 1970 have added \$191,934,000 to the President's total estimated outlays for fiscal 1971.

Mr. President, there is a curious and damaging blind spot in some of the economic analysis that takes place in this Chamber. Sometimes some Senators seem to think that if they cut an expenditure they have done all that is necessary for fiscal responsibility. This is not true. It neglects one basic fact. This is the fact that any expenditure—however moder-



ate, however responsible—must be matched by corresponding provisions for raising revenues.

The problem is this. There is a phenomenon which the economists refer to as a "revenue shortfall." You have a revenue shortfall whenever revenues fail to amount to the total that was expected when expenditures were being planned. Obviously when a revenue shortfall occurs, one of two things must happen. On the one hand, responsible authorities can revise downward their judgment of permissible expenditures. On the other hand, a deficit can be allowed to occur.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ALLOTT. Mr. President, I ask unanimous consent that I may proceed for another 10 minutes.

The PRESIDING OFFICER. Is there objection? Hearing none, the Senator is recognized for an additional 10 minutes.

Mr. ALLOTT. Mr. President, the important thing to notice is this. If we want to avoid a substantial deficit at any time, then we must be prepared not just to cut expenditures but to allow our cuts to be governed by a close and careful projection of any possible revenue shortfalls. Moreover, the phenomenon of a "revenue shortfall" is not just a challenge to cut the budget. It is also, and equally, a challenge to see that all responsible measures are taken to generate revenues equal to the amount of the shortfall.

Mr. President, this is why it is fair to say that pruning the budget is only half the task for a responsible Congress. The other half—which is often less conspicu-

ous, and is often more unpleasant—is the raising of revenues. In this regard it is necessary for us to face the fact if an intolerable budget deficit should result in fiscal year 1971, it will be attributable in part to congressional inaction on matters which would result in increased revenues.

One aspect of the President's message upon which the senior Senator from Wisconsin is curiously silent has to do with this question of the willingness of Congress to assume the responsibilities for the generation of adequate revenues. In his statement of July 18 entitled "Congressional Action and Government Spending," the President stated:

For fiscal year 1971, which began July 1, this administration transmitted to the Congress a budget calling for expenditures of \$200 billion, and estimating revenues at \$202 billion. If the Congress continues in its present pattern of proposed increases in expenditures, the total for this fiscal year will actually reach a substantially larger figure.

Some \$3.5 billion of increases are caused by mandatory and virtually uncontrollable rises in costs—such as increases in the interest on the national debt (\$1.8 billion) and in public assistance (over \$500 million). The major pay increase for Federal employees added \$1.4 billion over the amount originally budgeted. Some increases are the result of necessary new programs. But much of the total increase is due to threatened Congressional action or inaction.

On the receipts side of the ledger, the Congress has failed to provide necessary revenue. By its action on the tax bill last year, the Congress had already reduced projected revenue for fiscal year 1971 by \$3 billion and for fiscal year 1972 by \$5 billion below my request. Beyond this, the Congress has as yet failed to take action on my proposals for a tax on lead use in gasoline, an advance in the time of collection of estate and gift taxes, and

an increase in postal rates. The Congress must produce action on these measures, or we can expect to collect much less than the \$202 billion estimated in February.

And that is not all. The 1971 expenditures are an inevitable springboard for the budget of 1972. Unless the present trend is corrected by the Congress, the resulting 1972 spending could produce a massive deficit.

To underscore the President's concern—and to legitimize it perhaps by referring once again to the facts and figures of the distinguished chairman of the House Appropriations Committee—I am forced to quote from his 1970 budget scorekeeping report—staff report No. 14—wherein he stated, and I quote, "Total net effect of congressional action and inaction of the first session, 91st Congress" was to reduce a \$5.915 billion surplus by \$46 million.

I do not think this is difficult to comprehend, but in all honesty, I am beginning to understand what Swift meant when he said, "complaint is the highest tribute heaven receives."

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks the budget summary which appeared on page 3 of Chairman MAHON's 1970 budget scorekeeping report—staff report No. 14—entitled "Budget Summary: A Summary of Fiscal Year 1970 and Fiscal Year 1969 Federal Budgets—Reflecting Congressional Actions and Inactions Affecting Those Budgets During the First Session of the 91st Congress."

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

BUDGET SUMMARY—A SUMMARY OF FISCAL YEAR 1970 AND FISCAL YEAR 1969 FEDERAL BUDGETS—REFLECTING CONGRESSIONAL ACTIONS AND INACTIONS AFFECTING THOSE BUDGETS DURING THE FIRST SESSION OF THE 91ST CONGRESS

(In millions of dollars)

Summary totals	Budget authority (obligational and lending authority)	Budget outlays (expenditures and net lending)	Budget receipts	Budget surplus or deficit	Summary totals	Budget authority (obligational and lending authority)	Budget outlays (expenditures and net lending)	Budget receipts	Budget surplus or deficit
	(1)	(2)	(3)	(4)		(1)	(2)	(3)	(4)
<b>Fiscal year 1970:</b>					<b>Effect of congressional action or budget estimates (net changes) to Dec. 23, 1969:</b>				
Net total budget estimates as submitted Jan. 15, 1969	210,116	195,272	198,686	+3,414	House	-3,687	+362	+158	-204
Net total budget estimates as corrected by the new administration	211,412	196,921	198,686	+1,765	Senate	+2,512	+767	-2,173	-2,940
Net total budget estimates as corrected and revised to Apr. 15, 1969	205,901	192,899	198,686	+5,787	Enacted	-837	-1,569	-118	+1,451
Net total budget estimates as revised and amended to date	204,201	192,885	198,800	+5,915	Effect of congressional inaction on budget estimates (see supporting table No. 3 and pt. 1 of supporting table No. 4)	+1,313	+1,232	-265	-1,497
Adjustments for interfund and intragovernmental transactions and applicable receipts	+13,714	+13,714	+13,714		Total net effect of congressional action and inaction, 1st session, 91st Congress	+476	-337	-383	-46
Total gross budget estimates	217,915	206,599	212,514	+5,915	<b>Fiscal year 1969:</b>				
Budget estimates not requiring further action by Congress (previously enacted or permanent)	80,712	114,896	202,712		Net total budget estimates as submitted in January	194,620	183,701	186,092	+2,391
Prior year's budget authority (85,165)					Net total budget estimates, as revised	196,030	185,588	186,492	+904
Currently (1970) budget authority (80,712)		(29,731)			Net total budget estimates, as changed by congressional action	195,568	185,263	186,492	+1,229
Budget estimates requiring action by Congress	137,203	91,703	9,802		Actual net total as enacted by Congress and reported by the Treasury	195,568	184,769	187,843	+3,074

<sup>1</sup> Budget authority estimates have not been revised since the May 20 withdrawal of \$1,700,000,000 for the previously proposed social security program.

<sup>2</sup> The summer review of the 1970 budget reflected revised budget outlay estimates at \$192,860,000 and revised budget receipt estimates at \$198,800,000. The revised outlay estimates effect many increases and many offsetting decreases on which full details are not available. Since revised detailed estimates were not transmitted to the Congress, it must be assumed for scorekeeping

purposes that the Congress was working with the Apr. 15 budget appropriation and outlay estimates.

<sup>3</sup> Includes the effect of the Labor and Health, Education, and Welfare, and the foreign assistance appropriation bills, on which Congress has not taken final action, in the amounts approved by the committees of conference.

Mr. ALLOTT. Emphasizing the fact that the 90th Congress has "turned away from unnecessary military expenses and extravagant programs and toward more emphasis on human resources" the distinguished Senator from Wisconsin tries to dramatize the emergence of reordering priorities by placing into close juxtaposition spending on hospitals and the C-5A as well as food programs for our children and the ABM.

Mr. President, I do not want to belabor the RECORD with the fact that military programs such as the ABM, the C-5A, the TFX, and the Cheyenne helicopter were creatures of the 1960's. I do want to underscore the fact, however, that in the search for adequate appropriations for human resources that the decade of the 1970's was launched by President Nixon's budget which called for spending 37 percent of the budget for national defense and 41 percent for human resource programs. As the President pointed out in his statement of July 18, these sharply reversed priorities were accomplished only by a massive change in emphasis and with specific cuts in military and space expenditures by some \$6 billion.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ALLOTT. Mr. President, I ask unanimous consent that I may proceed for 10 minutes longer.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ALLOTT. Mr. President, I believe that both the Congress and the President can take some credit in this question of reordering priorities. I simply feel, however, that the efforts of the President and Secretary of Defense Laird have simply not been given the credit they deserve in this instance. Last week I referred to the record of the 90th Congress, first session, on appropriation matters alone. With regard to defense appropriations in the first session of the 91st Congress, I think it is important to highlight these significant facts:

On January 15, 1969, President Lyndon Johnson submitted his last budget. It called for Department of Defense new

obligational authority of \$80.645 billion and \$79.0 billion in expenditures.

On March 19, 1969, Secretary of Defense Melvin Laird testifying before the Senate Armed Services Committee proposed a reduction in defense spending of \$2.170 billion in new obligational authority and a \$0.500 billion reduction in expenditures for fiscal year 1970. This would have the effect of reducing defense requests for new obligational authority to \$78.475 billion and reducing expenditures to \$78.5 billion.

On April 15, 1969, President Nixon formally submitted to Congress amendments which would reduce defense new obligational authority by \$3.103 billion in lieu of Secretary Laird's \$2.170 billion, and reduce defense expenditures by \$1.113 billion in lieu of Secretary Laird's reduction of \$0.500 billion.

Thus, President Nixon's April 15 revisions to President Johnson's fiscal year 1970 budget reduced defense new obligational authority to \$77.542 billion and reduced defense expenditures to \$77.887 billion.

On June 10, 1969, Secretary of Defense Melvin Laird appeared before the Senate Subcommittee on Defense Appropriations in support of President Nixon's revised budget and reiterated President Nixon's request for a reduction in defense new obligational authority to \$77.542 billion and a reduction in expenditures to \$77.887 billion.

On August 21, 1969, Secretary of Defense Melvin Laird announced at his press conference that he had further cut his 1970 program by an additional \$3 billion, thus lowering 1970 expenditures to \$74.887 billion; this additional \$3 billion was over and above the April reductions of President Nixon.

Mr. President, since the congressional rule of thumb measurement states \$3 of new obligational authority reductions are necessary to achieve a \$1 expenditure reduction—I might say there might be some quarrel with that figure; the former Secretary of the Treasury and the former Economic Adviser to the President, Gardner Ackley and Secretary Fowler, are its sources—and, since the Nixon administration accomplished

an expenditure reduction of approximately \$4 billion by the above-cited reductions, it is clear that Congress would necessarily have had to reduce new obligational authority by an amount not less than \$12 billion to achieve actual spending reductions accomplished by the Nixon administration.

Mr. President, I think it is of paramount importance to put the question of national defense expenditures in its proper perspective as it relates to current Federal budget priorities. In this issue facts rather than opinion assume a critical role.

Let me cite some of these facts as they appear in the special analysis prepared by the highly respected institution—which obviously owes no allegiance to any political party—the American Enterprise Institute for Public Policy Research. In their recent publication entitled "U.S. Government Finances: A 22-year Perspective 1950-71" at page 21 they state the following as it relates to budgetary programming for national defense:

Reductions in national defense outlays programmed in the proposed 1971 budget, if they materialize, will lower defense spending in 1971 by approximately \$14 billion, in terms of 1969 consumer prices, below the defense spending level of 1969.

Defense outlays budgeted for 1971 total \$73.6—down \$7.7 billion from the 1969 level. However, the \$73.6 billion figures converts into \$66.8 billion when expressed in 1969 prices. That is, deterioration of the purchasing power of the dollar expected to continue through 1971 lowers the budgeted figure to \$66.8 billion, which is \$14.4 billion less than actual defense outlays of \$81.2 billion in the 1969 base year.

As indicated by the accompanying chart and the tabular data, average per capital shares of defense outlays, in 1969 prices, are estimated to drop from \$404 in 1969 to \$325 in 1971.

Budgeted reductions apply relatively uniformly to the three major components of the defense budget—compensation of personnel, operation and maintenance, and procurement of military hardware and other supplies.

I ask unanimous consent to have this chart printed in the RECORD.

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

	Outlays in current dollars (millions)					Per capita outlays in 1969 prices				
	1967	1968	1969	Estimates		1967	1968	1969	Estimates	
				1970	1971				1970	1971
Military functions:										
Personnel <sup>1</sup> .....	\$19,787	\$21,954	\$23,818	\$25,158	\$24,104	\$108.77	\$115.62	\$118.51	\$117.13	\$106.51
Operation and maintenance.....	19,000	20,578	22,227	21,500	19,650	140.45	108.73	110.60	100.10	86.83
Procurement.....	19,012	23,283	23,988	21,550	18,799	104.51	122.62	119.36	100.33	83.07
Research, development, etc.....	7,160	7,747	7,457	7,300	7,382	39.36	40.80	37.10	33.99	32.62
Military construction.....	1,536	1,281	1,389	1,124	1,154	8.44	6.75	6.91	5.23	5.10
Other.....	1,114	2,695	—864	15	267	6.12	14.19	—4.30	.07	1.18
Adjustments.....	—152	—165	—135	—140	—163	— .83	— .86	— .67	— .64	— .72
Total military functions.....	67,457	77,373	77,877	76,505	71,191	370.82	407.49	387.50	356.20	314.57
Military assistance.....	858	654	789	495	600	4.72	3.44	3.93	2.30	2.65
Atomic energy.....	2,264	2,466	2,450	2,461	2,411	12.45	12.99	12.19	114.6	10.65
Defense-related activities.....	—17	139	260	119	—52	— .09	.73	1.29	.55	—2.3
Offsetting receipts.....	—481	—116	—138	—150	—572	—2.64	— .61	— .69	— .70	—2.53
Total national defense.....	70,018	80,517	81,240	79,432	73,583	385.25	424.04	404.23	369.83	325.14

<sup>1</sup> Including pensions.



Mr. ALLOTT. Consider these charts concerning the relative importance of defense expenditures during the past decade. I ask unanimous consent to have the charts printed in the RECORD.

There being no objection, the charts were ordered to be printed in the RECORD, as follows:

[Dollars in billions]

Fiscal year	Dollars for defense	Percent of Federal budget
1960	\$45.9	49.8
1961	47.4	48.8
1962	51.1	47.8
1963	52.3	46.9
1964	53.6	45.2
1965	49.6	41.9
1966	56.8	42.2
1967	70.1	44.3
1968	80.5	45.0
1969	81.2	44.0
1970	79.4	40.1
1971	73.6	36.7

The following are the facts about the non-defense origin of increases in the Federal budget during the last decade:

*Government spending, nonmilitary and military, 1960-1968*

[In billions]

1961	\$97.8
1962	106.8
1963	111.3
1964	118.6
1965	118.4
1966	134.6
1967	158.2
1968	178.8

*Nonmilitary spending*

[In billions]

1961	\$50.4
1962	55.7
1963	59.1
1964	65.0
1965	68.9
1966	77.9
1967	88.2
1968	98.3
Total increase (up 95 percent)	\$47.9 billion.

*Military spending*

[In billions]

1961	\$47.4
1962	51.1
1963	52.3
1964	53.6
1965	49.6
1966	56.8
1967	70.1
1968	80.5
Total increase (up to 70 percent)	\$33.1 billion.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ALLOTT. Mr. President, I ask unanimous consent that I may proceed for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLOTT. Mr. President, my efforts today are certainly not intended to justify every single budget request President Nixon has made during this Congress. Obviously there are items in any budget of any President over which reasonable men may differ.

On the other hand, it has been my intention to try to put two or three matters in perspective. The first has to do with the question of the adequacy of appropriations for national defense. The pending military procurement authorizations bill will clearly provide a forum for further discussion on this matter. The second matter has to do with the willingness of this Congress to act upon the revenue proposals of the President. The President has been most constructive in his efforts to send up legislation which would serve to reduce budget authority and outlays during this Congress. In fact, Mr. President, legislation which would serve to reduce budget authority and outlays was notoriously neglected by the first session of the 91st Congress. A total of \$1.3 billion in budget authority reductions and \$1.2 billion in outlay reductions were transmitted to the Congress but not acted upon.

Mr. President, I ask unanimous consent that a chart setting forth legislative proposals to reduce budget authority and outlays which were pending at the adjournment of the 91st Congress be printed at this point in the RECORD. Again, this is material prepared by Representative MAHON's committee.

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

SUPPORTING TABLE NO. 4.—LEGISLATION AFFECTING THE FISCAL YEAR 1970 BUDGET

PART I. LEGISLATIVE PROPOSALS TO REDUCE BUDGET AUTHORITY AND OUTLAYS<sup>1</sup>

[In thousands of dollars]

	Estimated reduction				
	Revised budget (Apr. 15, 1969)	As transmitted to date	House action to date	Senate action to date	Enacted to date
<b>PENDING AT ADJOURNMENT OF THE 91ST CONGRESS, 1ST SESSION</b>					
<b>Department of Agriculture:</b>					
<b>Consumer and Marketing Service:</b>					
Consumer protective, marketing, and regulatory programs (S. 568, H.R. 7444):					
Budget authority	-113	-113			
Outlays	(-113)	(-113)			
Removal of surplus agricultural commodities (S. 816, H.R. 13193):					
Budget authority					
Outlays	(-2,900)	(-2,900)			
Farmers Home Administration—Direct loan account (S. 815, H.R. 11604):					
Budget authority					
Outlays	(-292,000)	(-292,000)			
<b>Department of Health, Education, and Welfare:</b>					
<b>Social and Rehabilitation Service:</b>					
Grants to States for maintenance payments (S. —, H.R. —):					
Budget authority	-30,000	-30,000			
Outlays	(-30,000)	(-30,000)			
Grants to States for medical assistance (S. —, H.R. —):					
Budget authority	-126,000	-126,000			
Outlays	(-126,000)	(-126,000)			
<b>Department of Housing and Urban Development:</b>					
<b>Mortgage credit:</b>					
Government National Mortgage Association (S. 2864, H.R. 12937):					
Budget authority	-500,000	-500,000	(?)	(?)	
Outlays					
<b>Department of Labor:</b>					
<b>Longshoremen omnibus bill (S. —, H.R. —):</b>					
Budget authority	-3,475				
Outlays	(-3,475)				
<b>Post Office Department:</b>					
<b>Proposed rate increase (H.R. 10877):</b>					
Budget authority	-591,400	-591,400			
Outlays	(-591,400)	(-591,400)			
<b>Department of Transportation:</b>					
<b>That the following programs be financed from trust funds rather than Federal funds: Highway beautification, traffic and highway safety, State and community highway safety programs, motor carrier safety, forest highways, and public land highways:</b>					
Budget authority	(?)				
Outlays	(?)				

Footnotes at end of table.

[In thousands of dollars]

	Estimated reduction		House action to date	Senate action to date	Enacted to date
	Revised budget (Apr. 15, 1969)	As transmitted to date			
PENDING AT ADJOURNMENT OF THE 91ST CONGRESS, 1ST SESSION—Continued					
Veterans' Administration:					
Compensation and pensions:					
Veterans service-connected compensation (TB) (S. —, H.R. —):					
Budget authority	—46,000				
Outlays	(—46,000)				
Veterans non-service-connected compensation (railroad retirement exclusion) (S. —, H.R. —):					
Budget authority	—66,000	—66,000			
Outlays	(—66,000)	(—66,000)			
Other (duplicate burial benefits) (S. —, H.R. —):					
Budget authority	—54,000				
Outlays	(—54,000)				
Loan guarantee revolving fund (S. —, H.R. 11703):					
Budget authority					
Outlays	(—123,500)	(—123,500)			
Total, pt. 1:					
Budget authority	—1,416,988	—1,313,513			
Outlays	(—1,335,388)	(—1,231,913)			

<sup>1</sup> If positive legislative action is not taken on each item, budget authority and budget outlay estimates carried in the Budget will be increased by the amounts indicated.

<sup>2</sup> Successor bills S. 2864 and H.R. 13827 do not include this item.  
<sup>3</sup> Shift between funds; no budget effect.

Mr. ALLOTT. The President has once again sent up legislative proposals to reduce budget authority and outlays in fiscal year 1971. A total of \$2.2 billion in budget authority reductions and \$2.3 billion in outlay reductions would be generated as a result of favorable action on the President's program in this area.

Congress has already taken some action in this regard but, as can be seen from the table below, there are many legislative proposals which have not yet received congressional action.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD "Legislative proposals in fiscal

year 1971 budget to reduce budget authority and outlays" as it appears on pages 15 and 16 of the 1971 budget scorekeeping report—staff report No. 7—dated July 9, 1970.

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

SUPPORTING TABLE NO. 4.—LEGISLATIVE PROPOSALS IN FISCAL YEAR 1971 BUDGET TO REDUCE BUDGET AUTHORITY AND OUTLAYS <sup>1</sup>

[In thousands of dollars]

Authorization request (title or purpose)	Cost estimate, 1971 budget	House action to date	Senate action to date	Enacted to date
Fiscal year 1970:				
Post Office Department (H.R. 10877, S. —):				
Budget authority.....	<sup>2</sup> —156,000			
Outlays.....	<sup>2</sup> (—156,000)			
Total, fiscal year 1970:				
Budget authority.....	—156,000			
Outlays.....	(—156,000)			
Fiscal year 1971:				
Funds appropriated to the President:				
Expansion of defense production (H.R. 17880, S. 3776):				
Budget authority.....				
Outlays.....	(—67,616)			
Office of Economic Opportunity (H.R. 13472, S. 2838):				
Budget authority (transfer).....	(—622,000)			
Outlays (transfer).....	(—689,300)			
Department of Agriculture:				
Consumer and Marketing Service:				
Consumer protective, marketing and regulatory programs (H.R. 16264, S. 3593):				
Budget authority.....	<sup>2</sup> —4,577			
Outlays.....	<sup>2</sup> (—4,547)			
Removal of surplus agricultural commodities (H.R. 16264, S. 3593):				
Budget authority.....				
Outlays.....	<sup>2</sup> (—1,542)			
Federal Crop Insurance (H.R. 16264, S. 3593):				
Budget authority.....	( <sup>2</sup> )			
Outlays.....	( <sup>2</sup> )			
Department of Defense—Civil:				
Corps of Engineers:				
Recreational boat harbors (H.R. 16264, S. 3593):				
Budget authority.....	( <sup>2</sup> )			
Outlays.....	( <sup>2</sup> )			
Department of Health, Education, and Welfare:				
Social and Rehabilitation Service:				
Grants to States for public assistance (H.R. 16264, S. 3593):				
Budget authority.....	<sup>2</sup> —235,000			
Outlays.....	<sup>2</sup> (—215,000)			
National Institutes of Health:				
Health manpower—veterinary medicine (H.R. 16264, S. 3593):				
Budget authority.....	<sup>2</sup> —3,000			
Outlays.....	<sup>2</sup> (—100)			
Office of Education:				
Elementary and secondary education—impact aid reform (H.R. 16264, S. 3593):				
Budget authority.....	<sup>2</sup> (—392,000)			
Outlays.....	<sup>2</sup> (—196,000)			
Department of Labor:				
Wage and Labor Standards:				
User charges (longshoremen) (S. 3629, H.R. 16589):				
Budget authority.....				
Outlays.....	(—3,475)			
Post Office Department:				
Proposed rate increase (H.R. 17070, S. 3842):				
Budget authority.....	<sup>2</sup> —1,568,000	<sup>4</sup> —784,000	<sup>4</sup> —784,000	
Outlays.....	<sup>2</sup> (—1,568,000)	<sup>4</sup> (—784,000)	<sup>4</sup> (—784,000)	( <sup>3</sup> )

Footnotes at end of table.



SUPPORTING TABLE NO. 4.—LEGISLATIVE PROPOSALS IN FISCAL YEAR 1971 BUDGET TO REDUCE BUDGET AUTHORITY AND OUTLAYS<sup>1</sup>

[In thousands of dollars]

Authorization request (title or purpose)	Cost estimate, 1971 budget	House action to date	Senate action to date	Enacted to date
Department of Transportation:				
Coast Guard:				
Reserve training (H.R. 16264, S. 3593):				
Budget authority	<sup>2</sup> (-15,000)			
Outlays	(-15,000)			
Federal Railroad Administration:				
Alaska Railroad—sale (H.R. 16264, S. 3593):				
Budget authority	<sup>3</sup> (-100,000)			
Outlays	<sup>3</sup> (-100,000)			
Veterans' Administration:				
Compensation and pensions:				
Veterans service-connected compensation—TB (H.R. 13437):				
Budget authority	-46,000			
Outlays	(-46,000)			
Veterans non-service-connected pensions—Railroad retirement (H.R. 13438):				
Budget authority	-6,000			
Outlays	(-6,000)			
Other veterans income security programs—burial benefits (H.R. 13436, S. —):				
Budget authority	-54,000			
Outlays	(-54,000)			
Medical care—private insurance (H.R. 16264, S. 3593):				
Budget authority	<sup>4</sup> -40,000			
Outlays	<sup>4</sup> (-40,000)			
Direct loan revolving fund (H.R. 11703, S. —):				
Budget authority				
Outlays	(-125,000)			
General Services Administration:				
Sale of stockpile surpluses:				
Various legislation (17 bills):				
Budget authority		-180,000	-180,000	<sup>7</sup> -180,000
Outlays		(-180,000)	(-180,000)	(-180,000)
Various legislation (5 bills):				
Budget authority	-250,000			
Outlays	(-250,000)			
Total: <sup>5</sup>				
Budget authority	-2,206,577	-964,000	-964,000	-180,000
Outlays	(-2,313,664)	(-964,000)	(-964,000)	(-180,000)

<sup>1</sup> If positive legislative action is not taken on each item, budget authority and budget outlay estimates carried in the budget will be increased by the amount indicated.

<sup>2</sup> Includes effect of proposals announced in H. Doc. 91-313, postal reform message.

<sup>3</sup> Included in proposed Federal Economy Act (H. Doc. 91-263, H.R. 16264, S. 3593).

<sup>4</sup> Assumes half-year delay in rate increase.

<sup>5</sup> Does not reflect certain legislative proposals, shown in parenthesis above, which have no effect on the overall Federal budget, such as shifts between departments and agencies, between Federal and trust funds, or which technically do not require legislation to effect proposed reduction.

<sup>6</sup> Subject to or in conference.

<sup>7</sup> Pending signature.

Mr. ALLOTT. The last item that I want to mention today has to do with the action of Congress on revenue proposals submitted by the President which affect the fiscal year 1971 budget. The reductions achieved in the fiscal 1970 budget do not take account of the revenue portion of the ledger. President Nixon asked that whenever a Member of Congress displayed the imagination to

introduce a bill that calls for more spending, he should also display the courage to introduce a bill raising the taxes to pay for that program.

Since Congress has succeeded in reducing revenues to a level below expenditures, clearly the administration is not to be faulted for its attempts to maintain some order of balance.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table entitled "Revenue Proposals Affecting the Fiscal Year 1971 Budget," which appears at page 14 of Representative MAHON's 1971 budget scorekeeping report—staff report No. 7.

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

SUPPORTING TABLE NO. 3.—REVENUE PROPOSALS AFFECTING THE FISCAL YEAR 1971 BUDGET

[In millions of dollars]

	Estimated receipts for fiscal year 1971	Congressional action on fiscal year 1971 revenue proposals to date		
		House	Senate	Enacted
Revenue estimate in the fiscal year 1971 budget	202,103			
Revenue estimates as revised by subsequent proposals and reestimates	204,109			
Adjustments for interfund and intragovernmental transactions and applicable receipts	16,928			
Total gross receipts	221,037			
To be derived from existing revenue legislation	216,415			
Estimated revenues to be derived from proposals in the fiscal year 1971 budget: <sup>1</sup>				
Excise taxes—extension of present rates (H.R. —):				
Automobiles	260			
Telephone service	300			
Social security—increase wage base (H.R. 17550)	205	204		
Unemployment insurance—increased benefits (H.R. 14705)	(?)	194	194	<sup>4</sup> 194
Railroad retirement (H.R. 15733)	104			(?)
User charges:				
Aviation services (H.R. 14465, P.L. 91-258)	370	331	318	322
Highways (H.R. —)	259			
Other (H.R. —)	24			
Subtotal, revenue proposals in the 1971 budget	1,522	729	512	516
Estimated revenues to be derived from other proposals:				
Estate and gift taxes—acceleration (H.R. —)	1,500			
Proposed tax on lead used in the manufacture of gasoline	1,600			
Ad valorem tax on cigars (H.R. 1002)		<sup>4</sup> -21		
Wagering tax amendments (S. 1624)			<sup>4</sup> 17	
Currency writeoff (S. 3825)	(?)		228	
Total, revenue proposals	4,622	708	757	516

<sup>1</sup> Without congressional action on each item, estimated receipts will be reduced by these amounts.

<sup>2</sup> No effect on fiscal 1971 revenue: \$153,000,000 in 1972, \$668,000,000 in 1973, and \$719,000,000 in 1974.

<sup>3</sup> Request assumed budgetary impact in fiscal year 1970.

<sup>4</sup> Committee action.

<sup>5</sup> Subject to or in conference.

Mr. ALLOTT. In conclusion, Mr. President, let me observe that just as it is a dangerous game to assume that only the defense appropriations bill must be reduced, so, too, is it misleading to fail to

take into account the revenue producing side of the ledger. Congress and the President have tried to reorder spending priorities, emphasizing new domestic opportunities. On the other hand, Congress

has not yet acted on the revenue producing side of its responsibilities. For the record, I want to assure my colleagues that I will keep inserting Representative MAHON's scorekeeping reports into the

RECORD so that everyone can be on notice as to the action or lack of action which is taking place on this aspect during this session of the 91st Congress.

Mr. President, I ask unanimous consent that the statement by the President entitled "Congressional Action and Government Spending," dated July 18, 1970, be printed at this point in the RECORD.

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

CONGRESSIONAL ACTION AND GOVERNMENT SPENDING

I am issuing this statement today because I view with deepening concern the course of events in the Congress affecting the expenditure of the taxpayers' money. There is a persistent and growing tendency on Capitol Hill to approve increases in expenditures without providing the revenue to pay the costs. For just one example, the Congress seems on the verge of approving an education appropriation bill that provides nearly half a billion dollars more than I requested.

Given this situation, it is time to face some hard figures and some troublesome possibilities and to strive for solutions.

Our Federal budget totals over \$200 billion. If we allow these outlays to overshoot the basic revenue-producing capacity of our tax system—as happened particularly in 1967 and 1968—we will produce the same result: inflation of a magnitude that will take difficult and painful measures to eliminate.

In fiscal year 1970, which ended June 30, we worked very hard and effectively—in the midst of continuing controversy—to hold the expenditure line. As a result, any deficit will reflect a short-fall of revenues from the adjustment of the economy to policies designed to combat inflation.

For fiscal year 1971, which began July 1, this administration transmitted to the Congress a budget calling for expenditures of \$200 billion, and estimating revenues at \$202 billion. If the Congress continues in its present pattern of proposed increases in expenditures, the total for this fiscal year will actually reach a substantially larger figure.

Some \$3.5 billion of increases are caused by mandatory and virtually uncontrollable rises in costs—such as increases in the interest of the national debt (\$1.8 billion) and in public assistance (over \$500 million). The major pay increase for Federal employees added \$1.4 billion over the amount originally budgeted. Some increases are the result of necessary new programs. But much of the total increase is due to threatened Congressional action or inaction.

On the receipts side of the ledger, the Congress has failed to provide necessary revenue. By its action on the tax bill last year, the Congress had already reduced projected revenue for fiscal year 1971 by \$3 billion and for fiscal year 1972 by \$5 billion below my request. Beyond this, the Congress has as yet failed to take action on my proposals for a tax on lead used in gasoline, an advance in the time of collection of estate and gift taxes, and an increase in postal rates. The Congress must produce action on these measures or we can expect to collect much less than the \$202 billion estimated in February.

And that is not all. The 1971 expenditures are an inevitable springboard for the budget of 1972. Unless the present trend is corrected by the Congress, the resulting 1972 spending could produce a massive deficit.

It has become almost a cliché to say that all we need do to resolve this dilemma with regard to our Federal budget is to cut space and defense outlays and "change our national priorities." Let's set the record straight. We have changed out national priorities.

In the budget that I proposed for fiscal

1971, spending for defense is exceeded by spending for human resources for the first time in 20 years. In all of the last three administrations, military spending ran far above spending for other purposes. In 1962 under President Kennedy the Federal Government spent 48 percent of its budget for defense and only 29 percent for human resources. By 1968, the comparison was 45 percent to 32 percent. My budget for 1971 sharply reversed these priorities. It calls for spending 37 percent for defense and 41 percent for human resources programs. To accomplish this massive change in emphasis, military and space expenditures were cut by some \$6 billion.

As a former Member of the House and the Senate, I fully understand that the Members consider appropriations and spending bills one at a time. The trouble is that the total of the parts, each in itself attractive and even meritorious, is too large a figure. Unless the Congress makes a very special effort to look at the total picture, the Members may not fully appreciate the overall effect of their fiscal actions.

In raising the issue of budget deficits, I am not suggesting that the Federal Government should necessarily adhere to a strict pattern of a balanced budget every year. At times the economic situation permits—even calls for—a budget deficit. There is one basic guideline for the budget, however, which we should never violate: except in emergency conditions, expenditures must never be allowed to outrun the revenues that the tax system would produce at reasonably full employment. When the Federal Government's spending actions over an extended period push outlays sharply higher, increased tax rates or inflation inevitably follow. We had such a period in the 1960's. We have been paying the high price—and higher prices—for that recently.

We must not let that happen again. It need not happen. Responsible government cannot let it happen. This is a time when the taxpayers of the United States will not tolerate irresponsible spending. The Congress should ask itself in every case: Will this new expenditure, when tied to all the others, require increased taxes or cause a deficit which would bring about an increase in prices? The Congress must examine with special care those spending programs which benefit some of the people but which really raise taxes and prices for all the people.

Recently I signed into law a bill fixing a "ceiling" on Federal spending for the current fiscal year. I accept that ceiling and intend to live under it. But the Congress, by making exceptions and approving measures with mandatory spending provisions, has made a travesty of this legislation.

I now ask the Congress to establish a firm ceiling on total expenditures—a ceiling from which only specific and genuine "uncontrollables" such as interest on the public debt would be exempt—a ceiling within which the President can determine priorities—a ceiling that would apply to the Congress as well as to the Executive. This will require of the Congress—as well as the President—the hard task of adjusting and pruning individual program outlays to hold their total within this ceiling. With this we can reassure citizens generally that Washington will not take spending actions that will impose on their future incomes the burdens of ever increasing tax rates. With this we can pursue vigorous policies of expansion to achieve full employment, rapid improvements in our material levels of living, and a more stable dollar.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. PROXMIRE. I am happy that the distinguished Senator from Colorado has made this speech today. I think it is most

useful and enlightening, and it is in accordance with the speech made previously, I believe on July 21, by the distinguished Senator from Colorado.

I think it is clear that there is a sharp difference between the statistics put into the RECORD by the Senator from Colorado, taken mainly from the chairman of the House Appropriations Committee, Mr. MAHON, and those put into the RECORD by the majority leader, the Senator from Montana (Mr. MANSFIELD). The difference, I think, is based on several things.

First, the Senator from Colorado is putting in legislative and appropriation spending actions. The Senator from Montana has been putting in appropriation actions.

Mr. ALLOTT. I believe that in the first remarks of the distinguished majority leader, it was mostly in comparison with the 1970 budget of President Johnson.

Mr. PROXMIRE. No, indeed. That is not correct. The Senator from Montana made it clear that his actions related to the revised Nixon budget.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I would like to make that point clear. I have tried to make it time and time again.

The distinguished Senator from Colorado was kind enough to inform me that he was going to make a speech commenting on some statements I had made relative to congressional reductions in the budget. Unfortunately, I was absent on official business and I did not get to hear the speech by the distinguished Senator.

I was fully aware of the fact that when the present President came into office, he was confronted with the Johnson budget. What he did was to hold up that budget, bring about a revision, and reduce it something on the order of \$5 billion, as I recall. He is to be commended for such action.

All the facts and figures I have stated and put into the RECORD, however, have to do with the revised budget offered by President Nixon. They did not concern the Johnson budget in any way, shape, or form. I want to make the record very clear in that respect.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ALLOTT. I was rechecking that. The Senator is entirely correct.

Mr. MANSFIELD. I thank the Senator.

The PRESIDING OFFICER. Does the Senator from Wisconsin wish the floor?

Mr. PROXMIRE. Yes.

Mr. President, the difference is that in part, at least, the Senator from Colorado was talking about legislative as well as appropriations spending actions. The Senator from Colorado has been on the Appropriations Committee for a long time, longer than I have—I have been on it 6 or 7 years, and he was on it before that—and he is aware of the fact that very often Congress will pass rather extravagant legislative authorization bills and then not appropriate the funds for them.

In my view, the appropriation action by the Appropriations Committee, and



especially by Congress, is the decisive action to determine whether or not Congress is going to expend the funds. For this reason, it seems to me that it is perfectly fair and proper and accurate and reasonable for the majority leader to make the kind of comparison he made between the President's request and the final action on appropriations by Congress.

Of course, there are exceptions to that. Certainly, if legislative action mandates expenditures without going through the appropriation process, then I think the Senator from Colorado's position would be correct, to the extent that Congress goes above the President's figure.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. PROXMIRE. I yield.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, notwithstanding the expiration of the morning hour at 2 p.m., the unfinished business not be laid down until the morning business is closed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. ALLOTT. I think that what the Senator has said is true. Unfortunately, I think that the legislative committees have been prone to think more in terms of what would be ideally desirable in putting the limitations on their authorization rather than what is possible and practical. However, we see the situation then when an appropriation committee lives up to its complete responsibility—the Senator understands what those responsibilities are as well as I do—and says that an authorization of \$1 billion simply cannot be accommodated this year because \$500 million is all we can possibly fit into the budget, then we hear the argument or, as Senators have heard and as I have heard 500 times this year, "Look what the legislative committee did. We authorized so much and the Appropriations Committee has refused to finance it." I do think—and I am not being critical of my friends on the legislative committees, as I am on one—that we try to watch it. We could operate more effectively as a Congress if, instead of figuring out what could be spent under any circumstances, the legislative committees would try to be more realistic in their authorizations—

Mr. PROXMIRE. I wholeheartedly agree with—

Mr. ALLOTT. Because the Appropriations Committee does try to do its job.

Mr. PROXMIRE. I want once again to call the attention of the Senator from Colorado to the fact that the measure suggested by the majority leader and by the Democratic Policy Committee is a measure of how Congress finally votes on appropriation measures for 1970 and, to the extent we have done so, for 1971. On that count, Congress has cut decisively by several billion dollars—in fact, overall by over \$8 billion—below what President Nixon's request was. We are not spending more than the President

requests, but less on appropriation measures, which is the final test.

In the second place, the Senator from Colorado did contend that the Nixon administration has cut defense spending. They may have cut defense spending and I think there is every evidence that they will cut defense spending, but to date I call to the attention of the Senator from Colorado the fact that expenditures by the Pentagon and the Department of Defense in fiscal 1970 for goods and services are higher by \$150 million than they were in 1969.

This is, in spite of the very sharp cut made in the 1970 budget by Congress, below what President Nixon requested and far below the 1969 appropriations.

What I am saying is that the final action really is not in Congress but depends upon how much the President wants to spend out of what we appropriate and out of the unobligated balances in past years. On that test, President Nixon has used the unobligated balances so as to maintain a high level of military spending right into 1970.

Mr. ALLOTT. If the distinguished Senator will look at page 60 of the budget brief, he will see a cross-hatched table, placed there at the instance of some of us several years ago, which shows the flowthrough from the present appropriations and the flowthrough from past appropriations to the present. The table illustrates exactly the figure I used, which is that at this time of year it takes a \$2 cut in appropriations to effect a \$1 cut in expenditures. If we do not pass the appropriation bills, as we have not, until October or November, it takes a \$3 cut in appropriations to effect a \$1 cut in expenditures.

But the point I have been trying to make, which I do not think the distinguished majority leader made in his remarks, relates not only to matters concerning expenditures, new obligational authority, and legislative authority. I am also trying to put into perspective the fact that there has been a distinct shortfall in revenue-raising measures, as witness the terrible tax bill we passed last fall.

Mr. PROXMIRE. The Senator has spoken several times about the shortfall in revenue. What shall we do? Increase taxes? Does the Senator from Colorado take the position personally that we should increase taxes; that he would vote for a tax increase for insurance in the area of lead gasoline, as the administration has proposed?

Mr. ALLOTT. I would probably vote for most of them, yes; but I am looking at a supporting table of Representative MAHON'S.

The PRESIDING OFFICER (Mr. Boggs). The time of the Senator from Wisconsin has expired.

Mr. PROXMIRE. I ask for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLOTT. The tables, which I think the Senator has seen, are of total appropriation bills. I do not know how we will ever tackle the question—it is obvious we have not done it over the past 2 years—by putting an expenditure ceiling

on the President and starting to meet our responsibilities.

Mr. PROXMIRE. Directly, yes, in the event we cut military expenditures by some \$5 or \$6 billion. Last year we cut \$5.5 billion. If we do that, the net effect of the action by Congress will be to reduce the upcoming budget this year, as we did last year. Does the Senator still persist in the belief that we would have to increase taxes under those circumstances?

Mr. ALLOTT. Yes; unless we actually provide revenues for some of the shortfalls, as for example, the increase in salaries and the other items I mentioned.

Mr. PROXMIRE. What bothers me very much is that we have had testimony before the Joint Economic Committee that if unemployment increases to 6 percent—maybe it will not, and we all pray it will not—but if it does, then on the shortfall, there will be a drop in tax revenues; and if on top of that we increase taxes further, we will simply drive ourselves into a recession and get into a position where it will be the deficit will deepen.

Mr. ALLOTT. There is a point, I will agree, where that is true. I do not think we are in danger of getting to a 6-percent unemployment rate figure at present. I cannot see it in the present projections. Maybe the Senator can. But there is a point where the principle the Senator states is true. If we raise taxes too much, it will drive us further down the road toward a recession.

Mr. PROXMIRE. I thank the Senator very much. As I said when I first began speaking, I think that these remarks have been most helpful in giving us a better and broader understanding of what this subject is all about, because there are conflicting figures concerning it.

Mr. ALLOTT. While we talk about the unemployment figure, I should like to call the Senator's attention to the fact that—I do not have the figures right at hand—I think total employment in this country today is approximately 2 million more than it was a year ago.

Mr. PROXMIRE. The Senator is about correct, I believe, but my understanding is that, for each of the past 4 months, the rather shocking realization is that the employment figures, that is the number of working Americans, have gone down, so that today 4.6 million Americans are out of work. There is the seasonal adjustment to be considered, and with that adjustment, it works out to a 4.7-percent figure, which from all the testimony I have heard from Mr. McCracken, Chairman of the Council of Economic Advisers, the Secretary of the Treasury, and others indicates that they expect a further unemployment increase, as do most Government economists. It might not go up to the 6 percent. But this is a serious economic matter as well as a matter of fiscal responsibility.

Mr. ALLOTT. The figures I gave the Senator were predicated by me in the defense and space-related fields, were they not?

Mr. PROXMIRE. What figures are those?

Mr. ALLOTT. The unemployment figures.

Mr. PROXMIER. They were overall. The overall figures, 4.7 percent out of work. They cover all Americans, when we talk about employment. Employment in this country has actually dropped further.

Mr. MANSFIELD. Mr. President, while the distinguished Senator is on the floor, I should like to proceed for about 3 minutes to make the matter perfectly clear as best as I can. I tried to point out to the Senate, before the distinguished Senator from Colorado arrived in the Chamber, that I was getting a little bit tired of having the ball thrown back and forth and having Congress accused of being "spendthrift" or of being "big spenders," and the like.

What I am trying to emphasize is the fact that for the past 25 years every Congress under every President has reduced the President's budget request. What we did this year in Congress we did together, Republicans and Democrats alike.

By the same token, I also gave the President full credit for taking the initiative himself and, in the last fiscal year, for reducing expenditures in excess of \$3 billion; and, furthermore, for reducing the Johnson budget by in excess of \$5 billion. So that the President is doing his share in the administrative end of the Government in the executive branch.

We are also doing our share here. We can point with much pride to our record in this department. Rather than throwing the ball back and forth, accusing Congress of this, that, and the other thing, it would be far more constructive if we would continue to work together as a team, in cooperation, and in partnership. We can achieve a lot more and carry out our responsibilities, to the end that we may continue to be proud of our efforts regardless of party in Congress.

I want the RECORD to show that I think as much credit should go to the executive as I think we have earned here in the Congress. But up here it is a non-partisan question. The Democrats and Republicans together, and not the majority party, should be given credit for the reductions which have been made.

#### SENATOR SMITH OF MAINE RETURNS TO HER SENATE DUTIES

Mr. GRIFFIN. Mr. President, during the past several weeks the Senate has not been the same without the presence and perception of the distinguished senior Senator from Maine.

There is a happy note on the news ticker today. I am pleased to read it to the Senate:

Sen. Margaret Chase Smith, R-Maine, was to return to work today following two weeks of hospitalization in New York City where she underwent right hip surgery.

The senator underwent what doctors termed "total hip replacement" July 8, at the Columbia-Presbyterian Medical Center. She was released from the hospital last Friday and returned to her Washington home.

Doctors prescribed limited activity for Mrs. Smith during the next two weeks. This will permit her to spend a few hours in her office several days each week.

I know that I speak for all of her colleagues on both sides of the aisle when I say that we are delighted and very pleased that the distinguished senior Senator from Maine is back among us after what can only be described as a very remarkable recovery.

We look forward once more to her cheerful presence and her wise contributions to the deliberations of this body.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. MANSFIELD. Mr. President, may I say that this is most pleasant and most unexpectedly good news.

I am delighted that in such a short period after such a serious operation, the distinguished senior Senator from Maine is back in her office and doing her job with the dedication, the integrity, and the devotion which are her hallmarks.

The acting minority leader said it rightly when he said that he spoke in behalf of all Members of the Senate, both Democrats and Republicans, concerning our pleasure at the news that MARGARET SMITH has recovered so nicely and is back with us and once again able to perform her functions and duties with the usual skill and aplomb which mark her work.

It is good news indeed.

We are delighted that Senator SMITH of Maine is back on the job again. I am surprised, pleasantly, that she was able to return so soon.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

#### COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. PERCY) laid before the Senate the following letters and communications, which were referred as indicated:

PROPOSED AMENDMENT TO THE BUDGET, 1971, FOR THE INTERSTATE COMMERCE COMMISSION (S. Doc. 91-95)

A communication from the President of the United States, transmitting an amendment to the budget for fiscal year 1971, in the amount of \$3,313,500 for the Interstate Commerce Commission; to the Committee on Appropriations, and ordered to be printed.

PROPOSED AMENDMENT TO THE BUDGET, 1971, FOR THE LEGISLATIVE BRANCH (S. Doc. 91-96)

A communication from the President of the United States, transmitting an amendment to the budget for fiscal year 1971, in the amount of \$791,634 for the legislative branch; to the Committee on Appropriations, and ordered to be printed.

PUERTO RICAN-VIRGIN ISLANDS TRADE STUDY, A REGULATORY STAFF ANALYSIS

A letter from the Chairman, Federal Maritime Commission, transmitting, for the information of the Senate a study entitled "Puerto Rican-Virgin Islands Trade Study, A Regulatory Staff Analysis" (with an accompanying document); to the Committee on Commerce.

#### REPORT OF LEWIS AND CLARK TRAIL COMMISSION

A letter from the Chairman, Lewis and Clark Trail Commission, transmitting, pursuant to law, a Report of the Commission dated October 1969 (with an accompanying report); to the Committee on Interior and Insular Affairs.

CENTRAL OREGON IRRIGATION DISTRICT, REDMOND, OREG.

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, an application by the Central Oregon Irrigation District of Redmond, Oreg., for a supplemental loan under the Small Reclamation Projects Act (with accompanying papers); to the Committee on Interior and Insular Affairs.

#### REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the need for increased control over local currency made available to the Republic of Vietnam for support of its military and civil budgets, Department of Defense, Department of State, and Agency for International Development, dated July 24, 1970 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on examination of financial statements of the accountability of the Treasurer of the United States, fiscal years 1968 and 1969, Department of the Treasury, dated July 27, 1970 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on problems in approving and paying for nursing home care under the medicare program in California, Social and Rehabilitation Service, Department of Health, Education, and Welfare, dated July 23, 1970 (with an accompanying report); to the Committee on Government Operations.

#### REPORT OF CIVIL AIR PATROL

A letter from the National Commander, Civil Air Patrol, transmitting, pursuant to law, the annual report of the CAP for the year 1969 (with an accompanying report); to the Committee on the Judiciary.

#### REPORT OF THE FEDERAL MEDIATION AND CONCILIATION SERVICE

A letter from the Director, Federal Mediation and Conciliation Service, transmitting, pursuant to law, a report of the Service for the fiscal year ended June 30, 1969 (with an accompanying report); to the Committee on Labor and Public Welfare.

#### PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. PERCY):

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"ASSEMBLY JOINT RESOLUTION No. 41

"Relative to the public use of beaches on federal military installations in California  
"Whereas, Of the 1,072 miles of California coastline only 353 miles are publicly owned and available for recreation, and the demand for public access to the beaches of this state is great; and

"Whereas, Fifty-eight miles of beaches, although publicly owned, are closed to public recreation; and

"Whereas, The federal government now prohibits public access to beaches on approximately 56 miles of California's beach frontage; and

"Whereas, Most of this acreage is located at Camp Pendleton in San Diego County,



Vandenberg Air Base in Santa Barbara County, and at Fort Ord in Monterey County; and

"Whereas, Many of the military operations utilizing these beach areas could be shifted to other areas on the same base and thereby allow California citizens to use these publicly owned beaches; now, therefore, be it

*"Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President of the United States to direct the appropriate federal officials to allow public access to California beaches located within military installations; and be it further

*"Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Defense, the Chairman of the Federal Council on Environmental Quality, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Commerce:

#### "ASSEMBLY JOINT RESOLUTION No. 42

"Relative to the protection and restoration of estuaries and wetlands and federal lands

"Whereas, Ninety percent of California's population lives in the coastal zone of California upon 8 percent of the state's land area; and

"Whereas, The major alterations to California's lands and waters are taking place in the coastal zone; and

"Whereas, This zone contains unique estuarine habitat, including marshes, mudflats, and other wetlands that are in scarce supply and irreplaceable; and

"Whereas, These areas support a great variety of fish and wildlife resources and have other public values of national and statewide significance; and

"Whereas, Many of the remaining estuaries are located on federal military lands; and

"Whereas, Some of these estuaries on federal lands have been dredged or filled by federal authorities and in other estuaries federal authorities have allowed dredging and other alterations by local communities; and

"Whereas, Increasing demands are being placed on the military to alter these lands for other purposes; and

"Whereas, the federal 'Estuaries Inventory Study Act' (Pub. L. 90-454) has as its objective the protection, conservation, and restoration of the nation's estuaries; now, therefore, be it

*"Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to take appropriate action to assure that permanent protection is given to all existing estuaries and wetlands on federal installations in California and to assure that such estuaries and wetlands already damaged will, where feasible, be restored; and be it further

*"Resolved,* That the Legislature respectfully memorializes the President of the United States to direct the responsible federal officials to advise the Legislature of actions taken to provide permanent protection to these estuaries and wetlands or to restore such estuaries and wetlands which are already damaged; and be it further

*"Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Chairman of the Federal Council on Environmental Quality, to the Speaker of the House of Representatives,

and to each Senator and Representative from California in the Congress of the United States.

#### BILLS INTRODUCED

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

By Mr. SCOTT:

S. 4124. A bill for the relief of Soccorso M. Tecce; to the Committee on the Judiciary.

By Mr. FONG:

S. 4125. A bill for the relief of Ulrich Paul Kruggel; and

S. 4126. A bill for the relief of Delfina Ranjo Lagasca; to the Committee on the Judiciary.

By Mr. JAVITS:

S. 4127. A bill to provide emergency authority for the guarantee of loans to aid business enterprises to meet temporary and urgent financial needs; to the Committee on Banking and Currency.

(The remarks of Mr. JAVITS when he introduced the bill appear later in the RECORD under the appropriate heading.)

#### ADDITIONAL COSPONSORS OF BILLS

S. 3960

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Maryland (Mr. TYDINGS), I ask unanimous consent that, at the next printing, the names of the Senator from California (Mr. CRANSTON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wisconsin (Mr. NELSON), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Texas (Mr. YARBOROUGH), be added as cosponsors of S. 3960, the Mass Transit Financing Act of 1970, to permit States to use highway trust fund money for mass transit purposes.

The PRESIDING OFFICER (Mr. HUGHES). Without objection, it is so ordered.

S. 4031

Mr. BOGGS. Mr. President, I ask unanimous consent that, at the next printing, the name of the Senator from Texas (Mr. TOWER) be added as a cosponsor of S. 4031, the National Catastrophic Illness Protection Act of 1970.

The PRESIDING OFFICER (Mr. HUGHES). Without objection, it is so ordered.

S. 4079

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Minnesota (Mr. MONDALE), I ask unanimous consent that, at the next printing, the names of the Senator from California (Mr. CRANSTON), the Senator from New York (Mr. GOODELL), the Senator from Oklahoma (Mr. HARRIS), the Senator from Michigan (Mr. HART), the Senator from New York (Mr. JAVITS), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wisconsin (Mr. NELSON), the Senator from Alaska (Mr. STEVENS), and the Senator from Ohio (Mr. YOUNG) be added as cosponsors of S. 4079, to increase the authorization for annual contributions in aid of low-rent public housing.

The PRESIDING OFFICER (Mr. HUGHES). Without objection, it is so ordered.

S. 4083

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that, at its next printing, the names of the Senator from Colorado (Mr. DOMINICK) and of the Senator from Washington (Mr. MAGNUSON) be added as cosponsors of S. 4083, to modify and enlarge the authority of Gallaudet College to maintain and operate the Kendall School as a demonstration elementary school for the deaf to serve primarily the National Capital region, and for other purposes.

The PRESIDING OFFICER (Mr. NELSON). Without objection, it is so ordered.

#### AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PROCUREMENT—AMENDMENT

AMENDMENT NO. 793

RESTORATION OF NECESSARY COAST GUARD RESERVE STRENGTH

Mr. WILLIAMS of New Jersey. Mr. President, I submit an amendment to H.R. 17123, the military procurement authorization bill presently before the Senate, and ask that it be printed.

The amendment is a simple one. It changes the Senate Armed Services Committee authorization of 10,000 officers and men for the Coast Guard Selected Reserve by substituting 15,000 officers and men as a personnel ceiling.

I believe this figure to be amply justified by the continuing and growing responsibilities of the Coast Guard in port security and safety, icebreaking, vessel inspection, security patrolling of our coasts, ASW surveillance, marine and air safety, search and rescue, navigational aids, military preparedness, and disaster assistance. I shall have further supportive remarks when the amendment is called up for consideration by the Senate.

It has been brought to my attention that the peacetime role of the Select Reserve is to be substantially increased and that members may be called to active duty in the case of national emergencies and natural disasters. It is also my understanding there will be an increased emphasis on this peacetime role in training these reserves. At this time of increased danger of severe ecological damage it will be of great reassurance to know the Coast Guard and its Reserves are capable of swift response in the event of coastal pollution emergencies and threats to marine life.

I also serve notice, Mr. President, of my intention to offer, if necessary, an amendment to the Department of Transportation appropriations bill not yet reported. I shall argue for funding sufficient to support a reserve program for training and maintaining the personnel authorized by this amendment.

I ask unanimous consent that the text of the amendment be printed at this point in the RECORD.

The PRESIDING OFFICER (Mr. DOLE). The amendment will be received and printed, and will lie on the table;

and, without objection, the amendment will be printed in the RECORD.

The amendment (No. 793) is as follows: "strike out '10,000' and insert in lieu thereof '15,000.'"

#### STRENGTHENING OF FEDERAL CONTROL OVER PESTICIDES—AMENDMENTS

AMENDMENT NO. 794

Mr. HART. Mr. President, I submit several amendments, intended to be proposed by me, to S. 3866, a bill to strengthen Federal control over pesticides, and request that they be printed in full in the RECORD.

As originally introduced, S. 3866 was designed primarily to confer additional authority over pesticide registration on the Department of Health, Education, and Welfare or, put another way, to provide an independent check on the decisions of the Department of Agriculture regarding such registrations. It was felt that an agency whose primary mission was the promotion of agriculture ought not to be given exclusive control in an area where agricultural and public health considerations often diverge.

In the past months, there have been two significant developments which prompt me today to propose a shift in the bill's major focus. First, the administration has proposed extensive organizational changes in the area of environmental protection. The proposed transfer of ultimate control over pesticide registration from the Department of Agriculture to the new Environmental Protection Agency was obviously inspired by considerations similar to those which prompted S. 3866 and, if approved, most likely will produce somewhat similar results. As a consequence, the need for the reorganizational provisions of S. 3866 has markedly lessened.

The second development has been the demonstration at hearings before the Subcommittee on Energy, Natural Resources, and the Environment of other glaring inadequacies in the pesticide regulatory framework. Several witnesses have testified to the effect that even in the case of the most benign administration of Federal pesticide laws, those laws are destined to permit intolerable practices.

In light of both the diminished need for legislative reorganizational initiatives in the pesticide sphere and the demonstrable inadequacies of substantive pesticide law, it is proposed to change the major function of S. 3866 from reorganization to substantive improvement of the pesticide regulatory scheme. The amendments I introduce today, while scarcely attempting to remedy all the deficiencies of current pesticide legislation, are designed to correct what I believe to be the most significant weaknesses. It may be helpful at this time to enumerate these weaknesses and to summarize what the amendments attempt to do about them.

One of the most serious problems with existing regulatory procedures arises from the almost total absence of legislative criteria for approval or disapproval of any given pesticide. As a re-

sult, the principles governing pesticide registration have varied from regulator to regulator, leading to misunderstandings and inconsistent approaches to the problem. The Department of Agriculture testified at our hearings that a reasonable doubt as to the safety of a pesticide is cause for cancellation of its registration. The Department of Health, Education, and Welfare rejects this test, admitting to reasonable doubts about many pesticides it advises should be left on the market. Both departments agree that only in the case of an imminent hazard to the public will suspension of a registration ensue, but they disagree completely on the definition of "imminent."

What is needed is clarification. Guiding principles must be set down so that no matter who is administering the law—the Department of Agriculture, the Department of Health, Education, and Welfare, the Department of the Interior, or the Environmental Protection Agency—Congress mandate to that Administrator will not be misinterpreted.

Yet when we attempt to set down such principles, we become aware of the enormity of the problem which confronts us. As Dr. Jesse Steinfeld, the Surgeon General of the Department of Health, Education, and Welfare points out, there are indeed some doubts as to the safety of virtually all chemical pesticides in common use. To abandon them all because of those doubts would be to choke off much of our food supply and other comforts with which we would not want to part. On the other hand, our reluctance to move against all such chemicals should not shade over into a reluctance to move against any. We cannot, consistent with our responsibilities to ourselves and to future generations, just throw up our hands and ignore the dangers posed by chemical pesticides merely because those dangers are so widespread. What we must do, I feel, is to acknowledge the inconclusiveness of scientific knowledge about these chemicals and, recognizing that certainty is not within our grasp, play the probability game. We must face up to the realization that products now being used conceivably may destroy us one day, and then go on to attempt to maximize our chances for survival.

The criteria which I propose today for the removal of pesticides from the market are in line with this orientation. Under those criteria, continued use of any pesticide would be banned whenever there exists, first, a reasonable doubt as to the safety of the pesticide and, second, other reasonable alternatives about which there are less serious doubts. Underlying this approach, of course, is the recognition that whereas doubts may exist as to the safety of all pesticides, those doubts may vary considerably as to their seriousness. Given this state of affairs, common sense dictates that we do everything we can to minimize the admittedly necessary risks inherent in pesticide use. S. 3866, as amended, is designed to enact this objective into law.

Testimony in our subcommittee hearings suggests that the approach envisioned by S. 3866 is not now being followed within the Departments. Accord-

ing to Dr. Steinfeld, the Department of Health, Education, and Welfare feels the need to be "fairly secure" about the danger of a pesticide before it will advise the Department of Agriculture to suspend its use. Since HEW does not consider the utility of the pesticides it examines, it follows that ordinarily it will not know much about the alternatives which may be available to accomplish similar purposes. The Department of Agriculture is aware of these alternatives, but in the past has not advocated substitution of one pesticide for another unless prodded by HEW's concern for safety.

What is left out of this picture is the possibility of removing pesticide A from the market when there are doubts, although inconclusive, about its safety and when there are fewer doubts about pesticide B, a reasonable alternative. HEW will not act in this situation, assuming the data do not "fairly securely" establish a hazard. USDA will probably not act if HEW does not push them. And yet is not this a situation where we want to move against pesticide A? Are not the risks that we run by using A when B can get the job done just as well, needless risks? It is the conclusion of S. 3866 that they are and that they should be avoided in all cases.

The proposed amendments attempt to provide additional clarification of congressional mandates by defining explicitly the term "imminent hazards." Although the "imminent hazard" test traditionally has served to delineate those hazardous substances which require immediate suspension from the market—as opposed to removal following drawn-out administrative procedures—there has always been considerable dispute as to the term's precise meaning.

At our subcommittee hearings, the Department of Agriculture offered a definition of the term which greatly limits the Department's authority to act. "Imminent" was equated with "immediate" or "threatening to happen now." The problem created by this definition is that it renders the Department powerless to control dangers which arise indirectly from certain pesticide uses. For one, it rules out immediate suspension of use on food crops, since crops treated with even the most deadly of pesticides will not be eaten "immediately" after spraying.

Whereas it seems unthinkable that Congress would ever have intended to so limit the Department, it should be made clear that it is not now its intention to do so. In setting down a clear definition of "imminent hazard," it seems sensible to reflect back to Congress original objective in using the words. They arose, it appears, as a response to the lengthy procedures normally required by Federal law to effect removal of pesticides and other hazardous substances. The Congress recognized that cases would arise under both the Hazardous Substances Act and the Federal Insecticide, Fungicide, and Rodenticide Act in which the continued use of a dangerous substance pending the administration of those procedures would unduly jeopardize the public. In both acts, the contingency to be protected against was described as an "imminent hazard."



In light of this objective, I would argue that "imminent" ought to be defined in terms of the length of time normally consumed by the procedures in question. If the public is to be protected at all times, the administering authority must be permitted to dispense with normal procedures for removal whenever damage may result before those procedures have run their course. By defining an "imminent hazard" as one which "if it damages man or the environment, is likely to do so prior to the time normally required to carry out the procedures" authorized by the act, S. 3866 would insure that an adequate response to danger is always within the capacity of the Government. It would also expressly reject the Department of Agriculture's definition as one which occasionally would rule out any such response.

The amendments which are proposed today are designed also to bolster the effectiveness of suspension and cancellation actions entered into by regulatory authorities. Under existing law, although pesticides which have been suspended by the Department of Agriculture may not be shipped in interstate commerce, those on retail shelves at the time of suspension may continue to be sold without violating any Federal law. At our hearings we have seen that the herbicide 2,4,5-T, which is now suspended for certain uses, is still freely sold for those very uses. Whereas the Department of Agriculture testified that nearly all manufacturers of 2,4,5-T have agreed to recall existing stocks of suspended products, evidence was produced to the effect that at the time of the hearings they had not yet done so. In light of this evidence, it seems unreasonable to continue to rely on voluntary compliance in an area where the risks of non-compliance are so great. It is therefore proposed that the sale of any pesticide which has been suspended or banned be made criminal.

A related problem inherent in existing law arises when stocks are recalled and later relabeled. Since relabeling of suspended products is permitted, products which have been banned for some but not all uses may continue to appear on retail shelves. Moreover, consumers who have used such products in the past and have enjoyed the results may continue to buy them and use them for suspended uses without committing any Federal violation.

S. 3866 attempts to deal with this problem by rendering the misuse of any pesticide illegal. The threat of penalties for misuse, it is thought, is a necessary complement to the control of pesticides through labeling. Although pesticide labels may continue to go unread in spite of such penalties, the pesticide user should be made aware that he ignores those labels at his peril.

To reiterate, the deficiencies in our scheme of pesticide regulation are numerous, and S. 3866 is not designed to cure them all. Yet the original bill and the amendments I introduce today do push in the direction of important, and I believe essential, changes. It is my hope that a sufficient number of my colleagues will find them worthy of their endorsement and support.

The PRESIDING OFFICER (Mr. DOLE). The amendments will be received and printed, and will be appropriately referred; and, without objection, the amendments will be printed in the RECORD.

The amendments (No. 794) were referred to the Committee on Commerce, as follows:

On page 1, line 3, after "section 2(f)(2)", insert "of the Hazardous Substances Act".

On page 1, beginning with line 8, strike out all through line 4 on page 2 and insert in lieu thereof the following:

"(B) any economic poison which the Secretary by regulation classifies as a 'banned hazardous substance', and the Secretary shall so classify an economic poison (i) whenever there is a reasonable doubt as to the safety of the economic poison for man or the environment and there are less serious doubts as to the safety of any reasonable alternative to such poison or (ii) whenever the protection of man or the environment otherwise requires; or (C)".

On page 2, line 19, strike out the quotation marks.

On page 2, between lines 19 and 20, insert the following:

"(s) the term 'imminent hazard' means any hazard or potential hazard referred to in paragraph (q) of section 2 which, if it damages man or the environment, is likely to do so prior to the time normally required to carry out the procedures under subparagraphs (2) or (3) of that paragraph."

On page 2, strike line 5 through line 14, and insert in lieu thereof the following:

"(c)(1) section 2(q)(2) of such Act is amended by striking out 'clause (B)' and inserting in lieu thereof 'clause (C)'."

(2) Section 2(q)(2) is redesignated as section 2(q)(3).

(3) Section 2(q) is amended by inserting immediately after subparagraph (1) the following:

(2) Proceedings for the issuance, amendment, or repeal of regulations pursuant to clause (B) of subparagraph (1) of this paragraph shall be governed by the procedures relating to cancellation as prescribed in section 4 of the Federal Insecticide, Fungicide and Rodenticide Act, which shall be administered by the Secretary: *Provided*, that if he finds that an economic poison presents an imminent hazard to man or the environment, he shall, by order published in the Federal Register, give notice of such findings and thereupon such economic poison shall be deemed to be a "banned hazardous substance" pending the completion of procedures relating to the issuance of such regulation. Whenever the Secretary has not issued a regulation with respect to an economic poison pursuant to clause (B) of subparagraph (1) of this paragraph, the Secretary of Agriculture shall cancel the registration of such poison pursuant to section 4 of the Federal Insecticide, Fungicide and Rodenticide Act whenever he finds that either of the conditions enumerated in such clause are present: *Provided*, that if he finds that an imminent hazard to man or the environment exists, he shall suspend the registration pursuant to section 4 of such Act."

On page 2, line 22, strike out "subsection" and insert in lieu thereof "subsections".

On page 2, line 25, strike out the quotation marks.

On page 2, after line 25, insert the following:

"(j) The sale or offer for sale of any economic poison which has been designated a 'banned hazardous substance' and which has moved in interstate commerce.

"(k) The sale or offer for sale of any economic poison which has moved in interstate commerce and for which there is in effect no registration under the Federal Insecticide, Fungicide and Rodenticide Act."

## ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 774

Mr. YARBROUGH. Mr. President, I ask unanimous consent that the names of the Senator from Ohio (Mr. YOUNG), the Senator from Tennessee (Mr. GORE), the Senator from Mississippi (Mr. EASTLAND), the Senator from Iowa (Mr. HUGHES), the Senator from Oklahoma (Mr. HARRIS) and the Senator from New Mexico (Mr. MONTOYA) be added as cosponsors of my amendment No. 774 to S. 3619, to create within the office of the President an Office of Disaster Assistance which would authorize the Small Business Administration to make loans to disaster victims to prevent the dispossession or eviction of any person from his residence as a result of the foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, oral or written, of the property which is such person's residence.

The PRESIDING OFFICER (Mr. NELSON). Without objection, it is so ordered.

## ADDITIONAL STATEMENTS OF SENATORS

### THE LOCKHEED C-5A—DEFENSE GIANT

Mr. YOUNG of North Dakota. Mr. President, there has been an unusual amount of publicity, most of it adverse, with respect to Lockheed's C-5A plane being acquired by the Air Force.

The cost overrun has been very sizable, but percentage-wise, not by as much as some of the other big procurement programs of the Department of Defense. Few, if any, question the quality of this C-5A. It is a superb plane. Lockheed, its maker, has lost heavily in providing this plane for the Air Force.

Mr. President, one of the most factual articles I have read with respect to the C-5A and cost overrun was written by staff writer Michael Getler, and published in the Washington Post of Sunday, July 26. The information contained in the article is very factual and the kind, I believe, in which Members of Congress and the public generally would be greatly interested.

I ask unanimous consent that the article be printed in the RECORD.

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

CAN DEFENSE GIANT BE ALLOWED TO FOLD?  
LOCKHEED: DILEMMA FOR UNITED STATES

(By Michael Getler)

An Agena rocket pushes a Samos satellite into orbit around the earth, enabling its cameras to scan the earth below for signs of new Russian SS-9 missile sites. The Agena is made by Lockheed.

Days later, the Samos ejects its packet of top secret film and a specially equipped C-130 transport plane snares it over the Pacific and heads for home in Hawaii. Lockheed manufactures the C-130.

What Samos misses, high flying SR-71 and U-2 reconnaissance planes often obtain. Those planes, and their world famous designer, C. L. (Kelly) Johnson, are from Lockheed.

Off the Florida coast, Navy technicians are preparing a Poseidon missile for its first un-

derwater test shot on Monday. Lockheed produces the Poseidon missile.

At Charleston (S.C.) Air Force Base, a big C-141 jet transport takes off for Vietnam while ground crews ready the huge C-5A transport for its first European runs next month. Both planes carry the Lockheed trademark.

This scenario is real. What seems unbelievable, however, is that the nation's top defense contractor (\$2.07 billion in total sales in 1969), and the archetype of the vaunted American industrial-technological base, is now facing a potentially fatal financial crisis.

As Lockheed's problem unfolds, it sends new shudders through an aerospace industry already shaken by a \$3-billion dip in sales last year and the loss of more than 200,000 jobs. Among Lockheed's fellow aerospace giants, there is little smugness. "There, but for the grace of God, go I," is the attitude expressed.

In its broadest terms, the question is whether American defense needs require the government to keep a faltering defense industry afloat as a matter of national security or whether such companies should suffer the classical free enterprise penalty for failure to keep solvent—corporate death or merger with a healthy partner.

The Lockheed case is special, however, because the firm claims the government is at fault through "unrealistic" contracting procedures since abandoned by the Pentagon.

The case is also not without irony. Lockheed's C-5A excesses are not the biggest ones ever to hit a single program. Other defense contractors have had similar problems but have escaped through a system whose principal objective for years has been to get the weapons the country needs and worry about the details later. Yet Lockheed got caught in a new contract and a new era.

Ironically, had the company and the Air Force been less secretive during the early stages of trouble, many Pentagon observers believe the Congress, as it has in the past, would have been understanding.

Instead, the C-5A exploded upon Lockheed and the Air Force as a scandal, and the outcome for the company, the military and the country is still mixed up in the debris.

Pentagon officials privy to Lockheed's critical cash flow problem believe two key questions will determine whether the company that has delivered more than 31,000 airplanes and 1,000 strategic missiles to the armed forces in its 38-year history will face either takeover or bankruptcy in the next several months: 1) Will the Senate go along with the House authorization of \$200 million in contingency funds for the C-5A in the military spending bill now on the floor? and 2) Can the firm raise an estimated \$250 million from private sources without government guarantees to see it through first deliveries of its commercial L-1011 airbus in the fall of 1971?

Most observers believe that Lockheed could survive failure to get either government authorization for the \$200 or the \$250 million from private sources, but they think it would be fatal to the company in its present form if it got neither.

On Capitol Hill, some staunch foes of the C-5A and high military spending believe bankruptcy might be a good thing, a catharsis for the industry which would bring more efficiency.

One economist and C-5A critic, Richard Kauffman of the Joint Economic Committee staff says there is no hard evidence that Lockheed's going into bankruptcy would have an adverse effect on the national economy. Unlike Penn Central, with assets of \$8.5 billion, Lockheed's assets come to about \$1.27 billion.

Others, including Sen. William Proxmire (D-Wisc), a relentless and influential critic, prefer to view the prospect of a government rescue of Lockheed, as "setting a bad precedent," serving notice to aerospace contractors

who overextend themselves that the taxpayers will bail them out.

The Pentagon is worried about this too. A comptroller there says, "We don't want companies lining up demanding help on the basis of a government-financed solution to Lockheed's troubles. We can't make our procurement process some idle procedure. It has to be credible."

A. E. Fitzgerald, the Air Force efficiency expert who first disclosed publicly a billion-dollar overrun on C-5A costs before Congress and who has since been fired by the Pentagon and hired for Proxmire's committee staff, sees the forthcoming decisions "as a watershed that will determine whether this company or others like it will remain as free entrepreneurs, taking the risks, or become wards of the state. This is such an important precedent that it might be worth whatever difficulties arise to enforce the contract."

Lockheed employs some 97,000 workers in 12 plants, including 20,000 at Marietta, Ga., home of the C-5A and represented by Sen. Richard B. Russell, the aging but prestigious chairman of the Appropriations Committee. The firm also uses thousands of subcontractors.

High officials in the Pentagon, Congress, and probably the White House, look upon the idea of a bankrupt Lockheed with horror. They fear massive disruption of the critical Polaris, Poseidon and Samos programs, splitting up of design teams working on a new super-secret spy satellite and possible successors to Poseidon, both of which could play major roles in any future arms control environment.

Such fears could prove academic, since the Lockheed Missiles & Space Co. that handles all those projects has long been a profitable, well-managed operation and the parent company's prime revenue producer (an estimated \$9 billion in sales in the 10 years). Advocates on both sides of the question expected that Lockheed Missiles and Space would survive intact under almost any arrangement.

The issues, however, go beyond giving government aid, even temporarily, to a stricken corporate Goliath.

The government is virtually Lockheed's only customer (89 per cent of sales in 1969) and the firm does have several programs critical to both deterrence and arms control which conceivably could be harmed by a company-wide bankruptcy crisis.

The contracting procedures under which the firm rolled up huge cost overruns have now been officially discredited by a new Secretary of Defense, and the legal status of Lockheed's claims against the government on those contracts remains unresolved. Sen. Russell, in a recent floor speech defending the C-5A and Lockheed's performance in supplying defense needs in the past, questioned "whether it is appropriate for the Senate to sit in judgment on the degree of punishment to be meted out when the legal case is not yet settled."

And Lockheed's Board Chairman Daniel J. Haughton has asked: "Can we find an equitable solution in a climate antipathetic to defense expenditures?"

Of four so-called Total Package Procurement contracts let during the McNamara years, Lockheed won three—the C-5A, the Army's Cheyenne helicopter and a portion of the Sram missile produced by Boeing.

Of some \$770 million in claims filed by Lockheed against the government and now in negotiation or litigation, all but \$174 million arise from these programs. Under this system a company promised to develop and produce a new piece of equipment for a fixed price. Many complained later that it was really beyond the skills of any manager to bid accurately on a 10-year project with potential engineering unknowns and in an inflationary economy.

"But," as one man says, "they were the only games in town then, and we all bid on

them." Even Fitzgerald admits that Lockheed "was extremely unlucky. In the past, bailouts have been handled routinely, though clandestinely, through the change order routine."

Now, new development contracts are being awarded on a cost-plus basis, which the Pentagon hopes will lead to less risk for the manufacturers and better airplanes for the pilots. Fixed-price contracts are used for production.

Should Congress turn down the \$200 million contingency fund for the C-5A, the Defense Dept. estimates Lockheed will run out of money at the Marietta Plant in January after 31 of the 81 planes ordered by the Air Force have been built. Some critics assert there isn't enough outsized cargo in the military to justify all of the mammoth transports, but the Pentagon doesn't agree.

Deputy Defense Secretary David Packard told the Senate Armed Services Committee late in May that "our objective is not to preserve the company, but to preserve the capability we need to get our equipment."

If the C-5A production line stops in January, Packard calculates it will have cost the government \$3.7 billion to get 31 airplanes, or about \$120 million apiece. By spending another \$800 million for the remaining 50 airplanes over the next three fiscal years, including the pending authorization, Defense Comptroller Robert C. Moot says, the cost will come down to \$55 million each—still, he maintains, at no profit for Lockheed.

A denial of C-5A money may not, by itself, bring Lockheed down, however. There would still be termination costs and litigation pending on its current C-5A claim, estimated at between \$435-500 million. Defense officials say that Lockheed could benefit from the fact that the C-5A contract was the first of its kind and, in their view, legally complex. These officials estimate Lockheed might wind up losing some \$85 million to \$90 million if the project ends in January.

Government officials watching the situation closely say the L-1011 airbus is even more critical. And, aviation experts worry that Lockheed's prospects of obtaining financing be affected by the troubles with the government, plus the assault upon its technical credentials implicit in the Army's cancellation of the Cheyenne—also being appealed. Thus far, 173 airbuses are on order.

Though broad plans for putting the needed money together to save Lockheed have been reported, the company insists that nothing has been agreed to, and the Pentagon says nothing has been submitted yet. The plan is reportedly tied to approval of the \$200 million C-5A authorization, yet that authorization specifically restricts that money to the C-5A, and defense comptrollers say they can make sure it doesn't get into the L-1011 till Lockheed's detractors have questioned that point in the past.

The plan also reportedly calls for a government-backed loan of \$100 million from the banks, but here there is a road block in the form of an amendment to the Defense Production Act limiting loans to \$20 million and outlawing their use to prevent bankruptcy or insolvency.

Congress has already rebelled against a similar proposal to help Penn Central.

Without financial support for Lockheed from the private sector, Packard told the Senate Armed Services Committee, "there is no solution short of reorganization under Chapter 10 of the bankruptcy laws." Precisely what would happen under those circumstances is hard to predict, except that the government would be certain to protect its programs and probably take control of the Marietta plant.

For its part, Lockheed says: "Any conclusions from the current situation surrounding the company that the result may be bankruptcy or a split-up of operating divisions is highly speculative and also highly unlikely to occur."



When pressed on this point, Lockheed's friends and foes tend to agree. Even Fitzgerald, in his peppery style, says, "I fully expect the Air Force negotiators to take a dive on bailing them out. They'll enforce the contract, but will probably change it first."

#### A VOLUNTEER ARMED FORCE

Mr. SCOTT. Mr. President, next month the Senate will consider the Hatfield amendment to the military procurement authorization bill, proclaiming an end to the draft next year. As a co-sponsor of that amendment, and of previous legislation to end the draft, I reiterate once again my strong support for the initiation of a volunteer army as soon as possible.

As a sign of its good intent, I suggest that the Administration demonstrate its desire to create an all-volunteer armed force by gradually replacing those draftees who are presently serving in Vietnam with volunteers. It is inequitable enough, in my opinion, to be drafted under a hodgepodge of nebulous regulations and unworkable procedures. I do not believe that it would be an overstatement on my part to point out that a good deal of discontent among the young is due to the policy of sending draftees to Vietnam.

I think it entirely possible to begin implementing a volunteer army concept immediately as a way toward ending the draft. By sending only volunteers to Vietnam to replace those soldiers whose tours of duty in Vietnam have ended, the administration can take the lead. It can visibly demonstrate that the volunteer concept is a viable one.

I have been consistent in my belief that we must move to eliminate the draft entirely. Congress has a unique opportunity to demonstrate its sensitivity to one of the greatest and most legitimate gripes of our young. The draft is antiquated, unacceptable, inequitable, and basically unworkable no matter how streamlined a lottery system we develop. A better future standby draft system could be structured. Moving to a volunteer army will present some difficulties. Nevertheless, we must attempt to implement the recommendation of the prestigious Gates Commission Report as quickly as possible. Terminating the policy of sending draftees to Vietnam is the first step to ending, or at least phasing out, the draft system next July when it expires. Its renewal in its present form is hardly desirable. Presidential adviser Daniel Moynihan has called the draft "a way of getting amateurs to do a job for which we should be willing to employ professionals." I believe that by assuring the American people and particularly our young that draftees will not be sent to Vietnam, we will be taking the first step toward ending the draft.

We can raise an effective armed force through voluntary means. Certainly the proposal entails administrative and fiscal problems. The challenges will be great. But the volunteer army concept is not new. It can be made to work.

Certainly if this country wants to remain on an even keel domestically, we must move to end the draft. I would hope

that the draft could be ended in Vietnam on a gradual basis within a year. This would really be the first step toward implementing an all-volunteer armed force.

#### SECRETARY VOLPE PLACES TRANSPORTATION SYSTEM IN PERSPECTIVE

Mr. RANDOLPH. Mr. President, there is a growing awareness in this country of the importance of a sound, balanced transportation system.

Unfortunately, there are a number of popular misconceptions about the development of this system and the Federal Government's role in it. These erroneous impressions frequently result in unnecessary obstacles to orderly development of a national transportation system.

Hon. John A. Volpe, who has performed with vigor and imagination since becoming Secretary of Transportation last year, provided new insight into the scope and challenge of American transportation in a letter published yesterday in the Washington Post.

Mr. President, so that this statement can be more widely disseminated, I ask unanimous consent that Secretary Volpe's letter be printed in the RECORD.

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

#### LETTERS TO THE EDITOR: VOLPE ON PRIORITIES

In your July 13 issue, Herblock wielded his drawing pencil against government spending for transportation. In this one his battered "U.S. Taxpayer" had been left in the dust by vehicles labeled "Government Hand-outs to Aircraft Industries," "Trucking and Highway Lobby," and "Railroads."

Now, hyperbole is the cartoonist's cutting tool and nobody can deny that Herblock uses it well. But just in case some of your readers fail to discount his artistic exaggeration I'd like to present a few facts for the record.

We have in this country more than 200 million people spread across 3½ million square miles of land. Every one of those people, whether he is a taxpayer or not, is a transportation user. Trucks, railroads, aircraft, pipelines, ships, barges move about two trillion ton-miles of freight a year—to house, feed, clothe, educate, medicate, transport, employ, and entertain those millions of Americans. The demand for goods and services grows as our population increases by about 6,000 a day. We conservatively estimate that we will have to double the carrying capacity of our transportation system long before the end of this century unless there is a sharp reversal of growth and distribution trends.

Transportation in the United States is at a point of crisis. We will sink or swim according to what we do in this decade. A viable transportation system—a far cry from what we have today—is absolutely necessary if we are to meet future needs for movement of people and goods. It will cost billions of dollars. We can provide it or we can let traffic come to a halt in our cities, at our airports and on our railways.

President Nixon's new program, effective this month, will put our airport/airways development pretty much on a pay-as-you-go basis, with the users paying the costs. Trucks—through user charges—continue to pay a large share of the cost of a world-envied highway network that ties our nation together. For many years the railroads have provided a substantial share of the national transportation service without any signifi-

cant government financial assistance. It's vital that we keep them operating—they hauled about 765 billion ton-miles of goods and raw materials in 1969.

One of our big jobs in the relatively new Department of Transportation is to formulate a long-range national transportation policy that will give that poor battered taxpayer a smoother ride while keeping him supplied with the necessities of life. Concurrently, believe me, we're working on myriad short-range programs to give him "the most bang for his buck" (and I'm sure the staff laboring diligently on noise abatement is going to be unhappy with that phrase).

JOHN A. VOLPE,

Secretary of Transportation.

WASHINGTON.

#### RETIREMENT OF LT. GEN. JOHN SPENCER HARDY

Mr. STENNIS. Mr. President, on August 1, 1970, Lt. Gen. John Spencer Hardy will retire from the U.S. Air Force after over 33 years of dedicated service to his country.

Since 1968, he has been serving as Commandant of the Industrial College of the Armed Forces, engaged in training the future leaders of our Armed Forces in the advanced skills that will be required of them in carrying out their responsibilities. He has done an outstanding job in this assignment, as in all others in the past. Certainly he is preeminently qualified by his experience and personal characteristics to have held this position of leadership.

A graduate of Centenary College, General Hardy was commissioned a second lieutenant in 1937. In World War II he served as A-3 of the 8th Air Force, in England and Italy. He continued to serve in a succession of assignments of steadily increasing responsibility, including commander of the 36th Air Division, of Keesler Air Force Base, of the 3d Air Force in England, and of Allied Air Forces in Southern Europe.

To each assignment he brought all the fine qualities which have made him such a valuable officer—dedication, diligence, intelligence, and integrity. At all times, he has made it a point to become a part of the community in which he was serving, and in his associations with civilians his personality and character made him an outstanding representative of the Armed Forces. Further, those splendid qualities and his activities made him a positive part of the social, civic, and religious activities of the entire community in which he lived. He has been a top level all around professional military man of exceptional ability and achievement, and also an outstanding citizen and civic leader. In all of those endeavors he has been ably assisted as well as inspired and encouraged by his truly wonderful wife, Mrs. Hardy. I am also proud to claim them as personal friends.

His decorations, all richly deserved include the Distinguished Service Medal, the Air Force Distinguished Service Medal, the Legion of Merit with two oak leaf clusters, and many others.

I am sure that Senators join me in congratulating General Hardy on the completion of his distinguished military career, and in extending to him and Mrs. Hardy every good wish for the future.

# COMMENCEMENT ADDRESS BY SECRETARY HICKEL

Mr. CASE, Mr. President, Secretary of the Interior Walter J. Hickel recently gave the commencement address at Stevens Institute of Technology in Hoboken, N.J.

In his address, Secretary Hickel stressed the value of youth, and especially of the graduating engineers, directing their capabilities and creativity toward our toughest environmental problems. He urged them to stand up and be heard on these problems even though their views may be unpopular and may make some people uncomfortable.

Mr. President, I believe that the Secretary's message should be of interest to Senators and ask unanimous consent that it be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

## REMARKS OF SECRETARY OF THE INTERIOR WALTER J. HICKEL

I am proud to be at Stevens Institute today.

The honorary degree you have graciously bestowed on me is the symbol of a profession which holds a key to the quality of our future.

The engineers must help save us from ourselves, and I am honored to be included in your ranks.

We have been experiencing an age in which all obstacles were taken as challenges.

Halted by rivers, we built bridges and tunnels.

Pitying the hungry, we developed a powerful agricultural industry.

We built vast cities to house the millions of our fellow men.

In meeting these challenges, we tore minerals from the earth, denuded forests, wasted soil, fouled rivers, and filled the air with stench.

We were almost undone by our victories.

But man "the master" is finally learning that the earth will not tolerate a "master race."

Nature has rebelled against our intolerance and our pursuit of just our needs without regard for hers.

However, we are starting to change this dream of power and to make amends—to contribute to a life in harmony with our environment.

We need our cities.

We need our tunnels and bridges.

We need our farms, our industries and our highways.

But the task before us in 1970 is to harmonize these needs with nature's.

To me, this challenge is an exciting and demanding frontier, and one which could provide a "new commission" for America's engineers.

We are confronted with a new world of questions and a new set of values.

For example, how can we make electric power without polluting the air with fumes or damaging the marine ecology through thermal pollution. . . .

As just one possibility, the Interior Department has been negotiating for a preliminary study of an offshore, submerged nuclear power station.

We know that this concept has not been proven.

But the increasing power requirements of the nation and emerging problems relating to thermal pollution demand that we explore every possible approach.

We want to determine the environmental impact of a 1000-megawatt nuclear power plant placed on the seabed at a depth of about 250 feet, several miles offshore.

We will place particular emphasis on the effects that heated power plant cooling water might have on marine ecology.

Of course, when we talk of "thermal pollution," we're talking only about heated water—not "radioactive water."

The cooling water used in these plants never contacts anything remotely radioactive because sealed systems are used.

But the plants do create considerable waste heat—and this is carried off in the cooling water.

What we want to do is get far more accurate data on ocean currents and temperatures, which vary widely at different depths and distances.

Then—through skillful discharge of this heated water we can improve the fisheries resources in areas where the water may be too cold.

In this way, we do not stop progress. Rather, we enhance both progress and the environment.

We turn a problem into a "plus."

Let's seek the same sort of "pluses" so we can transport ourselves and our goods without smothering our cities in smog. . . .

So we can mine minerals without permanently scarring the earth. . . .

So we can manufacture the millions of products we need, without fouling our rivers with wastes.

Many critics blame our advanced environmental pollution on our advanced technology.

In a sense, they are right.

For example, the automobile, a vital element of the nation's economy and growth, has now reached a point of being counterproductive because of all the pollution it causes.

And as far as automobiles are concerned, anyone who knows me, knows that I have rather strong views about them! . . . And the need to move far more Americans by rapid, mass transit—rather than in automobiles.

We are moving millions of Americans—but one at a time—and single-car-by-single-car—into our city centers every day.

And we have turned the highways into our cities into such sluggish arteries—and they are so frustrating to drive during rush hours—that they threaten to kill the "patient" they serve: the city itself.

But there are answers . . . if we look for them, including in other nations.

For example, United Press International reports from Moscow, that construction is under way on a 240-mile-per-hour monorail to the airport in Kiev.

While motorists are taking an hour to get to the airport, the monorail will make the trip in eight minutes.

. . . and travelers will go there in quiet, clean comfort.

A positive approach to meeting needs—while improving the environment, through projects such as these monorails, would prove that we do not suffer from too much technology, or too many engineers.

But instead, we suffer from too much "short-term" technology bred only to the service of man's more immediate appetites.

However, in a new spirit of reverence for the planet we have used so badly, this generation of graduates from Stevens can be in the vanguard of a new breed.

Your task is nothing less than the creation of a whole new civilized industrial technology, to replace the brute machine that raised so much ecological hell.

Creating that technology is a challenge that demands the best our nation can produce.

We must "rethink" every machine, every tool, every technique in the light of the needs of the ecology of the earth.

At the same time we must find fresh ways to meet the staggering material demands of the human race in the foreseeable future.

In the Department of the Interior, part of

our job is to forecast demand for minerals and mineral fuels—keystones for our industrial society.

The predictions are alarming.

By the year 2000 we will annually consume twice as much petroleum as we do now;

Two thirds again as much iron;

Two and a half times as much copper;

Two and a half times as much silver;

Three times as much phosphorus, and twice as much coal.

During the next 30 years there will be a premium on rapid and economical retrieval of these minerals.

This adds even greater urgency to overhauling our techniques for mineral recovery, if we are to meet our consumer demands without desecrating our natural heritage in the process.

It is an engineering challenge without parallel in history.

I look to your generation.

Youth's great gift is creativity. You possess minds and spirits free enough to view the world without preconceptions.

If you refuse to sell out to security or expediency, you will be more inventive, more flexible, more responsive more daring than those who are weighed down by decades of "know-how."

I believe that the environmental crisis can be solved.

It is a challenge to greatness which will call forth the finest qualities from our people. In a nation beset by grave problems, we cannot turn a deaf ear to those best equipped, in many ways, to save us.

America's young are brimming with new values and approaches, and these must be heard.

For it is you who will have to live with the solutions—good or bad—to our nation's problems long after my generation has gone.

Last month in Tennessee, President Nixon touched on an extremely vital point when he said:

"The younger generation in America is enormously interested—not simply in the pursuit of a good living—but also in those causes that are beyond self."

Speaking at a rally of the Reverend Billy Graham, the President was referring to the deeper values which many of today's youth are reaching for.

And the President made it clear that he believes that the young people of America have something to say.

And I was proud when he continued, "I want them in the high councils of the government of this country."

The question is, how can you best make sure your ideas and beliefs have an impact on national policy?

If you have an idea which you believe has merit, how do you make it heard?

If you dissent, how do you do it?

If you are in government, how do you respond to opposition?

The effectiveness of a democratic society depends upon its ability to accommodate dissent.

To provide an orderly process by which disagreements can be worked out and wrongs righted.

And the structure of the system modified in the face of changing conditions.

The problem is to strike a balance between ability to change and social stability.

Today there are some who maintain that government and its institutions are so vast they can no longer respond to the needs of the people.

And in recent years, increasing numbers of Americans have taken to the streets to express their views on basic issues.

And more and more a few young Americans claim that civil disobedience is a necessary instrument for effecting needed social change.

What they fail to see, is that the challenge in front of us is to make the channels



built into our government system adequate to the task of national renewal.

Today, many Americans are going through a crisis of conscience, and the tactics of a few have encountered angry opposition.

Millions of other young Americans, who might sympathize with some of the goals of their fellows, cannot accept their methods of seeking change.

The difficult problem is to maintain perspective. The issues have reached a stage of polarization.

When all is said and done, civil disobedience tends plainly to impair its operation.

It's too bad—to use an understatement—that men, so often, are hostile to each other.

But this is nothing new, and when man first appeared on this planet two million years ago, he was nearly helpless in a hostile environment.

Self-protection was the primary need.

This drive has remained his overriding concern. Self-defense has escalated from the club to the China Wall to the massive machinery which now stands poised and ready to destroy all life on earth.

The price of protection is high.

Clearly, some rearranging of this nation's priorities is in order.

As we make the shift from security to opportunity, our attitude toward dealing with the environmental crisis will change.

If we approach the task reluctantly, it will not be done well.

We must answer this challenge as we took the engineering challenges of the past:

As an opportunity to show that man has the capacity and the will to be a responsible steward of his natural habitat.

Then we will do a job of which future generations can be proud.

For example, we must inventory and catalogue all our public lands—our waters, our continental shelf, our beaches, our forests and prairies.

It is time we decided what is the highest and best use of a forest, for example.

Is it to be cleared for yet more homes and factories? Or would a higher use be as a park?

In the past, our values have been strictly monetary. New criteria are needed which can put an appropriate value on natural beauty and recreation.

But it would be a serious mistake to leave the responsibility for caring for our environment entirely in the hands of government.

Fortunately, this is not the prevailing attitude in the country, and thousands of individuals and scores of industries are beginning to take spontaneous initiative.

I urge you, as engineers, to "link up" with these individuals and industries.

Use your talents to tackle the really tough problems of our times.

And so I say to you: Never be afraid to stand up and say what you think!

Your views may be unpopular. They may make some people uncomfortable.

But, believe me, you have friends—in government, in industry, in the educational establishment.

Don't allow yourselves to be polarized on the issues.

Most of them today are not simply "yes or no" . . . "night or day" questions.

Winning people over is a much more mature, and in the long run, a far more effective way to change society than alienating people.

Your Earth Day activities at Stevens, I understand, were an excellent example of this, as you aimed at educating the public to the menace of environmental damage.

You told people what they could do about pollution.

Bringing people together in the name of a vital cause which affects all of mankind is the highest science of our times.

It is a science which—I am confident—

will be mastered by the engineers who sincerely dedicate themselves to shaping and building the future.

#### SENATOR RANDOLPH URGES SUPPORT FOR SENATE JOINT RESOLUTION 207—ESTABLISHING A JOINT CONGRESSIONAL COMMITTEE ON THE ENVIRONMENT

Mr. RANDOLPH. Mr. President, evidence of the mounting crisis in the environment is undeniable. It is so pervasive and well documented in the hearing records of the Committee on Public Works and the Subcommittee on Air and Water Pollution and other committees that disagreement occurs only with respect to the degree of its seriousness. Without question, of the many threats to civilization, the continuing deterioration of environmental quality must be placed among the major concerns of civilized man, along with war, hunger, disease, poverty, racial antagonisms, and crime.

The basic conflict is between the long-term environmental goal of preserving and enhancing the quality of the environment and short-term economic interests. This conflict must be minimized. Long-term economic viability and interests may well be contingent on achieving environmental goals. In the short run, environmental controls may be costly, but in the long run they will prove beneficial to industry and the public it serves.

Concern is for the environmental impact of technology as it affects man's thinking, health, work, living habits, and individuality. The objective is management of our waste effluents to produce benefits by design, rather than by accident. Only in this way can we provide for the maintenance of environmental quality.

The complexity and character of environmental problems is reflected in the environmental policies established by the Committee on Public Works in the fields of air and water pollution, solid waste disposal, highway beautification, and economic development, and other areas. These policies that set forth in the Environmental Policy Act, exhibit a concern not only for those environmental elements on which man depends for his subsistence, but also a concern for scientific, esthetic, educational, recreational, and other values.

In formulating these policies, Congress perceived the environment as broader than any single discipline and requiring a coherent and effective public policy. In shaping this policy Congress has tried to dispel any concept of the environment—air, water, or land—as an infinite reservoir with an infinite capacity to assimilate the wastes of society. Our resources are limited, and we have overdrawn our bank account.

Congress has defined three principles for inclusion in a national environmental policy: First, the development of an environmental enhancement program; second, the initial responsibility for carrying out such a program rests with State and local governments; and third, a straight-jacket of Federal standards and Federal enforcement ought to be avoided in dealing with environmental quality.

These principles are embodied in numerous Federal statutes. As general principles rather than detailed instruction, they reflect the nature of environmental problems which are not static but ever-changing. Existing statutes permit a flexible, responsive approach to environmental quality and pollution control.

This year Congress provided for the creation of the Council of Environmental Quality and the President's Office of Environmental Quality. These functional organizations can aid significantly in the coordination of the environmental quality programs of this Nation and a greater utilization of existing resources. The proposed Joint Committee on the Environment will bring to the legislative branch a similar effort to achieve a more coordinated and coherent effort.

Mr. President, I ask unanimous consent that excerpts from hearings before the Committee on Public Works concerning environmental quality be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

#### EXCERPTS FROM HEARINGS ON ENVIRONMENTAL QUALITY

During the past 6 years, in the course of its work on environmental quality legislation, the Committee on Public Works has become increasingly concerned with the impact of federally aided programs and activities on the environment.

The following quotations from hearings and reports illustrate the extent of the committee's concern.

"During the 88th Congress, the Senate Committee on Public Works found an increasing amount of its activity shifting from the consideration of traditional project legislation to substantive matters. Increased emphasis on the conservation of air and water resources has been answered by means to prevent pollution. Increased concern for lagging economic growth in certain areas of the Nation has produced public works programs designed to aid economic development. Our highway program is being examined for its total community value.

"Rivers and harbors measures, themselves, are less and less simple one-purpose projects. Previous Congresses set the stage we are moving onto now where comprehensive planning and multipurpose developments are required. The interrelationship of water resource development with economic growth is becoming more the rule than the exception as demonstrated by the Appalachia bill reported by the committee.

"The Appalachia bill marks a sharp departure in the responsibilities of the committee which first began with consideration and the passage of the Accelerated Public Works Act.

"Appalachia is the first extensive legislation identifying dams, reservoirs, roads, sewage treatment plants, sewers, buildings, and other public works as the physical requirements for economic growth. Accelerated public works recognized the value of public works as an antidepressant measure. Combined with Appalachia the building of public works provides not only immediate employment but the means for longterm general improvement." (Summary of Legislative Activities, Committee on Public Works, U.S. Senate, 88th Cong., p. v.)

#### AIR AND WATER POLLUTION

The concern of the Committee on Public Works for environmental quality led to the establishment of a special subcommittee on

air and water pollution during the 88th Congress on April 30, 1963.

"The national water pollution control program has for its primary objective the enhancement of the quality and value of the Nation's water resources. This can only be done by preventing, controlling, and abating water pollution.

"The Federal Water Pollution Control Act is the basic statutory authority for Federal participation in the national program. The act authorizes the administration and conduct of programs directed to the achievement of the important national water quality goal. The bill provides for specific expression of the act's purpose to establish a national policy for the prevention, control, and abatement of water pollution through effective administration of its comprehensive authorities." (Federal Water Pollution Control Act Amendments of 1965, S. Rept. 89-10, p. 4.)

"(1) Authorize the initiation and acceleration of a national research and development program for new and improved methods of proper and economic solid waste disposal, reducing the amount of waste and unsalvageable material and recovering and utilizing potential sources of solid waste, and provide technical and financial assistance to State and local governments and interstate agencies in planning, developing, construction, and conduct of solid waste disposal programs.

"(2) Provide that not to exceed 25 percent of funds appropriated for this purpose may be made for grants-in-aid, or to contract with, public or private agencies and institutions and to individuals for research and training.

"(3) Authorize grants to State, municipality, or intermunicipal or interstate agency for the purpose of assisting in the development of any project which will demonstrate a new or improved method of disposing of solid waste. . . .

"(4) Encourage cooperative activities by States and local governments in connection with solid waste disposal programs, encourage planning, and encourage the enactment of improved, and, so far as practicable, uniform State and local laws governing solid waste disposal.

"(5) Authorize up to 10 percent of funds available for the solid waste disposal program to be used in connection with the grants for support of air pollution control programs of the Clean Air Act. Grants would be made in an amount of up to two-thirds of the cost of making surveys of solid waste disposal practices and problems within the jurisdictional areas of appropriate agencies, and development of solid waste disposal plans. . . . (Clean Air Act Amendments and Solid Waste Disposal Act, S. Rept. 89-192, p. 2-3.)

"Requires that any Federal department or agency having jurisdiction over any building, installation, or other property shall discharge waste only in compliance with standards . . .

"Authorize appropriations to be made to the appropriate Federal departments or agencies for the installation, maintenance, and operation of water pollution control facilities which have been designed to meet standards prescribed . . .

"Authorizes the Secretary of Health, Education, and Welfare, upon request by a department or an agency, to train personnel to operate and maintain water pollution control systems.

"There are provisions in existing law which authorize training in technical matters relating to the cause, prevention, and control of water pollution to personnel of public agencies and other persons of suitable qualifications. However, the committee is concerned that such authority may not be construed or utilized for the purpose of developing skilled personnel to operate and

maintain treatment plants, particularly in new facilities.

"Would provide for a system of reporting to the Secretary of Health, Education, and Welfare by the Federal department or agencies which have jurisdiction over buildings, installations, and other property, and which discharge waste. In addition, the Secretary of Health, Education, and Welfare would report to the President and the Congress with respect to effectiveness of actions taken by those Federal departments or agencies in controlling water pollution.

"Requires that all Federal departments and agencies cooperate with the Department of Health, Education, and Welfare, and with air pollution agencies in controlling air pollution discharges from any Federal building, installation, or property. Further, the Secretary of Health, Education, and Welfare is authorized to establish classes of potential pollution sources for which any Federal department or agency would be required to obtain a permit from the Secretary before discharging any matter into the air.

"Authorize appropriations to be made to the appropriate Federal departments or agencies for the installation and maintenance of air pollution control devices as are certified by the Secretary of Health, Education, and Welfare to be adequate to meet the limitations on emissions prescribed by him. In addition, it directs such Federal departments or agencies to request funds to make necessary installations to meet the limitations for allowable emissions.

"Require that, after the effective date of this section, no Federal department or agency shall construct, prepare for use, or expand facilities without the inclusion of air pollution control measures which the Secretary of Health, Education, and Welfare considers to be adequate.

"Authorizes the Secretary of Health, Education, and Welfare, upon request by a department or an agency, to train personnel to operate and maintain devices or other means of preventing or controlling air pollution.

"Provide that Federal departments or agencies keep the Secretary of Health, Education, and Welfare informed of air pollution control practices in effect at buildings, installations, and other property under their jurisdiction. They are also to inform the Secretary of the absence of, or failure to institute, practices necessary and adequate to correct deficiencies and the reasons therefor. In addition, the Secretary is to report each January to the President and the Congress on the status and effectiveness of actions taken." (Federal Installation, Facilities, and Equipment Control Act, S. Rept. 89-128, pp. 10-11.)

"The prime purpose of the proposed legislation is to strengthen the Clean Air Act, to expedite a national program of air quality improvement, and to enhance the quality of the atmosphere to protect the health and welfare of our citizens against long-term hazards and immediate danger. Considerations of technology and economic feasibility, while important in helping to develop alternative plans and schedules for achieving goals of air quality, should not be used to mitigate against protection of the public health and welfare.

"The objective of S. 780 as amended is to achieve clean air, and to do so through the establishment of sound objectives and feasible timetables. The committee's hearings indicated that those who contribute to air pollution share with all Americans the objective of cleaning up the air, and that the differences of opinion expressed were addressed primarily to how that objective best could be accomplished. Through a full understanding of the etiology, the probabilities, and the

severity of health and welfare hazards involved and with the strengthening of the technological and economic capabilities for abatement in both the public and private sector of our economy; the needs of public health and welfare without serious or excessive economic dislocation can be met.

"This legislation contains imaginative and far-reaching opportunities for air pollution control and abatement, but the bill is complex, as are the problems of environmental control. The problem of air pollution is neither local nor temporary. It is a universal problem, and, so long as our standard of living continues to increase, it will be a permanent threat to human well-being.

"S. 780, as amended by the committee, will provide a comprehensive, broad-based attack on the Nation's air pollution problem while expanding the potential of control technology and identifying the health and welfare effects of air pollution. Its objective is the enhancement of air quality and the reduction of harmful emissions consistent with maximum utilization of an expanding capacity to deal with them effectively. At the same time, it provides authority to abate any pollution source which is an imminent danger to health, by whatever means necessary." (Air Quality Act of 1967, S. Rept. 90-403, p. 2.)

"The President's Executive order on water pollution and section II of the Federal Water Pollution Control Act are both directed at water pollution control activities by Federal agencies.

"Nuclear powerplants are licensed by a Federal agency and therefore can and should be expected to conform with applicable water quality standards and a concept of water quality enhancement.

"But the committee has found that Federal agencies are not assuming the proper leadership role—that often their activities actually condone pollution rather than encourage water quality enhancement.

"Thermal pollution is only one case. There are numerous Federal agencies which need to exercise more leadership both in their own activities and in the activities over which they are responsible.

"Only in this way can the Federal effort in pollution control appropriately relate to the expanding vigor of the State programs. This expanded Federal role is especially essential, at a time when, because of a serious national budgetary restriction, full Federal funding of construction activities may not be possible." (Opening statement at hearings of the Senate Committee on Public Works on Thermal Pollution, 1968, pt. 1, pp. 1-2.)

"While water quality standards, now set and approved for most interstate waters, will cause installation of such control facilities as are necessary for compliance, serious question has been raised regarding the role of Federal agencies which authorize or assist such activities without requiring compliance with applicable standards.

"In order to ascertain the extent to which Federal agencies are conducting such activities, the committee began, early last year, hearings on the role of the Atomic Energy Commission relative to control of waste heat discharges from federally licensed nuclear powerplants. The hearings indicated several important problems.

"1. The Atomic Energy Commission does not consider its legislative authority sufficient to condition licenses relative to water quality standards for other than radioactive materials;

"2. The AEC regulations specifically prohibit intervention or testimony on the subject of pollution other than radioactive discharges;

"3. State agencies charged with water pollution control responsibility question their ability to require control of nuclear powerplant waste heat discharges once that plant



has been licensed for operation by a Federal agency, believing that the existence of the Federal license might preempt State regulatory authority;

"4. Thermal pollution is of sufficient concern to require consideration prior to final selection of a steam electric powerplant site both because of the potential adverse effect of heated water discharges on the receiving streams and because of the land requirements associated with construction of cooling facilities if required; and

"5. Waste heat discharges can seriously and adversely affect the ecological balance of the receiving waters and, though much remains to be learned about these effects, a sufficient body of evidence exists to establish standards and require control.

"The information received during the hearings suggested a need for the Federal Government to become involved at an early stage in water quality control by entities which receive Federal authorization or assistance.

"On September 16, the subcommittee invited comment on the extent to which the electric utilities industry should consider environmental hazards in selecting powerplant sites. This question resulted from information developed during the hearings pointing out—

"1. Few utilities have considered ecological effects of waste heat discharges either in relation to site location or operation of thermal generating stations;

"2. Little, if any, investigation has been made by most utilities to determine ecological background of receiving waters;

"3. Use of existing cooling technology for other than conservation of water has not been considered by utilities until after intense public pressure has been exercised; and

"4. The general assumption seems to be that any risk of adverse ecological effects associated with thermal pollution be taken by the public rather than the utility.

"However, the correspondence which follows indicates that ecological effects are of significant importance to warrant early consideration in a utility's decision to construct new steam electric generating facilities." (Summary statement on hearings of the Senate Committee on Public Works on Thermal Pollution, 1968, pt. 3, pp. 975-976.)

"What we are talking about is adding something to the environment that is not now added. Now, if it happens to be harmful we may be doing something that is irrevocable. If it happens to be good, so much the better. But by withholding any discharge or any such addition to the environment we are making no impact and that is the ideal situation to maintain until you get the answers. Unfortunately, we do need the additional energy, so we have the problem of how in the period during which we are trying to find the answers we minimize the possibility of harmful effects.

"The fact that in some cases you may get beneficial effects does not necessarily justify taking the risk of harmful effects when you can withhold both until you get the answer.

"We are going to have an argument in each case as to whether or not we know enough to impose a restriction. Well, I think that increasingly we have to take the point of view that if we don't know enough, then we don't know enough to permit the discharge.

"If the point that we don't know enough justifies not imposing control, then it seems to me it also justifies not permitting the discharge.

"At least I think we ought to take that perspective on every one of these plant location decisions. I don't think we can afford to take a position that until we know specifically what the harmful effects are, we have to assume that there is enough good to build a plant.

"I think that is a wrong perspective. I think that we have to enlarge our area of knowledge as fast as we can so that we won't deprive ourselves of the necessary electrical energy, but I don't think we can just leave it an open door to permit this kind of development to continue without any restriction or restraint simply because we don't know all we ought to know about the harmful effects.

"This is a change of perspective and I think we have to arm the Federal agencies and the State agencies, as we would under this legislation, with enough restraining authority so we just don't plunge headlong into a lot of problems that will plague us once we begin to know the full implication of what we have done." (Comment by Senator Muskie at hearings of the Senate Committee on Public Works on Water Pollution, 1969, pt. 1, pp. 42-43.)

"Legislation has been enacted to deal separately with the control and abatement of air, water, and land pollution. The enhancement of environmental quality has become a major national goal. The committee has now turned its attention to the need for environmental planning. As existing sources are brought under control, management of wastes and environmental quality can become a reality. As this possibility evolves, a policy must be defined relating to the responsibilities and rights in the use of air, water, and land resources.

"The need for a policy relating to use of the air, inland, and coastal waters, and land resources is highlighted when it is realized that any single form of waste can be transformed to another form during handling and disposal. Solid waste, for example, may result in gaseous wastes when incinerated, liquid wastes when ground in garbage grinders, or remain as solid waste materials disposed of in landfills. This is but one example which suggests the need for an integrated policy for all forms of wastes rather than separate policies for solid waste disposal, air pollution control, and sewage disposal.

"A policy of environmental quality management for all forms of wastes is clearly required. Such a policy need not suggest that the administration of these programs be combined, but in the absence of a combined administration, the need for an overall coordinated policy is even more urgent." (Summary of Legislative Activities; Committee on Public Works, U.S. Senate, 90th Congress, p. 45.)

#### *"Environmental Quality"*

"During the second session, the subcommittee held hearings on "Environmental Quality Management and Waste Management Research." Legislation has been enacted to deal separately with air pollution, water pollution, and solid waste disposal, but a congressional policy directed at their interrelationship is less precise. These hearings provided an initial look at this interrelationship and the need to define a public policy relating to the responsibilities and rights in the use of air, water, and land resources.

"These hearings provided an initial look into two areas. First, is there a need for a policy relating to the use and degradation of the air, inland and coastal waters, and land resources of the United States?

"Second, are the current Federal research management policies and practices in air and water pollution, and solid waste disposal adequate to the problem? Enacted legislation requires the establishment and implementation of air and water quality standards on prescribed time schedules. Current technology will reportedly satisfy many immediate objectives such as municipal waste water treatment of control of airborne particulates. These hearings provided

an initial look at long-term needs and the adequacy of control technology to insure compliance with prescribed time schedules. Particular attention was given to improvements in Federal research management practices which might expedite development of control technology." (Summary of Legislative Activities, Committee on Public Works, U.S. Senate, 90th Cong., pp. 61-62.)

#### *"RIVERS AND HARBORS AND FLOOD CONTROL"*

"Public works for many years has been synonymous with flood control. But recently the simplicity of a flood control project has given way to the necessity of considering much more than a single factor when developing a reservoir program. As a result public works is becoming more and more a matter of water resources programming.

"The Federal civil works program under jurisdiction of the Corps of Engineers, embraces the works for improving rivers, lakes, coastal areas, and harbors of the United States in the interest of navigation, flood control, hydroelectric power development, water supply, pollution abatement, recreation, beach erosion control, and other allied water purposes, which the committee has approved and the Congress authorized for accomplishment by the Corps of Engineers, Department of the Army." (Summary of Legislative Activities, Committee on Public Works, U.S. Senate, 88th Cong., p. 5.)

"It has long been recognized that flood control is only one of the purposes for which our water resources should be developed. Congress has recognized that full consideration should be given to a desirable improvement for the use and control of all the water resources, in the committee, the projects and basin plans included in this bill give full weight to the navigation possibilities; the development of hydroagricultural uses; the utilization or recreation potentialities in connection with reservoirs; and preservation of fish and wildlife; the abatement of stream pollution; the improvement of water quality; and the provision of improved sanitary facilities. The committee feels that a program for flood control and navigation would not be comprehensive or in the best interests of the Nation unless all these factors were considered." (River and harbor, beach erosion control, and flood control projects, S. Rept. 87-2258, pp. 3-6.)

"We are no longer just concerned with flood prevention—but with the multiple aspects of reservoir development—including water supply hydropower development, recreation, and other multiple uses made possible by large storage dams.

"Water is a precious commodity. It is becoming more apparent each year—that we cannot afford to waste, pollute, or in any way destroy this natural resource.

"Therefore, it is of paramount importance that in our plans for controlling destructive flood waters, we fully utilize all the waters stored in a manner that will provide releases for conservation purposes—such as power development, industrial and domestic water supply, recreation, and pollution abatement.

"The Congress has asked the Corps of Engineers to look into comprehensive river basin planning, as the best means of fully developing our water resources." (Opening statement at the hearings of the Senate Committee on Public Works, on Public Works Authorizations, 1965, pt. I, pp. 1-2.)

"In this work we are dedicated to the principle of providing the best use, or combination of uses, of these resources in the service of the economic and social welfare of the Nation.

"The disciplines and techniques of economics, political and social science, and public administration, as well as engineering, bear importantly in the solution of the complex resource development problems of our

present-day society. In our role as public planners we are striving to provide the insight and leadership necessary to bring all the pertinent disciplines and techniques into focus on these problems.

"The test of any planning lies in the soundness of the action programs it defines. In down-to-earth terms this means that in the field of water-oriented planning we must devise effective ways of meeting needs—both immediate and long term—for domestic, municipal, industrial, and agricultural water supply; water quality control; navigation; hydroelectric power; flood control; land and beach stabilization; drainage and salinity control; hurricane and tidal flood damage control; outdoor recreational activity, including that associated with preservation and enjoyment of open space, green space and wild areas of unique natural beauty or special interest; and fish and wildlife conservation and enhancement. These factors all are considered in our project proposals."

"As we approach the borderline between water abundance and water deficiency in many parts of the Nation, and strive to catch up in those areas where we already have crossed this border, it becomes clear that the pace of our planning and development activities must be increased. In addition to the pace imposed by growing demands, there is the added pressure of complexity. With few exceptions the day of single-purpose project planning is a thing of the past. Multiple-purpose planning now is the rule of the day." (Testimony of Maj. Gen. Jackson Graham, hearings of the Senate Committee on Public Works, on Public Works Authorizations, 1965, pp. 15-16.)

"In water development it is not enough to consider measurable market values. We must also look beyond them. Water is related to public health, to outdoor recreation, and to the beauty of the landscape."

"If the assessment of values to be taken into account in project design is difficult, so are the technical engineering aspects. A variety of engineering and natural science specialists are required to design and operate a modern water facility."

"In my opinion the policies and administrative arrangements which evolved out of the earlier period of our history have not yet caught up with the kind of water management task now confronting us."

"I am not suggesting that a Federal agency or combination of Federal agencies should be clothed with this kind of authority nor am I suggesting that all water resources management responsibilities be turned over to State or regional organizations. But I am indicating that some combination of policies and administrative arrangements that can institute these measures in a coordinated fashion is essential if water resources management is to provide American society with the full potential benefits inherent in the resources with which we have been endowed."

Testimony of Irving Fox, Resources for the Future, hearings of the Senate Committee on Public Works on Public Works Authorizations, 1965, pp. 30-31.)

#### "HIGHWAY BEAUTIFICATION"

"Many millions of us have been disheartened as we have traveled about the country and have seen hillside stripped of their foliage, roadsides littered with trash, streams polluted. Some citizens, no doubt have felt that 'uglification'—this desecration of the land and water—was a necessary price we must pay for industrial progress, and a necessary byproduct of the tremendous growth in our population. Others, fortunately, have not given up so easily and, in fact, have recognized that our growth in population and our economic development are factors which make it absolutely essential that we take positive action to preserve our natural resources. We have come to realize that we do not have unlimited land and water. Of necessity, many

of us are going to be crowded in urban places. We must work together to make these places as pleasant and attractive as possible."

"Our concern is with damage inflicted unnecessarily, which could be avoided, by consideration of all aspects of the problem, not merely those of the highway engineers." (Testimony of Louis Prentiss, American Roadbuilders Association, hearing of the Senate Committee on Public Works, on Highway Beautification and Scenic Road Program, 1965, pp. 165-173.)

"It might seem to the casual observer that little harm would result in constructing a superhighway along the stream's course or in straightening a curving section of roadway by crossing and culverting, or channelizing and relocating a stream, or dredging a streambed to secure gravel for aggregate or to straighten and speed up the flow of runoff waters. The effect that most folk overlook is the great damage that accrues from violent disruption of the aquatic habitat."

"I think engineers, biologists, everyone working with resources of one kind or another, seek public approval, and want to do the best job they can. They often have to persuade some people to look at other values. This is essentially what we are trying to do here, to provide a basic force on the highway engineers and builders to consider these matters seriously so we will have a harmonious balance. (Testimony of Richard Stroud, Sport Fishing Institute, hearings of the Senate Committee on Public Works on the Highway Beautification and Scenic Road Program, 1965, pp. 438-455.)

#### Soil erosion control

"The Committee on Public Works, through the activities of its Subcommittee on Air and Water Pollution, has become increasingly concerned with siltation as a form of water pollution. Suburban home builders and highway builders are among the worst sources of this form of pollution, and yet government, whether Federal, State, or local, can hardly impose control measures on the private construction industry when it ignores prudent soil erosion control measures within its own area of responsibility. The committee therefore urges the Secretary not only to implement the provisions of the committee amendment, but also to take steps to minimize the time in which unsurfaced highway construction projects are subject to the erosion of wind and water." (Federal-aid Highway Act of 1966, S. Rept. 89-1410, p. 38.)

#### Preservation of parklands

"[It is] the national policy of the Federal-aid highway programs to preserve Federal, State, and local parklands and historic sites and the beauty and value of such sites. The Secretary is directed not to approve any Federal-aid highway project which requires the use of such lands unless (1) there is no feasible alternative to such use, and (2) the project plans include all possible provisions to minimize harm to affected parkland and historic sites. The committee recommends that this policy be extended to include wildlife refuge areas as well." (Ibid.)

"The committee is firmly committed to the protection of vital parklands, parks, historic sites, and the like. We would emphasize that everything possible should be done to insure their being kept free of damage or destruction, by reason of highway construction. The committee would, however, put equal emphasis on the statutory language which provides that in the event no feasible and prudent alternative exists, that efforts be made to minimize damage. To that end, the amendment contained in section 114 of S. 3418, as reported, which would expand the definition of 'construction costs,' should be helpful."

"The committee would further emphasize that while the areas sought to be protected

by section (4)(f) of the Department of Transportation Act and section 138 of title 23 are important, there are other high priority items which must also be weighed in the balance. The committee is extremely concerned that the highway program be carried out in such a manner as to reduce in all instances the harsh impact on people which results from the dislocation and displacement by reason of highway construction. Therefore, the use of park lands properly protected and with damage minimized by the most sophisticated construction techniques is to be preferred to the movement of large numbers of people." (Federal-aid Highway Act of 1968, S. Rept. 90-1340, pp. 18-19.)

#### Urban Impact of Highways

During 1967 the committee reviewed Federal policy relating to urban highway planning, location, and design.

"Most people realize how important highways are to the continued social and economic development of our Nation. Highways have proven to be one of the great contributors to our system of communication, as well as transportation. When people are able to move freely, safely, and conveniently from place to place, the resulting exchange of information, goods, and services works to the benefit of the entire national community."

"We hope through these hearings to come to an understanding of what is being done and what can be done in urban highway construction to make highways a force for improved environment rather than as a factor which accentuates the already existing elements of decay, disruption, and displacement." (Opening statement at hearings of the Senate Committee on Public Works, on Urban Highways, 1967, Pt. 1, pp. 1-5.)

"First, we must apply to all capital improvement programs a full accounting of their social and environmental costs and build into all of these programs the means of meeting these costs;

"And second, we must design all capital improvements to serve more than a single purpose so that full social and environmental benefit is extracted from such public investments."

"The application of these two principles to the highway program, I believe, is clear. The cost accounting applied to urban highways until now has been deficient in that the ledger shows the costs of the program only in terms of acquisition, design, and construction. It does not show such real and tangible costs as the additional street and storage capacity required at points of egress; the taking of land from the tax rolls; the dislocation of the people in the highway's path; the reduction in value of adjacent property, the division and disruption of neighborhoods stemming from insensitive location; and the visual blight resulting from insensitive design."

"I believe, and I will return to the point, that the highway program should include all the costs of building an urban highway, including those that I have itemized, and pay a fair share of these costs. To put it another way, I believe that the highway program, and the highway user, should meet the consequences of the powerful and potentially disruptive act of highway building in the city." (Testimony of William Slayton, Urban America, at hearings of the Senate Committee on Public Works, on Urban Highways, 1967, Pt. 1, pp. 5-21.)

"We had to take available published data, much of it very primitive indeed, but I think any examination clearly must include not only factors of physiographic and slopes and so on, bridge crossings points, but really must include social factors and resource values too, and the development I think of a humane and civilized route selection method will concentrate I think not on engineer-



ing considerations but matters of man, institution, and resource values." (Testimony of Ian McHarg, University of Pennsylvania, at hearings of the Senate Committee on Public Works, on Urban Highways, 1967, Pt. 1, p. 61.)

"In the view of the committee, the emphasis of the Federal Highway Administration on the development of multiple land and air rights use, as an integral part of urban highway planning design, is well placed. We encourage the Department of Transportation, the Federal Highway Administration, and individual State highway departments to give continued strong support to this so-called joint development concept.

"The significance of the concept's potential value is impressive in terms of savings to the public, of more productive land use in densely populated or highly concentrated urban areas, and of prevention of haphazard development along the highway right-of-way.

"The public saves from joint development because, on its behalf, the highway department eliminates costly severance damages associated with acquiring a highway right-of-way through partial takings of land. Instead, the parcels are acquired in their entirety for fair price, and the unused portions either developed or sold for development." (Federal-aid Highway Act of 1968, S. Rept. 90-1340, p. 8.)

#### Urban highway planning

"There is almost universal agreement on the need to approach the complexities of urban highway planning and development with all the professional and scientific expertise available. For too long, highways were designed, located, and constructed as single purpose projects. They were built to serve the needs of traffic and, in many cases, without regard to their disruptive effects on urban environment. Use of joint urban development as well as other techniques has done much to correct the situation. The committee believes that improvement in the overall coordination of highway projects is taking place.

"It should produce the basic mechanics needed, to provide a better evaluation of urban transportation needs in terms of social, esthetic, and economic values. It must be pointed out, however, that the approach must be classified as experimental. The committee is also aware that an approach such as this, will tend to prolong the completion of the Interstate System while these extensive studies take place.

"There is no doubt that the knowledge gained in these efforts, will provide a foundation for new methods and techniques to assist in solving our complex urban transportation problems." (Federal-aid Highway Act of 1968, S. Rept. 90-1340, pp. 11-12.)

#### "ECONOMIC DEVELOPMENT"

"Over the years, the steeply sloped Appalachian farms have remained relatively unproductive and have undergone severe erosion. The resulting denuded slopes have marred the scenic beauty of the land, contributed to widespread siltation of its streams, and have thus impeded the development of the great potential for recreation and tourism.

Most of the small crop farming now practiced in Appalachia is on a marginal basis and too frequently provides only a bare subsistence living for the small farmer. It is, however, unrealistic to expect every small Appalachian farmer to give up his farm immediately—an act which would largely result in simply transforming rural poverty into urban poverty. Also, many of the small farmers of the region, especially the elderly ones, are deeply rooted in the land and prefer to live out their years on the farm, rather than become public welfare clients in the towns and cities. Thus, a coherent and

equitable Appalachian development program must provide for restoration of the land under its present inhabitants and enable them to realize what benefits the land can furnish." (Appalachian Regional Development Act of 1965, S. Rept. 89-13, p. 11.)

#### Water resources

"An abundant annual rainfall in Appalachia gives the region a water resource potential that can be found in few other areas of the country. Unfortunately, this potential has never been fully realized, and all too often, water acts as a curse rather than a blessing in Appalachia.

"With proper control and management, Appalachia's water resources can become the region's most precious natural asset, providing almost unlimited opportunities for recreational activities and incentives for industrial development (18)." (Appalachian Regional Development Act of 1965, S. Rept. 89-13, p. 15.)

#### Mine area restoration

"Much of the Appalachian landscape has been ravaged by the mining of coal. Former practices of both strip mining and deep mining operations have eroded the hillsides, polluted the streams, and endangered the lives of thousands of people. Though present enlightened management practices have made great progress over former years, the abuses of past coal mining practices serve as a major deterrent to industrial and recreational development in Appalachia." (Appalachian Regional Development Act of 1965, S. Rept. 89-13, p. 16.)

### THE PRESIDENT'S TELEVISION INTERVIEW

Mr. SCOTT. Mr. President, nearly a month ago the President of the United States had a television interview with three of our Nation's top commentators. It was broadcast throughout the country. I am sure that all our citizens listened to the broadcast with the greatest of interest. It bore directly upon our foreign policy and upon matters which for a decade have been at the forefront of our national interest.

The President prefaced the question-and-answer session of the interview, which was the main portion of it, with a very brief announcement in which he named Ambassador David Bruce as chief of the U.S. delegation to the Paris peace talks with North Vietnam. Ambassador Bruce is well known as one of America's top foreign service officers, a gentleman of the highest attainments. He eminently fulfills all the possible criteria which could be suggested for the chief of our delegation.

This appointment is clearly a signal to Hanoi that the United States is continuing to seek initiatives toward a peaceful solution to the war in Southeast Asia.

The main body of the television program, of course, was devoted to the interview with Howard K. Smith, Eric Sevareid, and John Chancellor. By agreement, the subject of the discussion was confined to the Vietnam war and directly associated matters. It was conditioned only by the fact that all participants are sincerely devoted to the improvement and betterment of our country.

There were no holds barred on the questions. The interview was live and unrehearsed. There were no planted questions on the part of the administration and, although it is to be supposed that some prior preparation was individually

made by all four parties, it was entirely ad-lib. The public heard from the lips of the President and his interlocutors, without any interpretations or staff intervention, exactly what they asked and how he responded.

It has been commented in several places that the questions were searching, that no punches were pulled. It is also clear that the President was answering them carefully and clearly.

It is also evident that, whatever the political beliefs of the participants were, politics did not enter into this discussion. Perhaps the television interview was a device, as I have heard it called. What is not a "device" these days? The position of the President regarding our policy for Vietnam should be conveyed to the public as often as necessary. A television interview is of course not the only means the President might have used. He could also have given a written or press conference report to the Nation as he has done at other times. Or he might have given a background interview, or caused to be published a State Department or White House policy paper. All of these he has done. The television interview was a good choice, in my opinion, for it captured the attention of the audience and at the same time had the effect—once removed of course—of permitting further questions and discussion as points suggested themselves. I hope he will continue to employ this technique when it is appropriate.

Mr. President, the text of the President's television interview has not previously been printed in the RECORD. I think it belongs there as a permanent record of what he had to say at this time in our history. I therefore ask unanimous consent that the complete text of the President's television interview of July 1, 1970, be printed in the RECORD.

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

#### "A CONVERSATION WITH THE PRESIDENT ON FOREIGN POLICY"

The PRESIDENT. Good evening. Before turning to our panel for their questions, I have a brief announcement. After consultation with the Secretary of State and other senior advisers, I decided to name Ambassador David Bruce as Chief of our Delegation to the Paris Talks.

Ambassador Bruce, as all of those who have studied our foreign policy know, is one of America's most distinguished diplomats. He is a Democrat, but he has served five Presidents, Democrat and Republican, with great devotion and great ability. He is the only Ambassador in our history who has been Ambassador to Germany, Ambassador to England, and Ambassador to France.

He will meet me in San Clemente along with Ambassador Habib, who is Chief of our Delegation, acting at this time, and the Under Secretary of State Alexis Johnson on Saturday, July 4th.

There along with Dr. Kissinger we will discuss the situation with regard to the talks as they presently exist. Then on July 11th, he will meet with Secretary of State Rogers, in London, as Secretary Rogers completes his Asian trip and will stop briefly in Britain on his way back to the United States.

Ambassador Bruce will have the opportunity then to meet with the National Security Council in the middle of this month, perhaps about the 15th of July, and is arranging his affairs so that he will be able to go to Paris and take over as Chief of the Delegation.

tion on the 1st of August or shortly before that time.

We believe that in appointing Ambassador Bruce we have selected a man who is superbly qualified to conduct these negotiations. He will have great flexibility in the conduct of his talks. We hope that this move on our part will be reciprocated by a similar move on the part of the North Vietnamese in attempting to find a peaceful solution to the war in Vietnam.

Now, with that brief announcement we will go to the questions.

#### QUESTIONS

Mr. SMITH. Mr. President, in your report on the Cambodian operation yesterday, you said you were going to emphasize the route of negotiated settlement again, and I gather this is the first step.

About other steps, (a) have you had any signal from Hanoi that they are more willing to talk than they have been in the past, and (b) do you have any new proposals to put to them to make a negotiated settlement more attractive?

The PRESIDENT. We have had no signals from Hanoi directly or indirectly that their position of intransigence has changed. They still insist that their condition for a negotiated settlement is complete withdrawal of our forces and the throwing out of the government in South Vietnam as we leave.

On the other hand, we believe that they will be interested in the fact that we are appointing a new chief of delegation, because on several occasions not particularly from them, but from third parties who have talked to them, they have indicated that they felt that we should appoint a new chief of delegation.

We have now appointed one and we hope that they act. As far as new proposals are concerned, I think it is important for us to know what our proposals are because we have made some very forthcoming proposals.

First, we have offered to withdraw all of our forces if they withdraw theirs, and to have that withdrawal internationally supervised.

Second, we have offered to have cease-fires throughout the country, and have those cease-fires again internationally supervised.

Third, and most important, we have offered to have free elections throughout the country, internationally supervised. We have offered to have the supervisory bodies be ones in which the Communists can participate as well as those representing the present government in South Vietnam, and we have offered on our part, and the South Vietnamese Government has offered on its part, to accept the results of that election, even though those results might include Communists in some positions, or Communists in some power.

We believe that these offers are very forthcoming, and I should also say that in private channels we have elaborated on these offers.

Finally, I should also point out that we have not made our proposals on a take-it-or-leave-it basis. Ambassador Bruce will be in that position. He will be in a position with his new instructions to tell the opposition that we have laid these proposals out, we believe they are the formula that should provide the basis for a negotiated peace, but that we are willing to see whether we can narrow the gap between their position and ours.

There is only one matter that is not subject to negotiation, and that is the right of the South Vietnamese to determine their own future.

That is one of the reasons, for example, that the speculation with regard to our having changed our position and agreeing possibly to now offer a coalition government, a negotiated settlement, imposing a coalition government, that speculation is not correct.

It is not correct, because if we were to negotiate with the North Vietnamese and decide that we would have a coalition government and impose it on the South Vietnamese,

that is a government without their choice.

If the South Vietnamese on the other hand in the free political process should choose Communists as well as non-Communists and out of that should come a government that is mixed, that is up to them.

But we will not impose a coalition government against the will, and without the consent of the people of South Vietnam. But except for those two conditions, Ambassador Bruce will be free to negotiate in a very flexible manner on our proposals or on theirs.

Mr. CHANCELLOR. Mr. President, we are all pleased to be here with you tonight. As you know, the networks have standing requests for interviews of this kind with you. I would like to know why you have chosen this technique at this particular time.

The PRESIDENT. We have, as you know, Mr. Chancellor, numbers of requests to do everything from press conferences to individual interviews, and the like. I noted, of course, that in the previous administrations this technique was used first by President Kennedy, and I thought very effectively, you remember, after his first year in office. President Johnson used it twice and I thought also in a very interesting and effective way.

I have not yet used this technique. It seemed to me that this would be useful now and incidentally, it is useful for another reason. I have followed some of what has been referred to as the instant commentary and I do know—after my press conferences—and I do know that one of the difficulties with press conferences—and some of you have been very kind in referring to the style of the conferences, not always to the replies—but one of the difficulties is that an individual does not get to follow up a question.

Now this allows that. So by taking the subject of foreign policy, by picking the anchor men of the three networks, by having a chance for a little bit longer answer and a chance to follow up, I thought we could give our television audience a chance really to get to the depths of our foreign policy thinking which you can't do when you are up there trying to, in 28 minutes, answer 24 times.

Mr. SEVAREID. A lot of things have been happening in the last few days and some in the United States Senate.

The PRESIDENT. Yes, I know.

Mr. SEVAREID. Do you feel that you can give categorical assurances now that we will not send ground troops back into Cambodia no matter what?

The PRESIDENT. Mr. Severeid, as you recall, I indicated when this operation was begun 2 months ago—incidentally, it seems much longer, a lot has happened in those 2 months and a very great deal has been achieved, in my opinion—but I indicated then that once we had completed our task successfully of cleaning out the sanctuaries that then it would not be necessary and I would not consider it advisable to send American ground forces back into Cambodia.

I can say now that we have no plans to send American ground forces into Cambodia. We have no plans to send any advisers into Cambodia. We have plans only to maintain the rather limited diplomatic establishment that we have in Phnom Penh and I see nothing that will change that at this time.

Mr. SEVAREID. You can't fore swear in a final way—

The PRESIDENT. I realize that anybody listening to an answer—

Mr. SEVAREID. That is what the Senate seems to want.

The PRESIDENT. I think that anybody hearing the answer that I have just given would certainly get the impression and would incidentally be justified in having the impression that the President of the United States has no intention to send ground forces back into Cambodia, and I do not believe that there will be any necessity to do so.

When you say, can I be pinned down to say that under no circumstances would the United States ever do anything, I would not say that, but I will say that our plans do not countenance it, we do not plan on it, and under the circumstances, I believe that the success of the operation which we have undertaken, as well as what the South Vietnamese will be able to do, will make it unnecessary.

Mr. SMITH. Mr. President, one of the things that happened in the Senate last week was the rescinding of the Gulf of Tonkin resolution by the Senate. Mr. Katzenbach, in the previous administration, told the Foreign Relations Committee that resolution was tantamount to a congressional declaration of war. If it is rescinded, what legal justification do you have for continuing to fight a war that is undeclared in Vietnam?

The PRESIDENT. First, Mr. Smith, as you know, this war, while it was undeclared, was here when I became President of the United States. I do not say that critically. I am simply stating the fact that there were 549,000 Americans in Vietnam under attack when I became President.

The President of the United States has the constitutional right, not only the right, but the responsibility to use his powers to protect American forces when they are engaged in military actions, and under these circumstances, starting at the time I became President, I have that power and I am exercising that power.

Mr. SMITH. Sir, I am not recommending this, but if you don't have a legal authority to wage a war, then presumably you could move troops out. It would be possible to agree with the North Vietnamese. They would be delighted to have us surrender. So you could—

What justification do you have for keeping troops there other than protecting the troops that are there fighting?

The PRESIDENT. A very significant justification. It isn't just a case of seeing that the Americans are moved out in an orderly way. If that were the case, we could move them out more quickly, but it is a case of moving American forces out in a way that we can at the same time win a just peace.

Now, by winning a just peace, what I mean is not victory over North Vietnam—we are not asking for that—but it is simply the right of the people of South Vietnam to determine their own future without having us impose our will upon them, or the North Vietnamese, or anybody else outside impose their will upon them.

When we look at that limited objective, I am sure some would say, "Well, is that really worth it? Is that worth the efforts of all these Americans fighting in Vietnam, the lives that have been lost?"

I suppose it could be said that simply saving 17 million people in South Vietnam from a Communist takeover isn't worth the efforts of the United States. But let's go further. If the United States, after all of this effort, if we were to withdraw immediately, as many Americans would want us to do, and it would be very easy for me to do it and simply blame it on the previous administration, but if we were to do that, I would probably survive through my term, but it would have, in my view, a catastrophic effect on this country and the cause of peace in the years ahead.

Now I know there are those who say the domino theory is obsolete. They haven't talked to the dominos. They should talk to the Thais, to the Malaysians, to the Singaporeans, to the Indonesians, to the Filipinos, to the Japanese, and the rest. And if the United States leaves Vietnam in a way that we are humiliated or defeated, not simply speaking in what is called jingoistic terms, but in very practical terms, this will be immensely discouraging to the 300 million people from Japan clear around to Thailand in free Asia,



and even more important it will be ominously encouraging to the leaders of Communist China and the Soviet Union who are supporting the North Vietnamese. It will encourage them in their expansionist policies in other areas.

The world will be much safer in which to live.

Mr. SMITH. I happen to be one of those who agrees with what you are saying, but do you have a legal justification to follow that policy once the Tonkin Gulf Resolution is dead?

THE PRESIDENT. Yes, sir, Mr. Smith, the legal justification is the one I have given, and that is the right of the President of the United States under the Constitution to protect the lives of American men. That is the legal justification. You may recall, of course, that we went through this same debate at the time of Korea. Korea was also an undeclared war, and then, of course, we justified it on the basis of a U.N. action. I believe we have a legal justification and I intend to use it.

Mr. SEVAREID. Mr. President, you have said that self-determination in South Vietnam is really our aim, and all we can ask for. The Vice President says a non-Communist future for Indochina, or Southeast Asia. His statement seems to enlarge the ultimate American aim considerably. Have we misunderstood you or has he or what is the aim?

THE PRESIDENT. Mr. Severeid, when the Vice President refers to a non-Communist Southeast Asia that would mean of course, a non-Communist South Vietnam, Laos, Cambodia, Thailand, Malaysia, Singapore, and Indonesia. That is the area we usually think of as Southeast Asia.

This is certainly something that I think most Americans and most of those in free Asia and most of those in the free world would think would be a desirable goal.

Let me put it another way: I do not think it would be in the interest of the United States and those who want peace in the Pacific if that part of the world should become Communist, because then the peace of the world, the peace in the Pacific, would be in my opinion very greatly jeopardized if the Communist were to go through that area.

However, referring now specifically to what we are doing in Vietnam, our aim there is a very limited one, and it is to provide for the South Vietnamese the right of self-determination. I believe that when they exercise that right, they will choose a non-Communist government. But we are indicating—and incidentally, despite what everybody says about the present government in South Vietnam, its inadequacies and the rest, we have to give them credit for the fact that they also have indicated that they will accept the result of an election, what the people choose.

Let us note the fact that the North Vietnamese are in power not as a result of an election, but have refused to indicate that they will accept the result of an election in South Vietnam, which would seem to me to be a pretty good bargaining point on our side.

Mr. CHANCELLOR. Mr. President, I am a little confused at this point because you seem in vivid terms to be describing South Vietnam as the first of the string of dominoes that could topple in that part of the world and turn it into a Communist part of the world, in simple terms.

Are you saying that we cannot survive, we cannot allow a regime or a government in South Vietnam to be constructed that would, say, lean toward the Communist bloc? What about a sort of Yugoslavia? Is there any possibility of that kind of settlement?

THE PRESIDENT. Mr. Chancellor, it depends upon the people of South Vietnam. If the people of South Vietnam after they see what the Vietcong—the Communist Vietcong—have done to the villages they have occupied, the

40,000 people that they have murdered, village chiefs and others, the atrocities of Hue—if the people of South Vietnam of which 850,000 of them are Catholic refugees from North Vietnam after a blood bath there when the North Vietnamese took over in North Vietnam—if the people of South Vietnam under those circumstances should choose to move in the direction of a Communist government, that, of course, is their right. I do not think it will happen. But I do emphasize that the American position and the position also of the present government of South Vietnam, it seems to me, is especially strong because we are confident enough that we say to the enemy, "All right, we'll put our case to the people and we'll accept the result." If it happens to be what you describe, a Yugoslav type of government or a mixed government, we will accept it.

Mr. CHANCELLOR. What I am getting at, sir, is, if you say on the one hand that Vietnam—South Vietnam is the first of the row of dominoes which we cannot allow to topple, then can you say equally, at the same time, that we will accept the judgment of the people of South Vietnam if they choose a Communist government?

THE PRESIDENT. The point you make, Mr. Chancellor, is one that we in the free world face every place in the world and it is really what distinguishes us from the Communist world.

Again I know that what is called Cold War rhetoric isn't fashionable these days and I am not engaging in it because I am quite practical, and we must be quite practical, about the world in which we live with all the dangers that we have in the Mideast and other areas that I am sure we will be discussing later in this program.

But let us understand that we in the free world have to live or die by the proposition that the people have a right to choose.

Let it also be noted that in no country in the world today in which the Communists are in power have they come to power as a result of the people choosing them—not in North Vietnam, not in North Korea, not in China, not in Russia, and not in any one of the countries of Eastern Europe, and not in Cuba. In every case, communism has come to power by other than a free election, so I think we are in a pretty safe position on this particular point.

I think you are therefore putting, and I don't say this critically, what is really a hypothetical question. It could happen but if it does happen that way we must assume the consequences and if the people of South Vietnam should choose a Communist government, then we will have to accept the consequences of what would happen as far as the domino theory in the other areas.

Mr. CHANCELLOR. In other words, live with it?

THE PRESIDENT. We would have to live with it, and I would also suggest this: When we talk about the dominoes, I am not saying that automatically if South Vietnam should go the others topple one by one. I am only saying that in talking to every one of the Asian leaders—and I have talked to all of them; I have talked to Lee Kuan Yew (all of you know him from Singapore, of course), and to the Tunku from Malaysia, the little countries, and to Soeharto from Indonesia, and of course to Thanom and Thanat Khoman, the two major leaders in Thailand—I have talked to all of these leaders and every one of them to a man recognizes, and Sato of Japan recognizes, and of course the Koreans recognize that if the Communists succeed, not as a result of a free election—they are not thinking of that—but if they succeed as a result of exporting aggression and supporting it in toppling the government, then the message to them is, "Watch out, we might be next."

That's what it really is. So, if they come in as a result of a free election, and I don't think that is going to happen, the domino effect would not be as great.

Mr. SEVAREID. Mr. President, what caused the change in plans about the South Vietnamese troops remaining in Cambodia? On April 30th you said they would come out about when ours came out, and they are apparently building big bases and intend to stay. What happened in the meantime to change this?

THE PRESIDENT. When I spoke on April 30, Mr. Severeid, I pointed out that we would be out, as you recall, and we kept that promise, despite—there is some speculation to the effect that we would have advisers in, or this, that, and the other. All Americans are out and, answering your earlier questions, we have no plans and have no expectation that any Americans would go back in.

With regard to the South Vietnamese, I pointed out on April 30th that our air support would stop and there would be no advisers with the South Vietnamese, that any activities of the South Vietnamese after we left would have to be on their own.

Now what they are doing in South Vietnam, and I checked this just before the program tonight as to the numbers, there are approximately 40,000 North Vietnamese in Cambodia at the present time. There are approximately 8,000 South Vietnamese. What they are doing is cleaning out some of the sanctuary areas that were not completed when we left.

They are not building substantial bases. What they are really doing is simply providing the basis on which they can stop the North Vietnamese from coming back into the sanctuary areas, and I think that is their responsibility and their right.

Mr. SEVAREID. Mr. President, to what extent are we really committed to preserving this new government in Cambodia, which is a rather shaky one? What would we do, for example, if the capital city of Cambodia is in imminent danger of getting into Communist hands?

THE PRESIDENT. It is well for us to understand exactly what our relationship to Cambodia is. Let me compare it with Thailand.

With Thailand, we have a treaty, and if Thailand comes under attack, that treaty comes into force. The same is true, of course, of Australia, New Zealand, the Philippines. Cambodia is in the same category as Indonesia. It is a neutral country. It is a non-aligned country. We have no treaty with it.

As far as Cambodia is concerned, our only commitment to Cambodia is the commitment that the United States for 190 years has had to the principle of international law that a country that chooses to be neutral should have its neutrality respected.

Now that means that we are furnishing, as you know, small arms to them for their own defense. It means that, in addition to that, we are trying to give them the moral support that we can. We are supporting the initiative of the 11 Asian nations who are attempting to stand with that government in its neutrality, but as far as military support, the United States moving forces into Cambodia for the purpose of helping them defend against enemy attack—that we are not required to do under treaty and that we do not intend to do.

Mr. SMITH. Mr. President, also about Cambodia, in your last press conference, I believe you were asked what distinguished this operation from escalations that occurred in past administrations, and you said this is decisive in nature.

Now, when one thinks of a decisive military operation, one thinks of things like the battle of Stalingrad, or D-Day. Do you think that this is really decisive for the Vietnam War, or does it just gain time—what?

THE PRESIDENT. Mr. Smith, I remember your broadcast, as a matter of fact, from

England, as I recall, at the time of Stalin-grad and D-Day and the rest, and I think you will agree that as we look at it in the perspective of history, we think Stalingrad was decisive, and also that D-Day was decisive.

However, at the time that they occurred, immediately thereafter, we couldn't be sure. Now, looking at this particular operation, it is in my view the most decisive action in terms of damaging the enemy's ability to wage effective warfare that has occurred in this war to date.

Whether it will be as decisive as Stalingrad was or as D-Day was, I am not prepared to say. Only history will tell.

I do know that any action which captures and destroys over 12 months of the enemy's small arms ammunition supply, over 14 months of their mortars, over 4 months supply of rice, in addition to the very considerable number of enemy personnel that were killed and captured, approximately 15,000 that that is a very effective blow.

How decisive it will be remains to be seen.

I will say it is decisive in a couple of other ways. It does make it possible for us to go ahead with assurance on our withdrawal program of 150,000 more, which will be completed during the spring of next year, and it does give us more assurance that the South Vietnamese now, for the first time tested in battle by themselves against the North Vietnamese, can handle themselves, that Vietnamization can work and will work, and that we can get out, and they can stay in and hold their own.

Mr. CHANCELLOR. Mr. President, can I ask you about the plans for withdrawal far down the road? There are 419,000 American troops now in Vietnam—I believe that is the figure—and 260,000 will be there in the spring of 1971 according to your withdrawal formula.

But what happens after that? Will we find ourselves in the position where we will have to keep a couple of hundred thousand men there logistically for some period of time or, sir, do you believe that we should pose that threat to the North Vietnamese that they might have to wait another 10 years while we had 200,000 men in South Vietnam?

The PRESIDENT. I suppose that question becomes particularly apropos when you think of Korea, because in Korea we still have 50,000 men and it has been 17 years since the Korean war was over.

In terms of South Vietnam, I think we could put it, however, in another way. We are prepared by negotiation to bring out all of our forces and have no forces at all in South Vietnam if the enemy will negotiate, if they will withdraw theirs.

We are confident that the South Vietnamese can defend themselves if there is a mutual withdrawal of outside forces.

Now, if they do not agree to it, then we still have a plan which, as for its long-term goal, is to withdraw all of our forces. However, it will be in stages.

As you know, what we are withdrawing now are primarily our ground combat forces, and the majority of our ground combat forces will be out during the spring of next year. The 265,000 will—that number, of course, will be a majority of our ground combat forces.

Now, when it comes to naval forces and air forces which require more sophisticated training and the rest, it will take a longer time to get them out, but I again come back to this proposition. Our long-term goal is to get them all out, and short-term, if the enemy is willing to negotiate with our new Ambassador, we will get them all out within a year, if they are willing to negotiate.

Mr. SEVAREID. Mr. President, you have always refused to set a definite terminal date for our final withdrawal from Vietnam on the grounds the enemy would just sit and wait and never negotiate at all, as I understand it.

But, your advisers always say to us that it would be better for the North Vietnamese to negotiate while we are still there rather than face Saigon alone later on.

If that is the case, then why not set a definite terminal date to encourage them to negotiate, knowing we will leave?

The PRESIDENT. I think the argument that if we just set a terminal date as to when we are going to get out that this might, in reverse, encourage them to negotiate, I don't think it will stand up. I think it is a good debating point to make and perhaps we could say that the debating point we have made on the other side is just that, but I don't believe it is.

Let me put it this way: Put yourself in the position of the enemy. Also, put yourself in the position of an historian—and all of you are historians; you study these matters and you write about them, you think about them, and you commentate upon them. You will generally find that negotiations occur, negotiations which end war, only when the balance of power changes significantly, only when one party or the other concludes that as a result of the shift in the military balance they no longer have an opportunity to accomplish their goal militarily and therefore, they had best negotiate.

Now, I think one of the positive benefits of the Cambodian operation is that it has changed the military balance. How much it has changed in the minds of the enemy remains to be seen.

I do not say it has changed it enough so that they will negotiate. I think it might help. Only time will tell. But putting myself—again, looking at the enemy, I am convinced that if we were to tell the enemy now, the North Vietnamese, that within, as for example, the McGovern-Hatfield resolution, that by the end of this year all Americans will be gone, well, I can assure you that the enemy isn't going to negotiate in Paris at all. They are not going to talk. They are going to wait until we get out because they know that at the end of this year the South Vietnamese won't be ready to defend the country by themselves.

But if, on the other hand, the enemy feels that we are going to stay there long enough for the South Vietnamese to be strong enough to handle their own defense, then I think they have a real incentive to negotiate, because if they have to negotiate with a strong, vigorous South Vietnamese Government, the deal they can make with them isn't going to be as good as the deal they might make now.

Mr. SMITH. Sir, talking about troop withdrawals, American troop withdrawals, on June 3d you said that if the other side took advantage of our troop withdrawals and intensified their attacks, you would be prepared to take strong effective measures to meet that situation.

Now, in view of the explosions of wrath on the campus at the Cambodian affair, do you think you could re-escalate even temporarily the fighting as you seem to say you might if you had to?

The PRESIDENT. Well, Mr. Smith, when we talk about re-escalating the fighting, I think we have to be precise about what we mean. First, I have already indicated in answer to Mr. Sevard's first question that we have no plans to go back into Cambodia.

And, incidentally, I am not as bearish as some commentators have been about the future of Cambodia. If I could digress a moment, I think this is a question that our listeners would be interested in—Cambodia's chances of surviving as a neutral country are infinitely better now than they were on April 30th. And they are better, first, because the North Vietnamese have a 600-mile supply line rather than a 40-mile supply line back to the sanctuaries which we have destroyed.

They are better, also, because the Cambodian Government has far more support

among the people, and the reporters from Phnom Penh generally have reported that. They are better, too, because the Cambodian Government also has support from the 11 Asian nations, representing 300 million people, and I think also they are better for the reason that the South Vietnamese have been very effective when they have taken on the North Vietnamese in the Cambodian area.

They have posed a rather considerable threat to them. I do not suggest that it is still not a fragile situation. It is difficult. But it is possible for them to survive.

Now coming back to your question, first, when you talk about re-escalation, we do not plan to go back into Cambodia. We do plan, however, and I will use the power—I am going to use, as I should, the air power of the United States to interdict all flows of men and supplies which I consider are directed toward South Vietnam.

That is in my role of defending American men.

Now let's look at the other possibilities of the escalation. For example, we have a bombing pause in the north, as you note. As you also note, one of what was called the understandings when that bombing pause was entered into was that American reconnaissance flights could take place over North Vietnam so that we could determine whether or not they were planning a new attack, and those reconnaissance flights were supposed to be immune from attack.

Now consistently the North Vietnamese have been shooting at those planes. In fact at the time we embarked on the April 30th operation, I ordered some attacks on some sites in North Vietnam which had been shooting our planes.

If those attacks should now develop again, I will, of course, use our American air power against North Vietnam sites that attack our planes.

That is my responsibility, to defend American boys—American men, our boys when they do come under attack.

Now when you talk about re-escalation in other terms, I do not see that presently as a possibility, presently in terms of what the North Vietnamese may be able to do and what we would do in action to it.

But I want to leave no doubt on one score: I am concerned, as all you gentlemen have been concerned, about the dissent on the campuses, and among a great many thoughtful Americans that are for peace, as I am sure all of you are, and as I am. Sometimes people say, "Well, was it really worth it?" Right after I made this report, one of the members of the press said, "Do you think it was all worth it?"

And my answer quite candidly is this: There are no easy choices in the position I hold, as you well know, particularly when it is one like this. I knew there was a risk, the risk of dissent, and I knew that a barrage of criticism would come not only from the campus but from many others as well.

So I had to weigh that risk. I had to weigh the risk of dissent from those who would object if I did act, against the risks to 435,000 American lives who would be in jeopardy if I did not act, and as Commander in Chief, I had no choice but to act to defend those men. And as Commander in Chief, if I am faced with that decision again, I will exercise that power to defend those men.

It will be done, and I believe that the majority of the American people will support me then, as a majority of the American people, even in this difficult period, have seemed to support me.

Mr. CHANCELLOR. Mr. President, in your report on the Cambodian incursions you described again in vivid terms the dangers of a Communist-controlled Cambodia with its long frontier along South Vietnam and the ability that the enemy would have if the Communists controlled it, to wreck our program of Vietnamization and many other



things in South Vietnam. But some of us I think are more apprehensive than you seem to be this evening about the chances for survival of the Lon Nol government. I surely don't question your information, sir, but people do worry that that government may topple, that Sihanouk may come back, that there are an awful lot of Communists troops in that country.

What will we do then if we have this hundreds of miles of open frontier? Would you then think that we could mount an international rescue operation or would we have to be drawn in again?

THE PRESIDENT. Mr. Chancellor, the hypothetical question that you have posed, shows, it seems to me, very clearly why as Commander in Chief I had no choice but to move in the sanctuary area. Just think what the situation would be that we would confront if the Communists were to take Cambodia and if they had—they, rather than we, had the 14 million rounds of small ammunition and the 190,000 rounds of mortars and recoilless rifles, and all the rest. It would mean that the position that we would be in, and our troops would be in, extremely difficult and more difficult than was previously the case because they not only would have the sanctuaries but they would have the back country to back it up and they would also have the Port of Sihanoukville open and over 50 percent of the material in the sanctuaries came in through that port. Now you come to the second point. Now that we have cleaned out the sanctuaries, let us suppose—and what you are putting is a hypothetical question and a hypothesis I do not accept, although it is a possibility, because nobody can be sure, it is a fragile situation—if the Communists despite the support that the present government in Cambodia gets for its neutrality, if they should nevertheless topple it, what do we do? The answer is that we continue in our course in South Vietnam to defeat the enemy there, and the South Vietnamese, who are now a very formidable fighting force, will certainly see to it that the sanctuary areas are not again occupied. That is a very real threat to whatever Communist activities might be engaged in in Phnom Penh.

Mr. SEVAREID. Mr. President, in view of the Cooper-Church Amendment passed yesterday in the Senate, do you feel now obliged to suspend the negotiations with Thailand about our paying and equipping their troops that they were going to send into Cambodia? I think this is forbidden as far as the Senators are concerned.

THE PRESIDENT. Fortunately, our Founding Fathers had great wisdom when they set up two Houses of Congress.

Mr. SEVAREID. So, you're going to wait and see what—

THE PRESIDENT. Oh, yes. Let me say with all due respect to both the House and the Senate—and as you know, I started in the House and also served in the Senate, and I have great respect for the Senate. I served there 2 years as a Senator and presided over the body for 8 years as Vice President—but I think the performance of the Senate over the past seven weeks, going up and down the hill on Cooper-Church, has not particularly distinguished that august body, and the Cooper-Church that came out was not a particularly precise document, and was somewhat ambiguous.

Now, fortunately, it now goes to the House and the House will work its will on that amendment, and then it goes to conference and, of course, the conference, which most of our viewers don't think of as being a very important body, that is probably the most important legislative entity that we have in our Government. Because there they take the differences between a House and a Senate bill, things that were done, for example, that went too far in one direction or too far in another, and they work them out. And I

believe that the conference of the Senate and the House, when they consider all of these factors, will first be sure that the power of the President of the United States to protect American forces whenever they come into attack is in no way jeopardized. Even Cooper-Church recognizes that to an extent. And second, that they will recognize that the Nixon Doctrine, which provides that the United States rather than sending men will send arms when we consider it is in our interest to do so, arms to help other countries defend themselves. I believe that the conference will modify Cooper-Church.

Mr. SEVAREID. How do you take it yourself, this action of yesterday? The Senate majority. Do you take it as a rebuke, a warning, an expression of mistrust in your word as to what you are going to do in Cambodia? How did it hit you?

THE PRESIDENT. The action of the Senate is one that I respect. I respect, I know the men in the Senate. Take the two authors, Cooper and Church. They are good men. They are very dedicated to peace. So am I.

There is one difference between us. I have responsibility for 440,000 men. They don't.

And I intend to do what is necessary to protect those men, and I believe that as far as the Senate is concerned that, while I will listen to them, I will pay attention to what they have said, I am going to wait until the House acts, until the conference acts, and I believe that the action, the joint action of the House and Senate, will be more responsible. I will say respectfully, than the action of the Senate was.

I don't consider it a rebuke, and I am not angry at the Senate. It won't pay. They have the last word sometimes—or many words.

Mr. CHANCELLOR. Sir, you said in your report that you had unambiguous knowledge of enemy intentions in Cambodia just after April 20, April 21, 22, 23. It has been asked, and I think it is valid to raise it here, could you, in these early days in that week, before you decided to move on the 30th of April, have consulted with certain key Members of Congress?

THE PRESIDENT. Well, as a matter of fact, when we talk about consultation, you can do it formally or you can do it informally, and I can assure you, Mr. Chancellor, I consulted with a great number of people between April 20th and April 30th, including Members of the Senate and Members of the House.

Now, let's come to perhaps really the thrust of your question, and I think this is perhaps something that many of our viewers and listeners would ask: Well, in ordering American men to join with the South Vietnamese, and incidentally, this was 60 percent South Vietnamese, 40 percent Americans, but we carried a very important part of the load—in ordering that kind of an action, why didn't I go to the Senate, for example, and the House and ask for their approval?

Well, now let us suppose we had done that. It took them 7 weeks for Cooper-Church. Let's suppose it had taken 7 weeks. What would have happened? Well, first, all of this year's supply of ammunition that we have acquired would have been gone out of the sanctuaries, or even worse, what might have happened is that the rather fearsome defensive barricades that they had in these sanctuaries would have been ready for us, and we would have lost not just 330 men—that is too many to lose in two months, and that is all we lost in Cambodia—we would have lost 3,000 or 4,000.

As far as I am concerned, I had to think of what was right, what was necessary, what would save American men, and the element of surprise was important.

Now let me also add this. If this had been what some thought it was, an attempt to expand the war into Cambodia, to launch a war into Cambodia, then of course, I would have gone to the Senate. You can be sure that in my administration we are not going

to get involved in any more Vietnams where we do not get the approval of the Congress. I will not do this because I think we need Congressional support for our actions, and I trust we do not have to go to the Congress for that kind of support.

But when we have this limited, very precise action which was limited in terms of the time, limited in terms of 21 miles as far as we were going to go, and which had for its purpose the protecting of American lives, I had to take the action when I did, and I did not think it was wise to give the enemy the advance notice, the strategic warning, which would have taken away the surprise and would have cost us lives.

Mr. CHANCELLOR. Sir, aren't we at the crux of the argument now that is going now in the country that the Executive Branch, according to the Legislative Branch, or at least one body of it, ought to be limited, they say on the Hill, in what it can do in ordering American troops to be used in many different ways around the world? I think we would all benefit, sir, if we could explore your views in a general way on that.

Do you feel that in the modern world there are situations when the President must respond against the very tight deadline or for reasons of security in using American troops crossing a border with them when he cannot, under reasons you yourself have described, consult with the Legislative Branch?

The Constitution says they declare war and you, sir, run it.

THE PRESIDENT. Another good example of course is the Cuban missile crisis. President Kennedy had a very difficult decision there and two hours and a quarter before he ordered—and I thought with great justification and great courage—before he ordered the blockade, the use of American men to blockade Cuba, he told the Senate and the Congressional leaders. Now, why didn't he give them more time? For a very good reason he did not give them more time.

It was imperative to move soon with some surprise and some impact or the possibility of a nuclear confrontation might have been greater. That is one example. I trust we don't have another situation like Cambodia, but I do know that in the modern world, there are times when the Commander-in-Chief, the President of the United States, will have to act quickly. I can assure the American people that this President is going to bend over backwards to consult the Senate and consult the House whenever he feels it can be done without jeopardizing the lives of American men.

But when it is a question of the lives of American men or the attitudes of people in the Senate, I am coming down hard on the side of defending the lives of American men.

Mr. SMITH. I can see a clock on the wall which indicates we haven't got a lot of minutes left. I want to ask you about the Middle East.

Mr. George Ball wrote an article in last Sunday's New York Times Magazine section in which he suggested that the Russians were bold enough to move into the Middle East because we were bogged down in Indochina.

Do you accept that concatenation of the two events?

THE PRESIDENT. As a matter of fact, Mr. Smith, Mr. Ball should know something about that because he was there when he got bogged down in Indochina as you recall, as Under Secretary of State. I did not hear his comments at that time indicating that that was the problem.

Now, the second point that I would make is that if the United States, after this long struggle in Vietnam, if we do what Mr. Ball and some others apparently want us to do—just get out, without regard to the consequences—I do not see the American people and the American Congress then saying that

if we couldn't do what was necessary where the lives of American men were involved in Vietnam, that we will do what is necessary because we are concerned about Israel or some other state in the Mideast.

You cannot separate what happens to America in Vietnam from the Mideast or from Europe or any place else. That is why European leaders—some of them don't say it publicly, but privately they all know how much rides on the United States coming out of Vietnam, not with a victory over North Vietnam, but with a just peace because if the United States is humiliated or defeated in Vietnam, the effect on the United States is what I am concerned about, the people of the United States. And I think we'll see a rampant isolationism in this country in which we will not do what we should do in other parts of the world.

If I can turn to the Middle East briefly, because I think we should spend a moment on it, if you other gentlemen would like. I think, and I say this respectfully, that some of the columnists and commentators—and I read them and listen to them both with respect—and some of us in political life have a tendency to look at the Middle East too much in terms of the Israeli-Arab struggle. We look at Israel, a strong free nation in the Middle East and we look at its neighbors, its aggressive neighbors, the UAR and Syria, and we see this struggle and we say, "Are we going to give planes to Israel and are the Russians going to give them to the UAR? And how are we going to have a settlement between Israel and the Arab states?"

If that is all there was to it, it would not be as difficult a problem as I am going to put it. I think the Middle East now is terribly dangerous. It is like the Balkans before World War I where the two super powers, the United States and the Soviet Union, could be drawn into a confrontation that neither of them wants because of the differences there.

MR. SEVAREID. Mr. President, I believe the Russians today at the U.N. are circulating some new ideas about approaching peace negotiations in the Mideast. Is there anything you can tell us about this?

THE PRESIDENT. I haven't had a chance to study them yet, but I will say this, that any propositions that the Russians or anybody else circulate that would offer a chance to cool it in the Middle East would be helpful, because when you look at the Middle East, it is not just a case of, as I say, Israel versus the Arab states, but the Soviet Union is now moving into the Eastern Mediterranean.

The Mideast is important. We all know that 80 percent of Europe's oil and 90 percent of Japan's oil comes from the Mideast. We know that the Mideast, this area, this is the gateway to Africa, it's the gateway to the Mediterranean, it's the hinge of NATO, and it is also the gateway through the Suez Canal down into the Indian Ocean.

Now, under these circumstances, when we then look at it in terms of Israelis versus Arabs, moderate Arabs versus radical Arabs, and whoever would think that there would be somebody more radical than the Syrians, within the radical Arab states, Fedayeen that are more radical, the super-radicals—when we think of all these factors, we can see what a very difficult situation it is. Now what should U.S. policy be? I will summarize it in a word. One, our interest is peace and the integrity of every country in the area.

Two, we recognize that Israel is not desirous of driving any of the other countries into the sea. The other countries do want to drive Israel into the sea.

Three, then, once the balance of power shifts where Israel is weaker than its neighbors, there will be a war. Therefore, it is in U.S. interests to maintain the balance of power, and we will maintain that balance of power. That is why as the Soviet Union moves in to support the UAR, it makes it

necessary for the United States to evaluate what the Soviet Union does, and once that balance of power is upset, we will do what is necessary to maintain Israel's strength vis-à-vis its neighbors, not because we want Israel to be in a position to wage war—that is not it—but because that is what will deter its neighbors from attacking it.

And then we get to the diplomacy. The diplomacy is terribly difficult, because Israel's neighbors, of course, have to recognize Israel's right to exist.

Israel must withdraw to borders, borders that are defensible, and when we consider all those factors and then put into the equation the fact that the Russians seem to have an interest in moving into the Mediterranean, it shows you why this subject is so complex and so difficult.

But we are going to continue to work on it, and I can assure you the fact that we are in Vietnam does not mean that the United States is not going to give every bit of its diplomatic and other energies to this subject as well.

MR. CHANCELLOR. Very briefly, Mr. President, would you say that the situation in the Middle East is as dangerous to the United States as the situation in Vietnam?

THE PRESIDENT. Yes. The situation in Vietnam, fortunately, has reached the point where we are embarked on a plan which will get the United States out, and which will bring a just peace.

It will succeed. That I know.

Second, the situation in the Mideast is more dangerous, more dangerous because it involves, and this is not the case in Vietnam, a collision of the super powers.

Neither Communist China, in my view, nor the Soviet Union will have a confrontation with the United States about Vietnam, although many have feared that. But it has not happened, and it will not happen, in my opinion.

But in the Mideast, because of the things that I have mentioned earlier, this tremendous power complex, it is not only the cradle of civilization, but it also, as we have already indicated, this is the area that controls so much of the world's people and the world's resources.

The Mideast, being what it is, is a potentially dangerous spot, and that is why it is in the interests of the United States and the Soviet Union to work together to bring this particular danger spot under control.

MR. CHANCELLOR. Mr. President, I want to thank you very much for being with us tonight.

Thank you.

THE PRESIDENT. Thank you. I wish we had more time.

#### BUSINESSLIKE PROCEDURES IN THE POST OFFICE

MR. MCGEE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial published in the Greybull, Wyo., Standard and Tribune concerning the businesslike procedure of the Post Office Department which seems to be finding more and more ways to save less and less money by reducing postal services to the American people.

From time to time I have been asked why I insisted, as chairman of the Committee on Post Office and Civil Service, on the retention of a strong role for the Congress in postal operations. The present administration's position, ironically though nevertheless accurately described in the attached editorial, is a part of my answer: When the people's chosen representatives in Congress no longer have the legislative power to insure that the Post Office remains a true public serv-

ice, the businesslike activities described in this newspaper would be but a glimpse of what changes could be wrought in the Post Office.

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

#### WHO NEEDS A CORPORATION?

The Post Office has announced it is eliminating Sunday service in second class post offices like Greybull and Basin in an effort to reduce operating costs. In doing so, the Post Office is following the lead of most of the businesses in the world who don't pay help and who turn off the lights at least one day a week if not two. So the decision is based on sound business practices. And the influence of the corporation idea for post offices may already be here.

The new air conditioning the Greybull post office is getting (see front page story) won't have to run on Sunday now and if you project those savings over the next 25 years you can see that an idle air conditioner on Sunday for six months out of the year will prolong the air conditioner life by 14.2 per cent. So before they ever put this in, the post office has saved money on it!

It seems to us, though, that if the post office department is giving up the philosophy of through rain and snow and gloom of night, there are a few other labor and time saving ideas they could put into effect to go along with the no-Sunday-service idea.

How about only putting the mail halfway in the boxes for instance? Thus, we who pull out the mail would be doing at least half the work.

Or leave a six inch strip of snow on the sidewalk during the winter. Don't shovel it off at all and thereby save the life of the mechanical snowplow by some 18 percent. If you alternated the strip one year on one side and one year on the other, it would also spread out the wear and tear on the concrete and that ought to be worth something.

Or let's drop off one of those zip code digits and have only four numbers instead of five. That automatically eliminates 20 percent of all the work connected with zip codes since there would only be four numbers to write or read. The amount of postal effort saved in this simple dropping of one zip code number would be staggering! And I'm surprised the post office hasn't thought of it.

This is the same principle as that clever innovation on abbreviating states that the post office is using now like "Wyo." for Wyo. and "Co." for Colo.

And if the post office carried this further so only one-half as many lines on the post mark would be used now it would result in substantial savings in ink and metal wear.

Or maybe the size of the stamps should be reduced by one-seventh or the number of those little holes on the perforation cut down to every other one.

Who needs a corporation to run the post office when all this efficiency could be working for us right now!

#### SENATOR COOPER ADDRESSES THE COMMITTEE OF 39

MR. BOGGS. Mr. President, the distinguished senior Senator from Kentucky (Mr. COOPER) recently visited my State to speak at the annual dinner of the Committee of 39.

The Committee of 39 is an organization of citizens in the State of Delaware dedicated to the goal of good government. Their bipartisan efforts to foster public interest in State and local government have had a beneficial effect in our State.

The message that Senator COOPER



brought to them in his remarks was most provocative. He discussed the Nation's involvement in Southeast Asia, particularly as it relates to the broader question of America's constitutional response to its treaty commitments.

In order to permit Senators an opportunity to read Senator COOPER's observations, I ask unanimous consent that his speech to the Committee of 39 be printed in the RECORD.

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

ADDRESS BY SENATOR JOHN SHERMAN COOPER, REPUBLICAN OF KENTUCKY, AT THE ANNUAL DINNER OF THE COMMITTEE OF 39, WILMINGTON, DEL.

It is a great honor to be invited to speak to the Committee of 39 and your guests. Your continued efforts in the cause of good government are well known, have accomplished much and have encouraged other citizens throughout the nation.

I am honored also to be in the company of my colleagues, Senator Williams and Senator Boggs.

John Williams was the first Senator I met when I came to the Senate in 1947 for a two year term. He is one of three Republicans and nine Democrats remaining in the Senate of the 98 I met at that time. Acknowledged as the foremost fiscal authority in the Senate, he has saved untold billions of dollars for our country. Without vindictiveness, he has brought to the attention of the Senate, wrong doing in both the Congress and the Executive branch and he has been faithful to the high standards he has set for himself. I sit next to him, I admire him and the best I can say is that he will be sorely missed by the Senate and the people of our country.

Hale Boggs has continued for the country his fine work as your Governor. His ability, judgment and integrity were quickly recognized and today he serves on three important committees: Appropriations, Post Office and Civil Service and Public Works. In the last Committee, he is the ranking Republican of the Subcommittee dealing with Pollution Control.

Six years ago, before pollution, environment, and ecology had become household words, Senator Boggs began his work in this field. He had played a leading role in the development and approval of major bills dealing with air and water pollution, the protection of our territorial and inland waterways against the discharge of oil and other pollutants, and now he is working on a solid waste control bill. He works with patience, with reason, and with good judgment and an openness of mind, which mark him as outstanding in the Senate.

It is difficult to know what I should talk about this evening. There are so many issues of concern to all of us, the state of the economy, the contradictions of affluence and poverty, the hostility within our society between generations and between races—all are troubling and difficult of solution. The threat of war in Southeast Asia and in the Middle East is constantly before us.

The war in Vietnam remains the chief concern of our country. The length of American involvement, its casualties—323,000 of whom 50,000 are the dead—extricating the United States from the war despite the endeavors of Presidents Johnson and Nixon, and now its extension into Cambodia have deepened its uncertainties.

It is not my purpose this evening to repeat the arguments of the past about Vietnam. Rather I would like to introduce for your consideration a problem which the lesson of Vietnam has fastened upon the Congress and one which deserves the consideration of the people of our country.

It is the problem of determining whether the involvement of the United States in war, in a particular situation, is necessary for the security of the United States and its people. It is the problem of whether a determination to enter war should be made by the President alone or by the President and the Congress. They are issues which have troubled the Congress and the people during the life of the Republic.

The Constitution provides that the Congress has the authority to declare war, to raise and support Armies and a Navy, to suppress insurrections and repel invasions. It provides that the President shall be Commander-in-Chief of the Army and Navy of the United States and of the Militia of the States, when called into service of the United States.

The notes of members of the Constitutional Convention distinguished the power of the President from that of the King of England, who had the power to declare war, and to raise armies and make war. But throughout our history, the exact war powers of the President and the Congress have not been determined and probably cannot be determined with exactitude.

In cases of sudden attack upon the territory of the United States or upon any considerable body of U.S. forces, the President has, without doubt, the authority and the duty to repel the attack.

But a new situation has evolved since World War II which makes the determination of whether war is necessary for our security and who shall make the determination much more difficult, and it is to this issue I speak this evening.

To illustrate this new situation, I believe it will be helpful to review briefly the progressive involvement of the United States in Indo-China.

The United States has been involved in Vietnam since World War II. During World War II we gave assistance, through Nationalist China, to Ho Chi Minh in support of Vietnamese resistance to the Japanese. After the war, we contributed about \$2 billion to the French, as they stubbornly insisted on imposing again their colonial rule in Vietnam.

The United States did not subscribe to the Geneva Accords of 1954. But it began in that year a program of economic assistance and limited military training to the Government of South Vietnam. In 1962, the United States expanded its forces in South Vietnam as the Viet Cong and North Vietnamese enlarged their war against the Government of South Vietnam. Gradually our forces grew from 650 in 1960 to about 17,000 in 1963, to a peak of 513,000 in 1969. Our forces were fired upon, the Congress approved in August 1964 the Tonkin Bay Resolution, and the United States had become fully engaged in the war.

I do not believe that our actions were immoral, as some have charged. The purposes of our country were good—to assist in the protection of South Vietnam against aggression from the North, and to support self-determination. But I do not believe the war was, or is, necessary to protect the security of the United States. I doubt that any of the four Presidents of this era, or the Congress, or the people, foresaw or desired that the United States would become involved in a large-scale war on the land mass of Asia. But the fact stands out that progressive series of decisions and actions over a period of nearly twenty years had forestalled a clear-cut decision by the President, or by the President and the Congress, that the defense of South Vietnam and our engagement in a great war were necessary to the security and best interests of the United States.

This process of progressive involvement to a point of engagement in war, without any express prior commitment by our government, can occur again, and in situations

where our national security and interests are not actually threatened.

I would like to indicate two areas in which such a situation could develop.

The first area will be found in our obligations under the collective security arrangements to which the United States is a party—and I may say the essential party—since our chief wartime allies, Great Britain and France, are disengaging themselves from their responsibilities under the treaties.

The period following World War II, viewed by the United States and the West as an opportunity for world stability, was considered by Stalin's Soviet Union as another stage in its struggle with the Western democratic nations.

The collapse of Nazi Germany brought the Soviet armies into Eastern Europe. The fall of Nationalist China, the attack upon South Korea and the possibility of a thrust from Communist China toward Southeast Asia, caused the United States to enter a wide range of bi-lateral and multi-lateral mutual defense agreements designed to contain the Soviet Union and Communist China. They are eight in number and include 43 nations. Among them are the NATO, SEATO and ANZUS and Inter-American multi-lateral treaties with Japan, Korea, the Philippines and Nationalist China.

While these treaties differ in certain respects—particularly NATO, which recites that an attack upon a tremendous area designated by the treaty shall be considered an attack upon all the parties—they are similar in substance.

In essence, the treaties state that an aggression, by armed attack against any party to the treaty would endanger the safety of all, and that each party—including of course the United States—would act to meet the danger "in accordance with its constitutional processes."

The term "constitutional processes" is not defined or spelled out in the treaties. And the reports of the committees and the debates in the Congress on its meaning show marked disagreement. Does "constitutional processes" mean that the President, acting as Commander-in-Chief, could commit the forces of the United States to the military assistance of another treaty country? Or does it mean that the President shall consult with the Congress, to determine whether the dispatch of American forces is essential to the security of the United States as well as the other country, and that he will not commit forces until the Congress has given its approval, either by a declaration of war or by a joint resolution of the Congress?

In fact, as the situation exists today, it may be too late to come to the Congress. For in addition to Vietnam, American troops are stationed in Korea, Thailand, Japan, Nationalist China, the Philippines, and, of course, in Western Europe. If our troops in any of these countries should be attacked, the President, as Commander-in-Chief, has the constitutional authority, and the duty to protect them. This could expand into war, without the "constitutional process" ever being exercised by the joint action of the President and the Congress.

I have raised questions. Now, we must consider if there are ways, imperfect of course, by which we can help avoid a progressive involvement in the affairs of another country to the point where, locked in by prior action and statements, the United States may find itself in war even though our national security is not at stake.

The presence of our armed forces in another country obviously presents the greatest danger of engagement in war. Senator Symington's subcommittee of the Senate Committee on Foreign Relations has been making a very thorough examination of the status of our armed forces around the world and the necessity of their presence in for-

elg countries. The Administration is making the same sort of examination. Both branches are beginning to consider the orderly reduction or withdrawal of our forces from other countries consistent with the protection of our security.

There are disagreements about the areas from which forces should be withdrawn, and I must admit I have my exceptions. I do not believe there should be a drastic reduction in our forces in Europe at the time when the SALT talks with the Soviet Union and talks between West and East Germany are going forward, and when talks between the NATO and Warsaw Pact countries upon mutual reduction of armed forces in Europe are in prospect, and while the danger in the Middle East exists.

The size of our forces in other countries is a significant factor. Our involvement in war in Vietnam began in 1963 with the introduction of substantial American forces. The Congress should insist that no substantial forces, even as military advisors, should be deployed in another country without its approval. Welcomed at first, they become the focus of nationalist opposition—as, similarly, foreign troops would be in the United States.

My examples thus far, other than Vietnam, have dealt chiefly with situations where we are not yet involved in war. As I have stated, I believe there are few situations, other than nuclear attack, where the President does not have ample time to come to the Congress for its approval of a war decision.

It is much more difficult to determine the constitutional powers of the Congress and the President, when we are in war. In war, the President as Commander-in-Chief, has wide powers to conduct the war, to direct the armed forces and, of course, to protect their security. Congress may disagree with his decisions, but there is little that it can do to challenge his decisions except by the denial of funds to the armed forces. This is a very difficult course to follow, for one must think of the security of those who fight, those who are patriotically obeying the orders of their government.

The United States Senate in several initiatives last year made an effort to assert its constitutional power to join in war-making decisions. By a nearly unanimous vote, it approved the "National Commitments Resolution". In brief, the resolution states that the use of the armed forces of the United States, or the promise of their use, to another country, upon the territory of another country, shall not be deemed a national commitment of the United States unless explicitly agreed to by the President and the Congress through a treaty, statute or joint resolution.

Again, in 1969, an amendment to the Defense Authorization Bill, denying funds for the use of American forces in support of Laos or Thailand, was adopted by the unanimous vote in the Senate, but was not accepted by the House. Later, in December, an amendment to the Defense Appropriations Bill was adopted by both the Senate and House denying the use of funds for American ground forces in Laos. The intended effect of the amendments was to insure that before American forces could be committed to the defense of these countries in war, the President must secure the approval of the Congress.

As I said at the outset of my talk, I am not here to argue the merits or demerits of the war decisions that have been made in Vietnam in the past, but rather to suggest ways to avoid such wars. I have supported the Vietnamization policy of President Nixon as it represented a clear change from past policies. And, whatever our intentions may have been about becoming involved in the war, I think it reasonable to say that the Government of South Vietnam and at least

a part of its people must have considered that twenty years of support and promises of support by our leaders and the approval of the Tonkin Bay Resolution indicated a purpose to assist in their defense.

Now the Vietnam War has extended into Cambodia, and this leads me to a difficult issue we face in the Senate today, and which will be repeated during this session of the Congress.

The operation in Cambodia if considered standing alone is probably a classic military operation. It is one which may fall within the authority of the President as Commander-in-Chief to protect our armed forces. The President has stated that he does not intend to become involved in a war for Cambodia and that it is his purpose to withdraw our forces within a time period of seven weeks. I respect his statement but as the lesson of Vietnam informs us, even beyond the control of the President—such as a change in government in Cambodia or the introduction of larger Vietnamese forces or "volunteer" forces of other countries—may alter our position in Cambodia.

In this situation, where no obligation of any kind to Cambodia exists, I believe that the Congress has the authority to ask that no war for Cambodia or any longer war in Cambodia shall be undertaken without the approval of both Houses of Congress.

This position is embodied in an amendment to the Military Sales Act upon which the Senate will vote within a week. It probably will present a constitutional clash between the powers of the President and those of the Congress. And I do not know what the outcome will be. The possibility of such a clash has been examined by many distinguished constitutional scholars during this century and all have agreed that there is no definitive answer except that the Congress and the President must consult fully with each other, must respect each other, and must make accommodations in the national interest.

I will end on this note because it seems to me that it is the only response to many of the serious problems and conditions which trouble our country today. There are divisions and very serious ones between our people about the war in Vietnam, between the poor and the well-to-do, between the white and nonwhite citizens, between the young and the older generation. There is need for communication, for understanding, for action to meet the needs of our people, there is need for tolerance and respect for each other.

There are difficult problems and dangers in the world, as there are at home. Southeast Asia, the Middle East and the nuclear arms race, which unless halted, threatens the destruction of civilization as we know it.

The people of the United States from the beginning have organized the rule of law and justice in our country. Its preservation, its strengthening, are the objectives we pursue as the only sane alternatives to violence at home and power and war in the world. Over 50 years ago, Justice Holmes said in a speech:

"I have no belief in panacea and almost none in sudden ruin. I believe with Montesquieu that if the chance of battle has ruined a state, there was a general cause at work that made the state ready to perish by a single battle."

I believe that most of our people believe, as your work has expressed, that some first principles exist beneath our framework of law—call them spiritual, moral or ethical as you choose. If in times of stress they do not seem to prevail, it is the continued effort to make them effective that gives purpose to our lives and sustains the hope of peace and justice.

## THE FITZGERALD CASE: 8 MONTHS OF INACTION AT THE JUSTICE DEPARTMENT

Mr. PROXMIER. Mr. President, on November 22, 1969, I wrote to the Justice Department asking them to investigate the intimidation and firing of A. Ernest Fitzgerald, the former Air Force cost efficiency expert. On November 28, just 6 days later, the Justice Department responded that—

After we review the transcript, a determination will be made as to whether the evidence presented justifies further action by the Department. We will let you know when our review and appraisal of the case is completed.

On December 30, 1969, I received a further letter of reply from the Justice Department. In that letter I was assured that—

When all available evidence is received and reviewed, a definite conclusion will be made as to whether the facts show a violation of the Federal criminal code.

Mr. President, 246 days have now passed since my original letter to Attorney General Mitchell. How long does it take the Justice Department to receive and review—all available evidence? Exactly when will the promised "determination be made as to whether the evidence presented justifies further action by the Department"?

It appears clearly on the basis of the facts that A. Ernest Fitzgerald was fired because he testified as to the truth before a congressional committee. It seems to me it should not take the Department of Justice 8 months or the great amount of time it has taken them to determine if they have a case against an official in the Department of Defense.

When the Department of Justice wants to, it can act in the matter of weeks, or even days. What is taking it so long to make up its mind in this case?

## FEDERAL REVENUE SHARING

Mr. SCOTT. Mr. President, it is time once again to invite the attention of Senators to the administration's proposed legislation enacting the Federal revenue-sharing principle.

The President recently indicated a "strong desire" to secure enactment of such legislation this year.

Since the strength of our local governments rests largely with their fiscal capability and capacity, we in Congress must contribute to improving that capability. We should enact, immediately, a system of Federal revenue sharing with the State and local governments.

Revenue sharing simply is a means of federalizing the Federal income tax base—sharing it directly with hard-pressed local governments. We now have a fiscal mismatch, and the revenue capacity of local government is severely strained.

I cannot think of an objective more fundamental to the Nation's interests than insuring that we have strong local government.



Our federal system has served us well, but we need to design better systems for delivering Federal program assistance. As our domestic problems grow more complex, the solutions do not lie in a single Central Government in Washington. The solutions lie in renewing the capacities of the other levels of government to make the most effective use of our resources and to provide machinery that can respond effectively and directly to problems as they arise. Americans are not only frustrated with the performance of governmental institutions, but also with the unresponsiveness to local concerns.

I see little letup in future needs of State and local governments in this decade. The demands on local governments and the rising costs of government services are severely straining local budgets. We are facing a local government fiscal crisis which threatens the domestic problem solving fiber of our Nation.

True and meaningful help to these hard-pressed local governments can come through Federal revenue sharing. We can use revenue sharing as a pressure valve to relieve fiscal imbalance among local governments and to provide an injection of fresh funds to those governments which are closest to the people.

I believe it is time now that this Democratic Congress get on with the business of establishing Federal revenue sharing as President Nixon has proposed and as I have called for many times before.

I ask unanimous consent to have printed in the RECORD a statement entitled "Questions and Answers on Revenue Sharing Proposals."

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

#### QUESTIONS AND ANSWERS ON REVENUE-SHARING PROPOSAL

1. Q. What is the purpose of this proposed legislation?

A. The ultimate purposes are:  
To restore to the States their proper rights and roles in the Federal system with a new emphasis on local initiative and discretion;  
To provide both the encouragement and the necessary resources for local and State officials to exercise leadership in solving their own problems;

To restore strength and vigor to local and State governments;

To achieve a better allocation of total public resources.

2. Q. Why do State and local governments need revenue sharing?

A. One reason is due to what Senator Scott calls the "fiscal mismatch." Federal tax receipts, based largely on incomes, tend to grow faster than the economy. At the local level, the reverse is true. State and local revenues, based heavily on sales and property taxes, do not keep pace with economic growth, while expenditure requirements for education, health, welfare, and other local services tend to exceed such growth.

3. Q. But doesn't the Federal Government provide aid to State and local governments already?

A. Yes. Federal grants to State and local governments will amount to \$24 billion during fiscal year 1970 and an estimated \$28 billion in 1971. But this assistance is being distributed through a confusing array of nearly 500 separate program authorizations. A basic objective of revenue sharing is to supplement the existing Federal aid effort with broader and less conditional fiscal assistance. In this manner, both funds and the responsibility for

their proper allocation will be transferred to the States and localities.

4. Q. But if some "surplus" revenue develops at the Federal level, why not reduce the Federal tax take—leaving the field open for States and localities?

A. This is not a matter of sending back to the States "excess" Federal revenues left over from Federal program requirements. Revenue sharing should be viewed as an expenditure for a basic national purpose—strengthening the financial base of our Federal system of government. It should be evaluated with other expenditure programs and assured delivery to State and local governments.

5. Q. How much money is to be shared?

A. The size of the total fund to be shared will be a stated percentage of personal taxable income—the base on which Federal individual income taxes are levied. To provide for an orderly phase-in of this program, the FY 1971 percentage will involve new obligatory authority of \$275 million for the last quarter of the year—or \$1 billion on a full-year basis; subsequently fiscal year percentages will be increased annually up to a permanent one percent for fiscal year 1976 and thereafter. On this basis, we estimate an appropriation for fiscal 1976 of about \$5 billion.

6. Q. The initial amount of revenue sharing does not sound like much, particularly when it is split up among 50 States and thousands of cities and counties. Wouldn't this just be a drop in the bucket for most communities?

A. Given the current and near-term budget outlook, there were, realistically, two alternatives for introducing revenue sharing: (1) either delay introducing the plan until funds are available to begin a full-scale program, or (2) establish the plan now and provide for phased increases as budget resources permit. The second course of action is clearly preferable. With all the competing claims for limited Federal revenues, it is important to establish the principle of revenue sharing as soon as practicable.

7. Q. Can the States and localities depend on this flow of funds to be regularly appropriated?

A. In order to provide for the assured flow of Federal funds, a permanent and indefinite appropriation will be authorized and established for the Department of the Treasury, from which money will be automatically disbursed each fiscal year, as required by the revenue sharing act.

8. Q. How will the funds be distributed?

A. The funds will be distributed from the Federal Treasury to the 50 States and the District of Columbia. Each State will receive an amount based on its share of national population, adjusted for the State's revenue effort. The revenue effort factor provides the States with some incentive to maintain (and even expand) their efforts to use their own tax resources to meet their needs. Revenue effort is the ratio of total general revenues collected by State and local governments in a given year to the total personal income of that State.

9. Q. Will the States be required to share some of this distribution with their local governments?

A. Yes. The allocation of a State's share among its general units of local government will be established by prescribed formula. The proportion which an individual local government will receive corresponds to the ratio of its own revenues to total State and local government revenues in the State.

10. Q. Why are these particular distribution formulas used?

A. Distributions based on revenues raised have several important advantages:

They make allowance for State-by-State variations in preferences; they tend to be neutral with respect to the current relative fiscal importance of State and local governments in each State; they provide a method

for allocation among government units with overlapping jurisdictions.

11. Q. By sharing revenues with every city, county, and town, is the effectiveness of this plan diluted too much?

A. We are unable to find an acceptable or logical point at which revenue sharing funds should be denied a local government. Some proposals would exclude all cities and counties of less than 50,000. All local governments are faced with fiscal pressures, often especially acute for small communities, and all deserve specific inclusion in the revenue-sharing program.

12. Q. What restrictions or qualifications will be imposed on the use of these funds?

A. There will be no program or project restrictions on the use of these funds. One purpose of revenue sharing is to permit local authorities the programming flexibility to make their own budget allocation decisions. Each State will be required to meet minimum reporting and accounting requirements.

13. Q. Are State and local governments able to establish proper social priorities for the allocation of their revenue sharing funds?

A. The answer can be obtained by examining the pattern of State and local spending. From their own revenue, they have consistently spent the lion's share on education, health and hospitals, and public welfare.

14. Q. How do the various State, county, city and other local officials view this revenue-sharing proposal?

A. Senator Scott has had numerous discussions with Governor Shafer, Lt. Governor Broderick, mayors, and county officials on this proposal. There has developed a remarkable degree of approval. Revenue sharing has now been enthusiastically backed by the national associations of governors, mayors, county commissioners, and other State and local leaders.

15. Q. How much of a new administrative apparatus will be required to administer revenue sharing?

A. None. The plan has been designed to operate almost automatically, avoiding any requirement for the establishment of any new Federal bureau or agency. The whole purpose is to avoid Federal controls and to increase the fiscal discretion available to State and local governments.

#### RUTGERS JOURNAL OF COMPUTERS AND THE LAW

Mr. CASE. Mr. President, I wish to commend the initiative of a group of students in Rutgers University Law School who have compiled a series of articles and published a book entitled "Rutgers Journal of Computers and the Law."

I am told that the Journal, published this spring, is the first of its kind.

The Journal is in the form of a forum for the presentation of outstanding articles that treat subjects involving computers, automation, and the electronic data processing industry, in their interaction with the law and law making. Such topics as computers in legal research, data processing, law office management, computer utilities, and time sharing are given extensive exposure.

An article of particular interest to Members of Congress is entitled "Congress: The Three Dimensional Chessboard," written by Robert L. Chartrand. Chartrand points out ways in which, in the midst of today's information explosion, Congress could effectively use computers to systemize data.

The systemization, Chartrand explains, could be broken down into categories such as delineation of the problem, summaries of existing programs, related written commentary, and listing of legislation.

Computers are currently being used by the House Committee on Banking and Currency, which reports that they are extremely helpful to its work. The committee notes that the use of computers has saved its members and staff a great deal of time and effort. It believes that as soon as Members of Congress become aware of the potential benefits of computers, computer usage will become widespread.

The editors of the Rutgers Journal of Computers and the Law, who intend to publish similar editions twice each year, deserve congratulations for an important contribution in a field too often neglected.

#### FULL FUNDING FOR HEALTH MANPOWER PROGRAMS

Mr. PELL. Mr. President, much has been said about the health crisis which faces our country today. Yet while much is being said, as usual, not enough is being done. It is for this reason that the health appropriations bill now pending in committee is of such importance.

Contrary to the traditional explanation of the cause of inflation, inflation in health costs is due to a lack of money rather than an excess of money. That is, unless increased funds are committed to health manpower, the inflation in our health system, which is due to a lack of adequate health manpower, will continue to exist.

Extra dollars for health manpower is an anti-inflationary step. I would urge that health manpower programs be fully funded.

I ask unanimous consent that an editorial regarding health manpower funds, published in a recent newsletter of the American Medical Association, be printed in the RECORD.

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

#### HEALTH FUNDS

Congress' eagerness to override President Nixon's veto of the Hill-Burton hospital construction bill may prove to be an indicator of things to come.

It is heartening to see Congressmen express concern about health appropriations. They will have a chance soon to express themselves on legislation of far more importance to the nation's health care system than the Hill-Burton measure.

Now pending before Congress is appropriation legislation to expand medical education facilities and increase the number of physicians. The American Medical Association has asked Congress to appropriate:

The full \$225 million authorized under the Health Professions Educational Assistance Act. The Administration's request was for \$118 million. The AMA has pointed out that there already is a backlog of approximately \$400 million in medical school construction applications.

\$30 million for health research facilities and \$11 million for medical libraries—the full amounts already authorized by Congress, although the Administration has not requested any appropriations in either category. Said AMA: "Construction of educational facilities

is very closely related to construction of facilities for research and medical libraries. Failure to meet the need will inevitably restrict efforts to increase enrollments."

All of the \$168 million already authorized for institutional grants, special improvement grants, and the physician augmentation program. The Administration has requested appropriations totaling \$133.65 million.

The shortage of health manpower is acknowledged by almost everyone. Figures—most commonly alluding to a shortage of 50,000 physicians—are frequently bandied about, and most experts feel the manpower problem is one of the most important factors in the nation's health care delivery problem.

The importance of the appropriations described above, as the AMA told Congress, is that these funds could mean the salvation of some medical schools which are "in precarious financial balance" and are having problems maintaining their present enrollments. The general institutional and special improvement grants are particularly important because the money involved can be applied directly to the medical schools' educational programs.

With all the public attention directed toward health care, it is to be hoped that Congress will consider medical education and research as important as hospital construction. Sen. Warren Magnuson (D., Wash.), the chairman of the Senate Health Appropriations Subcommittee, put it well when his group opened hearings on the budget of the Health, Education, and Welfare Dept.:

"No crisis, either at home or abroad, deserves higher priority than this. . . . The budget requests of the Administration this year simply are not adequate to cope with the crisis" and "represent a tragic neglect of the true needs of the American people."

The AMA has urged Congress to give health care primary consideration in the budget for the next fiscal year. The lawmakers must act to meet the nation's crisis in health manpower.

#### SENATOR JAVITS ARGUES FOR THE GENOCIDE CONVENTION—II

Mr. PROXMIER. Mr. President, I turn again to the cogent arguments for Senate ratification of the United Nations convention against genocide that were made by the distinguished Senator from New York (Mr. JAVITS). In his rebuttal to various arguments against ratification, Senator JAVITS addressed himself to the meaning and overtones of the term "genocide."

Many critics of the Genocide Convention believe the term "genocide" is not sufficiently defined in the treaty. Some have suggested that for genocide to be committed an entire group must be wiped out. But Senator JAVITS points out that it is entirely legitimate that the term "genocide" be defined in terms of the overall purposes of the convention. "Genocide" was a new term in 1948 and the definition in the convention represented the international consensus on its meaning.

#### Senator JAVITS asks:

(Do many of our critics) really believe that an entire group must be wiped out before it is fair to say that genocide has occurred? This view would seem extreme.

An additional argument that Senator JAVITS refuted during the Foreign Relations Committee hearings on genocide was that which dealt with sovereignty of the States. For instance, some have argued that this international treaty would

supersede all State laws and practices inconsistent with them and thereby deprive the States of the power to prosecute and punish in their courts acts condemned by articles II and III of the convention. But Senator JAVITS demonstrates that the convention is not self-executing:

The Convention is clearly non-self-executing in view of the requirement of article V to enact the necessary implementing legislation. This administration intends to await enactment of such legislation by the Congress before depositing our ratification and thus becoming a party to the Convention. If there is supersession of any inconsistent State laws, it will be by the Federal legislation, not by the convention. It is difficult to imagine in what way any existing State law or practice could be inconsistent with the Convention.

The enactment of implementing legislation for the Genocide Convention by the Congress need not automatically preclude the States from prosecuting the acts proscribed by the Convention. Whether or not a congressional act preempts an area of law depends on the intent of Congress. If, as could be reasonably argued, Congress did not intend completely to fill this area of law, States would be free to continue to act in this area. To ensure that States would still have such freedom, the Congress could provide in its implementing legislation that nothing in that legislation should be construed as indicating an intent on the part of Congress to occupy, to the exclusion of State or local laws on the same subject matter, the field in which the provisions of the legislation operate.

#### DEATH OF HERMAN D. KENIN, PRESIDENT, AMERICAN FEDERATION OF MUSICIANS

Mr. PELL. Mr. President, it is my sad task to bring to the attention of the Senate the death of Herman D. Kenin, president of the American Federation of Musicians. As both president of the union for 12 years and vice president of the AFL-CIO, Mr. Kenin was tireless in his efforts to bring to the musicians and other entertainers in our country needed job security and benefits. I personally held the highest regard for Mr. Kenin.

He was an initial and continuing supporter of the legislation of which I was the sponsor, together with the senior Senator from New York (Mr. JAVITS), which brought about the eventual establishment of the National Endowment for the Arts. Indeed, his work in this area through the years was recognized when he was appointed to the Council of the Endowment. I would also be remiss if I did not recognize Mr. Kenin's other efforts in support of the various pieces of social legislation which came before the Committee on Labor and Public Welfare.

Mr. President, those who knew Herman Kenin valued him as a friend and a loyal supporter. To his family and to his union my sincerest sympathy. I ask unanimous consent that two obituaries be printed in the RECORD.

There being no objection, the obituaries were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 22, 1970]

HERMAN D. KENIN, MUSICIANS' CHIEF—UNION PRESIDENT SINCE 1958 DIES—WON TV PACTS

Herman D. Kenin, president of the American Federation of Musicians for the last 12



years, and a vice president of the A.F.L.-C.I.O., died yesterday in his room at the Hotel Lombardy here, apparently of a heart attack. He was 69 years old and lived at 14 Northfield Drive, Westport, Conn.

Mr. Kenin, a slim, dapper man with a hair-line moustache and a thin crop of gray hair, guided the 300,000-member union through one of its most difficult periods. He was largely responsible for negotiating agreements with the major television networks and film studios, which over the years became the musicians' major employer and major source of unemployment.

Movies, television, radio and the recording business during the years from 1958 on spread music nationwide in a flood of melodies. At the same time, producing the music called for fewer and fewer musicians.

#### UNION MAN BY BIRTH

Mr. Kenin was born in Vineland, N.J. His father was a member of Samuel Gompers' Cigar Makers Union, the union that formed the core of the American Federation of Labor years later.

The younger Mr. Kenin attended Reed College in Portland, Ore., and after three years as a night student at Northwestern College of Law, was admitted to the Oregon Bar.

During his college years he played the violin with the George Olsen orchestra. Later he headed his own band. During the twenties and into the Depression his band played hotel, radio and club dates on the West Coast.

Years later he acknowledged that his violin playing was not outstanding.

"I was so bad I had to become a band leader," he said.

After passing his bar examination, Mr. Kenin kept up his membership in the Local 99 of the musicians' union, and in 1936 he was elected its president.

He was invited to fill an interim post in the Federation's International Executive Board in 1943, and was subsequently re-elected to regular terms on the board.

#### ELECTED BY ACCLAMATION

In June of 1958 he was unanimously elected head of the union upon the recommendation of James C. Petrillo, who retired after 18 years in the union presidency.

One of Mr. Kenin's first acts upon taking the \$45,000 a year job was to push through an amendment to the union's constitution that abolished the president's dictatorial powers to annul any by-law or provision of the constitution at will.

At his death, Mr. Kenin was a member of the executive council of the A.F.L.-C.I.O., international secretary of the Entertainment Trade Unions organization, and treasurer of the A.F.L.-C.I.O. Council for Scientific, Professional and Cultural Employees.

During his tenure in office, the federation became a major force in efforts to establish the National Endowments for the Arts and Humanities, won a long battle in Congress to reduce the 20 per cent cabaret tax, established pension funds for musicians, persuaded television networks to eliminate foreign music in their programs, and set up scholarship programs.

Back in 1936 a friend in New York wrote to Mr. Kenin in Portland, asking him to advise a young woman who was coming to Oregon to open a dance studio. Three months later Mr. Kenin wrote back that he had advised the young woman, Maxine Bennett, to marry him.

He leaves his wife, two sons, Herman David Jr., and James Bennett, a brother, Frank K., and a sister, Mrs. Fanny Kenin Friedman.

Funeral arrangements were incomplete last night.

[From the AFL-CIO News, July 25, 1970]  
MUSICIANS' PRESIDENT HERMAN D. KENIN DIES

NEW YORK.—AFL-CIO Vice Pres. Herman D. Kenin, who guided the Musicians to new heights in membership and program, died in his sleep at a hotel here. He was 69 and had been AFM president since 1958.

A message of sympathy from Federation Pres. George Meany and Sec.-Treas. Lane Kirkland expressed "deep sadness . . . at the tragic death of our colleague and warm friend."

His years of service to the AFM, they said, were matched "by his service to the entire trade union movement." The message recalled that "to every assignment he brought calm and thoughtful competence, and deep compassion for his fellow man."

Kenin was "a true trade unionist and a fine gentleman, and we shall miss him," the federation officers said. They conveyed "our sincere regret" to AFM officers and members and the family. Survivors include his wife, Mrs. V. Maxine Kenin, sons David and James, brother Frank K. and sister Fanny Friedman, Portland, Ore.

The family asked that instead of flowers, memorial tributes be sent in Kenin's name to Reed College, Portland, Ore. 97202.

To meet the emergency caused by Kenin's death, Sec.-Treas. Stanley Ballard and the officers called a special board meeting for July 29.

In his lifetime Kenin combined a career as violinist, orchestra leader and practicing attorney to become an influential labor leader. He had been an AFM officer since 1943.

Born in Vineland, N.J., he was the son of a member of the Cigar Makers when it was headed by Sam Gompers. He went to school in Portland, attended Reed College, and in 1930, following three years as a night student at Northwestern College of Law, was admitted to the Oregon bar.

During his college and law school days, Kenin played with the George Olsen Orchestra, then led his own band on hotel, radio, theater and club dates on the West Coast. He practiced law starting in 1931 but kept up his membership in AFM Local 99, and in 1936 was elected its president.

Kenin gave up his law practice at the request of AFM Pres. James C. Petrillo in 1943 to become a board member of the union. He was elected president in 1958 succeeding Petrillo and helped guide the 300,000-member union during its period of greatest growth.

Under his leadership the union became a major force in efforts to establish the National Endowments for the Arts and Humanities. Also it won a long battle in Congress to reduce the 20 percent cabaret tax, established pension trust funds for musicians, persuaded television networks to eliminate foreign-produced music from their programming in favor of "live" domestic music, achieved major gains in salaries and conditions for symphony musicians, and set up scholarship and student-aid programs like the world-renowned Congress of Strings.

He was largely responsible for negotiating agreements with the major television networks and film studios, and with recording firms that fortified the role of the musician in those industries.

Kenin's death brought messages of sympathy from several world labor groups. Sec.-Gen. Arturo Jauregui of the Inter-American Regional Organization of Workers—ORIT—cabled "heartfelt condolence on the death of a great leader and devoted trade unionist, also . . . a valued friend."

Kenin played a leading role in founding the Inter-American Federation of Entertainment Workers and the International Secretariat of Entertainment Trade Unions. He

was past president and, at his death, treasurer of the AFL-CIO Council for Scientific, Professional & Cultural Employees.

#### SLEEPING BEAR DUNES NATIONAL LAKESHORE

Mr. HART. Mr. President, this is the year for Sleeping Bear Dunes National Lakeshore to become a reality. It is a testament to the conscientious work and cooperation of many public-spirited people—citizens and officials—that the controversy once involved has been so well reconciled. It has been a long effort, but one in which all who contributed can take deep satisfaction.

Recently the Legislature of the State of Michigan memorialized Congress, urging the enactment of the Sleeping Bear Dunes bill this year. As the legislators said:

Early action to save this area for enjoyment of future generations has been recognized as desirable by the President of the United States, the Governor of Michigan, the Michigan Natural Resources Commission, the Michigan Tourist Council and numerous non-governmental organizations and individuals.

Such action would clearly be in the interests of the State of Michigan, its citizens and its economy.

The great dunes and associated landscape are a treasure of national value. If we can make the lakeshore a reality and continue to broaden the cooperative involvement of all concerned in its realization, we can secure for the future this imposing yet intimate legacy of the Great Lakes landscape and shoreline.

I ask unanimous consent that the concurrent resolution of the Michigan Legislature be printed in the RECORD.

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

#### HOUSE CONCURRENT RESOLUTION NO. 390

(A concurrent resolution memorializing the Congress relative to the establishment of the Sleeping Bear Dunes National Lakeshore)

Whereas, A survey of the vanishing Great Lakes shoreline was made by the United States Department of Interior during 1957 and 1958; and

Whereas, This survey revealed three outstanding areas, all of them in Michigan, worthy of incorporation and protection in the National Park system; and

Whereas, One of these areas and the one nearest our population centers is at Sleeping Bear Dunes in Leelanau and Benzie counties; and

Whereas, This beautiful area is deserving of national recognition and preservation for the benefit of future generations in the rapidly growing lake states region; and

Whereas, Legislation to this effect, modified to safeguard the property rights of homeowners, has been before the Congress for ten years, and is now sponsored by all nineteen Congressmen from the State of Michigan; and

Whereas, Early action to save this area for enjoyment of future generations has been recognized as desirable by the President of the United States, the Governor of Michigan, the Michigan Natural Resources Commission, the Michigan Tourist Council and numerous nongovernmental organizations and individuals; and

Whereas, Such action would clearly be in the interest of the State of Michigan, its citizens and its economy; and

Whereas, The legislature is aware of Act No. 168 of the Public Acts of 1966 of the State of Michigan which requires the state to reimburse certain counties for lands which will be purchased by the federal government for use of the Sleeping Bear Dunes National Lakeshore and the legislature will take appropriate action to nullify the provisions of the act relative to the necessity of the federal government purchasing the necessary lands for the project; now, therefore be it

Resolved by the House of Representatives (the Senate concurring) That the Congress is hereby respectfully urged to authorize the establishment of the Sleeping Bear Dunes National Lakeshore in Michigan; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, and to each member of the Michigan delegation to the Congress.

#### DEATH OF FORMER PRIME MINISTER ANTONIO SALAZAR OF PORTUGAL

Mr. PELL. Mr. President, I have just read with very real sadness of the death of former Prime Minister Antonio Salazar of Portugal.

He was a man of tremendous principle. To me, he epitomized the Portuguese qualities of honesty and fidelity. Although occupying the highest positions in his nation for almost 40 years, he followed a personal and frugal life. Whether one agreed or disagreed with all of Salazar's policies, one admired him as a great human being.

During the years of World War II, when neighboring Spain was acting as unofficial Axis ally and permitting German submarines to base out of Vigo, Salazar kept Portugal scrupulously neutral.

I well remember how I was permitted to be appointed a delegate of the Portuguese Red Cross in order to try to get supplies across the Iberian Peninsula and France to British prisoners of war in Germany. The Portuguese did all they could to help. But the Spaniards arrested me twice on my way across their territory.

Finally, I remember the admiration and regard my father, the then American Minister to Portugal, had for Salazar in those years prior to and at the beginning of World War II.

Salazar was a man who once spurned his job and returned to Coimbra University when he felt he was not adequately supported. He considered his job as a trust and carried it out as such.

Few men of as noble character have lived in recent years.

#### ADMINISTRATION STALLS ON WOMEN'S RIGHTS

Mr. BAYH. Mr. President, on May 5, 6, and 7 the Subcommittee on Constitutional Amendments, of which I serve as chairman, held extensive hearings on Senate Joint Resolution 61, the equal rights amendment. The amendment would provide that "equality of rights under the law shall not be denied or

abridged by the United States or any State on account of sex."

For 47 years the amendment has been pending in the U.S. Congress. Indeed, the hearings we conducted last month were the first time the amendment has received congressional hearings in 14 years. Generations of American women—and men—have suffered untold discrimination because we have failed to extend the benefits of the 14th amendment to those who suffer not because of race or religion or national origin but because of their sex. I am glad to say that we are moving now in this important area, and I hope that we will be able to enact the equal rights amendments in this Congress.

Mr. President, we heard support during our recent hearings from a very wide range of witnesses. We heard support from some of the groups who have been fighting discrimination since before the passage of the 19th amendment—for example, the National Women's Party. We heard support from some of the newer activist organizations such as the National Organization for Women and the Women's Liberation Movement. And while some members of organized labor still oppose the equal rights amendment, we heard that some labor organizations have for the first time endorsed the amendment.

But one expected source of support was missing from our hearings. One voice was strangely silent—the voice of the executive branch of the U.S. Government.

Our subcommittee repeatedly asked the administration to testify in support of the amendment. We repeatedly asked the President to send us a witness who could tell us where he stands on this important question, or at least to send us a statement of his position. We were unable to obtain a witness from the administration. And we have still been given no clear statement of the President's position. I do not understand why President Nixon has been so reluctant to endorse this amendment and to support an effort to move against discrimination so fundamental.

Mr. President, in addition to the administration's failure to take a position on the equal rights amendment, our hearings disclosed another matter in which the President has stalled on the question of women's rights. After his election, President Nixon appointed a Task Force on Women's Rights and Responsibilities. On December 15, 1969, the Task Force completed and forwarded to the President its final report. After repeated criticism for their delay, the White House finally released this report in June of this year, almost 6 months later—and thoughtfully dated it "April 1970."

The Task Force report contains a series of well-thought-out recommendations. It recommends the establishment of an Office of Women's Rights and Responsibilities, with a director reporting directly to the President. It recommends a White House conference on women's rights on the appropriate occasion of the 50th anniversary of the ratification of the suffrage amendment and the estab-

lishment of the Women's Bureau in 1920. It recommends an increase in the appointment of women to high Federal positions and specific instructions for Cabinet officials and agency heads to enforce this policy.

The report also recommends a series of six specific Cabinet level sections by the executive branch. And finally, the report recommends that the President endorse and support 11 specific items of Federal legislation—beginning with the equal rights amendment.

These recommendations constitute as careful and well-thought-out a program of affirmative action to secure women's rights as I have ever seen. But the great tragedy, Mr. President, is that the administration has dragged its heels in implementing the report's major recommendations. Indeed, the President has still failed to give us a plain endorsement of the equal rights amendment. And this weekend brings us new reports of the refusal of the Secretary of Labor to extend affirmative action guidelines for Federal contractors so as to apply to discrimination on account of sex as well as racial, religious, and other forms of discrimination.

As Anne Crutcher wrote recently in the Washington Daily News, the White House effort on women's rights adds up to "more task than force." And as to the President's position on the Task Force recommendations:

On these tender subjects, the President doesn't say yes and he doesn't say no. White House spokesmen said yesterday that he's been on record for years in favor of women's rights. Presumably, only a politician's desire to have it both ways keep him from saying he hasn't changed his mind.

Women make up more than half of our population today. And I am convinced that today's American women will no longer be content with the kinds of petty slights and major institutional discrimination that have too often characterized our country in the past. When we deny any citizen equal educational opportunity, when we limit any person's property rights, when we inhibit anyone seeking the most rewarding employment for which he or she is qualified, we do so at great expense to America. These limitations are an insult to fundamental human dignity. And they are a waste of the most valuable natural resource our country has—the energy and skills of its people. These are basic principles that have been recognized and enthusiastically endorsed by many Members of the House and Senate—Republicans as well as Democrats. I hope that the President will soon realize that we cannot afford to stall any longer in eliminating discrimination on account of sex from American life.

Mr. President, I ask unanimous consent that the text of the Task Force report, entitled "A Matter of Simple Justice," be printed in the RECORD, along with five recent newspaper articles criticizing the administration's position on women's rights.

There being no objection, the items were ordered to be printed in the RECORD, as follows:



## A MATTER OF SIMPLE JUSTICE

(The Report of The President's Task Force on Women's Rights and Responsibilities, April 1970)

## PRESIDENTIAL TASK FORCE ON WOMEN'S RIGHTS AND RESPONSIBILITIES

Washington, D.C., December 15, 1969.

The President,

The White House, Washington, D.C.

DEAR MR. PRESIDENT: As President of the United States, committed to the principle of equal rights for all, your leadership can be crucial to the more than half our citizens who are women and who are now denied their full constitutional and legal rights.

The quality of life to which we aspire and the questioning at home and abroad of our commitment to the democratic ideal make it imperative that our nation utilize to the fullest the potential of all citizens.

Yet the research and deliberation of this Task Force reveal that the United States, as it approaches its 200th anniversary, lags behind other enlightened, and indeed some newly emerging, countries in the role ascribed to women.

Social attitudes are slow to change. So widespread and pervasive are discriminatory practices against women they have come to be regarded, more often than not, as normal. Unless there is clear indication of Administration concern at the highest level, it is unlikely that significant progress can be made in correcting ancient, entrenched injustices.

American women are increasingly aware and restive over the denial of equal opportunity, equal responsibility, even equal protection of the law. An abiding concern for home and children should not, in their view, cut them off from the freedom to choose the role in society to which their interest, education, and training entitle them.

Women do not seek special privileges. They do seek equal rights. They do wish to assume their full responsibilities.

Equality for women is unalterably linked to many broader questions of social justice. Inequities within our society serve to restrict the contribution of both sexes. We have witnessed a decade of rebellion during which black Americans fought for true equality. The battle still rages. Nothing could demonstrate more dramatically the explosive potential of denying fulfillment as human beings to any segment of our society.

What this Task Force recommends is a national commitment to basic changes that will bring women into the mainstream of American life. Such a commitment, we believe, is necessary to healthy psychological, social and economic growth of our society.

The leader who makes possible a fairer and fuller contribution by women to the nation's destiny will reap dividends of productivity measurable in billions of dollars. He will command respect and loyalty beyond measure from those freed from second-class citizenship. He will reaffirm, at a time of renewed worldwide emphasis on human rights, America's fitness for leadership in the community of nations.

His task will not be easy, for he must inspire and persuade government and the private sector to abandon outmoded attitudes based on false premises.

Without such leadership there is danger of accelerating militancy or the kind of deadening apathy that stills progress and inhibits creativity.

Therefore, this Task Force recommends that the President:

1. Establish an Office of Women's Rights and Responsibilities, whose director would serve as a special assistant reporting directly to the President.
2. Call a White House conference on women's rights and responsibilities in 1970, the fiftieth anniversary of the ratification of the suffrage amendment and establishment of the Women's Bureau.

3. Send a message to the Congress citing the widespread discriminations against women, proposing legislation to remedy these inequities, asserting Federal leadership, recommending prompt State action as a corollary, and calling upon the private sector to follow suit.

The message should recommend the following legislation necessary to ensure full legal equality for women:

a. Passage of a joint resolution proposing the equal rights amendment to the Constitution.

b. Amendment of Title VII of the Civil Rights Act of 1964 to (1) remove the burden of enforcement from the aggrieved individual by empowering the Equal Employment Opportunity Commission to enforce the law, and (2) extend coverage to State and local governments and to teachers.

c. Amendment to Titles IV and IX of the Civil Rights Act of 1964 to authorize the Attorney General to aid women and parents of minor girls in suits seeking equal access to public education, and to require the Office of Education to make a survey concerning the lack of equal educational opportunities for individuals by reason of sex.

d. Amendment of Title II of the Civil Rights Act of 1964 to prohibit discrimination because of sex in public accommodations.

e. Amendment of the Civil Rights Act of 1957 to extend the jurisdiction of the Civil Rights Commission to include denial of civil rights because of sex.

f. Amendment of the Fair Labor Standards Act to extend coverage of its equal pay provisions to executive, administrative, and professional employees.

g. Amendment of the Social Security Act to (1) provide benefits to husbands and widowers of disabled and deceased women workers under the same conditions as they are provided to wives and widows of men workers, and (2) provide more equitable retirement benefits for families with working wives.

h. Adoption of the liberalized provisions for child care in the family assistance plan and authorization of Federal aid for child care for families not covered by the family assistance plan.

i. Enactment of legislation to guarantee husbands and children of women employees of the Federal government the same fringe benefits provided for wives and children of male employees in those few areas where inequities still remain.

j. Amendment of the Internal Revenue Code to permit families in which both spouses are employed, families in which one spouse is disabled and the other employed, and families headed by single persons, to deduct from gross income as a business expense some reasonable amounts paid to a housekeeper, nurse, or institution for care of children or disabled dependents.

k. Enactment of legislation authorizing Federal grants on a matching basis for financing State commissions on the status of women.

4. The executive branch of the Federal government should be as seriously concerned with sex discrimination as with race discrimination, and with women in poverty as with men in poverty. Implementation of such a policy will require the following Cabinet-level actions:

a. Immediate issuance by the Secretary of Labor of guidelines to carry out the prohibition against sex discrimination by government contractors, which was added to Executive Order 11246 in October 1967, became effective October 1968, but remains unimplemented.

b. Establishment by the Secretary of Labor of priorities, as sensitive to sex discrimination as to race discrimination, for manpower training programs and in referral to training and employment.

c. Initiation by the Attorney General of legal actions in cases of sex discrimination under section 706(e) and 707 of the Civil Rights Act of 1964, and intervention or filing of amicus curiae briefs by the Attorney General in pending cases challenging the validity under the 5th and 14th amendments of laws involving disparities based on sex.

d. Establishment of a women's unit in the Office of Education to lead efforts to end discrimination in education because of sex.

e. Collection, tabulation, and publication of all economic and social data collected by the Federal government by sex as well as race.

f. Establishment of a high priority for training for household employment by the Secretary of Labor and the Secretary of Health, Education, and Welfare.

5. The President should appoint more women to positions of top responsibility in all branches of the Federal government, to achieve a more equitable ratio of men and women. Cabinet and agency heads should be directed to issue firm instructions that qualified women receive equal consideration in hiring and promotions.

Respectfully submitted,

VIRGINIA R. ALLAN,

Chairman.

Elizabeth Athanasakos, Ann R. Blackham, P. Dee Boersma, Evelyn Cunningham, Ann Ida Gannon, B.V.M., Vera Glaser, Dorothy Haener, Patricia Hutar, Katherine B. Massenburg, William C. Mercer, Alan Simpson, Evelyn E. Whitlow.

The President today announced the establishment of the Task Force on Women's Rights and Responsibilities, with Miss Virginia R. Allan, former President of the National Federation of Business & Professional Women's Clubs as the Chairman. The task force will review the present status of women in our society and recommend what might be done in the future to further advance their opportunities.

The members of the Task Force on Women's Rights and Responsibilities are:

Miss Virginia R. Allan, Executive Vice President, Cahalan Drug Stores, Inc., Wyandotte, Michigan.

Hon. Elizabeth Athanasakos, Municipal Court Judge and Practicing Attorney, Fort Lauderdale, Florida.

Mrs. Ann R. Blackham, President, Ann R. Blackham & Company, Winchester, Massachusetts.

Miss P. Dee Boersma, Student Govt. Leader, Graduate Student, Ohio State University, Columbus, Ohio.

Miss Evelyn Cunningham, Director, Women's Unit, Office of the Governor, New York, New York.

Sister Ann Ida Gannon, B.V.M., President, Mundelein College, Chicago, Illinois.

Mrs. Vera Glaser, Correspondent, Knight Newspapers, Washington, D.C.

Miss Dorothy Haener, International Representative, Women's Department, UAW, Detroit, Michigan.

Mrs. Laddie F. Hutar, President, Public Affairs Service Associates, Inc., Chicago, Illinois.

Mrs. Katherine B. Massenburg, Chairman, Maryland Commission on the Status of Women, Baltimore, Maryland.

Mr. William C. Mercer, Vice President, Personnel Relations, American Telephone & Telegraph Co., New York, New York.

Dr. Alan Simpson, President, Vassar College, Poughkeepsie, New York.

Miss Evelyn E. Whitlow, Attorney at Law, Los Angeles, California.

## OFFICE OF WOMEN'S RIGHTS AND RESPONSIBILITIES

*It is recommended that the President establish an Office of Women's Rights and Responsibilities, whose director would also serve as a special assistant reporting directly to the President.*

The goal of equality for women is tied to that of a better world for all. The Task Force strongly urges that this objective be given the visibility and priority of entrusting it to an official at the President's right hand.

There has been no individual or office at a sufficiently high level to assume effective overall responsibility for Federal legislative and executive action in the area of equal rights and responsibilities for women, or to set an example for State and local governments.

Establishment of this office in the White House with an adequate staff would offer concrete evidence that the President of the United States is committed to the urgent need for action and is assuming leadership.

The Director of the Office of Women's Rights and Responsibilities would coordinate recruitment and urge consideration of qualified women for policy-level Federal positions.

She would seek new ways to utilize the female sector for the national benefit and to engage women in the hard tasks, challenges, decisions, and experiences through which capabilities are stretched and leadership is developed.

As the President's representative she would seek to inform leaders of business, labor, education, religion, State and local governments, and the communications media on the nature and scope of the problem of sex discrimination, striving to enlist their support in working toward improvement.

She would chair the interdepartmental committee comprised of top level representatives of those departments and agencies with programs and functions significantly affecting women's rights and responsibilities.

The Interdepartmental Committee would review and coordinate Federal programs for the purpose of assessing their impact on women and girls and would recommend policies and programs to Federal agencies and to the President. It would oversee implementation of the President's program for equal opportunity in the Federal service.

She would serve as executive secretary of the advisory council on women's rights and responsibilities, which serves as a link and a clearinghouse between government and interested private groups. The Council should be comprised of men and women broadly representative of business, labor, education, women's organizations (youth and adult), and State commissions on the status of women.

The Task Force commends to this Office for early consideration a number of important problems, on which the task force did not make recommendations for lack of time or lack of jurisdiction. They are listed in Appendix A.

## WHITE HOUSE CONFERENCE ON WOMEN'S RIGHTS AND RESPONSIBILITIES

*It is recommended that the President call a White House Conference on Women's Rights and Responsibilities in 1970, the fiftieth anniversary of the ratification of the suffrage amendment and establishment of the Women's Bureau.*

Major objectives would be to bring together a representative group of the Nation's men and women

To encourage American women to participate more fully in American life and leadership; to create an awareness of their responsibilities as citizens;

To examine present laws and mores that influence or determine the status of women;

To educate women on a positive course of

action for achieving equal rights and responsibilities.

The Director of the Office of Women's Rights and Responsibilities, with the advice of the Presidential Advisory Council referred to in Recommendation 1, would plan the structure and program of the conference.

Topics for discussion would include among others: education (including continuing education), counseling, abortion, childhood education and care, women in politics, employment, legal discrimination, volunteer careers, the creative women, women in tomorrow's world, consumer protection, and women as catalysts for peace.

A plan of this nature emphasizes positive action by the President and demonstrates a genuine awareness of the problems facing women. Coupled with corrective legislative action, it would be a deterrent to the radical liberation movements preaching revolution.

## MESSAGE TO CONGRESS PROPOSING LEGISLATION

*It is recommended that the President urge passage of the equal rights amendment to the Constitution*

The proposed Equal Rights Amendment reads as follows: "Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex."

Passage of the so-called "Equal Rights Amendment" would impose upon women as many responsibilities as it would confer rights. The task force views this objective as desirable.

It is ironic that the basic rights women seek through this amendment are guaranteed all citizens under the Constitution. The applicability of the 5th and 14th amendments in parallel cases involving racial bias has been repeatedly tested and sustained, a process which has taken years and has cost millions of dollars.

The Supreme Court, however, has thus far not accorded the protection of those amendments to female citizens. It has upheld or refused to review laws and practices making discriminatory distinctions based on sex.

These include the practice of excluding women from State universities, a law requiring longer prison sentences for women than for men for the same offense, and a law prohibiting women from working as bartenders (but not in the less lucrative jobs as waitresses in bars).

At the State level there are numerous laws regulating marriage, guardianship, dependents, property ownership, independent business ownership, dower rights, and domicile, which clearly discriminate against women as autonomous, mature persons.

A number of discriminatory State laws have in the past four years been declared unconstitutional by the lower courts, but no case has reached the Supreme Court.

A constitutional amendment is needed to secure justice expeditiously and to avoid the time, expense, uncertainties, and practical difficulties of a case-by-case, State-by-State procedure.

Some effects of passage of the equal rights amendment:

It would guarantee women and girls admission to publicly supported educational institutions under the same standards as men and boys, but it would also require women to assume equal responsibility for alimony and support of children (within their means, as is the standard applied to men). Women presently bear these responsibilities in some States, but not in all.

It would require that women not be given automatic preference for custody of children in divorce suits. The welfare of the child would become the primary criterion in determining custody.

It would require Federal, State, and local governments to grant women equal opportunity in employment.

It would render invalid any current State

laws providing longer prison sentences for women than for men for the same offense.

It would impose on women an obligation for military service. They would not be required to serve in functions for which they are not fitted, any more than men are so required.

Once the equal rights amendment is ratified, the burden of proving the reasonableness of disparate treatment on the basis of sex would shift to the United States or the State. Presently the burden is on the aggrieved individuals to show unreasonableness.

The mere passing of the Amendment will not make unconstitutional any law which has as its basis a differential based on facts other than sex. It will, in the broad field of rights, eliminate discrimination. It would make unconstitutional legislation with disparate treatment based wholly or arbitrarily on sex.

Past opposition to the Equal Rights Amendment has been based to a considerable extent on the fact that it would invalidate State laws regulating the employment of women only. Since these laws are disappearing under the impact of Title VII of the Civil Rights Act of 1964 and State fair employment laws, opposition will be much less and may evaporate in the light of information developed at hearings.

The Equal Rights Amendment has been endorsed by Presidents Eisenhower, Kennedy, Johnson, and Nixon.

*Title VII of the Civil Rights Act of 1964 Should Be Amended To.*—Remove the burden of enforcement from the aggrieved individual by empowering the Equal Employment Opportunity Commission to enforce the law, and extend coverage to State and local governments and to teachers.

Title VII of the Civil Rights Act of 1964 has made significant gains in promoting non-discriminatory practices in industry in hiring and promotions. However, the enforcement provision of Title VII are inadequate. They place the main burden of enforcement on the individual complainant. The Equal Employment Opportunity Commission's authority is limited to conciliation efforts.

Less cooperation can be anticipated in arriving at a satisfactory resolution of a discrimination complaint when there is knowledge that the Commission's power is merely exhortative. Conciliation efforts have been unsuccessful in more than half the cases in which the Commission found that discrimination had occurred.

In addition, the Commission should be budgeted to provide an adequate staff of investigators, field officers, and other professionals to carry out its responsibilities.

Two bills in Congress would give the Commission enforcement powers. Both would relieve the individual complainant of the burden he now bears in most cases. The Administration bill (S. 2806) would confer upon the Commission the authority to institute enforcement actions in the Federal district courts. S. 2453 also removes the burden of enforcement from the complainant by providing an interim administration proceeding before it or an employer would have recourse to court action.

While the Task Force agreed that the Commission should have enforcement authority, most members were not prepared to choose between the two methods.

With respect to part 2 of the recommendation, Title VII exempts from coverage States and their political subdivisions [see subsection 701 (a), (b), (c), and (h)].

Section 702 exempts educational institutions with respect to the employment of individuals to perform work connected with the educational activities of such institutions.

There seems no reason to exempt State and local governments. As representatives of all the people, they are under an obligation to provide equal employment opportunities.



There is gross discrimination against women in education. For example, few women are named school principals. In the school year 1966-67 75% of elementary school principals were men. In 1964-65 men held 96% of the junior high school principal positions while a survey of high school principals for the academic year 1963-64 showed 90% to be men.<sup>1</sup> There is a growing body of evidence of discrimination against women faculty in higher education.

*Title IV and Title IX of the Civil Rights Act of 1964 should be amended to authorize the Attorney General to aid women and parents of minor girls in suits seeking equal access to public education, and to require the Office of Education to make a survey concerning the lack of equal educational opportunities for individuals by reason of sex*

Discrimination in education is one of the most damaging injustices women suffer. It denies them equal education and equal employment opportunity, contributing to a second class self image.

There have been enough individual instances and limited surveys publicized recently to make it apparent that substantial discrimination does exist. For example, until forced to do so by legal action, the New York City Board of Education did not admit girls to Stuyvesant High School,<sup>2</sup> a specialized high school for science with a national reputation for excellence. Legal action recently has forced the State of Virginia to admit women to the University College of Arts and Sciences at Charlottesville.<sup>3</sup>

Higher admission standards for women than for men are widespread in undergraduate schools and are even more discriminatory in graduate and professional schools. For this reason counselors and parents frequently guide young women into the "feminine" occupations without regard to interests, aptitudes and qualifications.

Only 5.9 percent of our law students and 8.3 percent of our medical students are women,<sup>4</sup> although according to the Office of Education women tend to do better than men on tests for admission to law and medical school.

Section 402 of Title IV, passed in 1964, required the Commissioner of Education to conduct a survey of the extent of discrimination because of race, religion, color, or national origin. Title IV should be amended to require a similar survey of discrimination because of sex, not only in practices with respect to students but also in employment of faculty and administration members.

Section 407 of Title IV authorizes the Attorney General to bring suits in behalf of persons denied equal protection of the laws by public school officials. It grants no new rights. While no case relating to sex discrimination in public education has yet reached the Supreme Court, discrimination based on sex in public education should be prohibited by the 14th amendment. The President's Commission on the Status of Women took this position in its 1963 report to the President.<sup>5</sup> Section 902 of the Civil Rights Act authorizes the Attorney General to intervene in cases of this kind after a suit is brought by private parties. Both section 407 and section 902 should be amended to add sex, and section 410 should be similarly amended.

*Title II of the Civil Rights Act should be amended to prohibit discrimination because of sex in public accommodations*

Title II of the Civil Rights Act of 1964 provides that "All persons shall be entitled to the full and equal enjoyment of the goods, services, facilities, privileges, advantages, and accommodations of any place of public accommodation, as defined in this section, without discrimination or segregation on the

ground of race, color, religion, or national origin."

Injunctive relief is provided for persons whose rights are violated, and the Attorney General is authorized to initiate suits in patterns or practice cases and to intervene in suits filed by individuals.

Discrimination because of sex is practiced primarily in restaurants and bars. While the Task Force does not consider this the most injurious discrimination against women today, it is wrong in principle.

The State of Pennsylvania and the City of Pittsburgh have amended their human rights legislation to prohibit discrimination because of sex in public accommodations.

The Task Force recommends amendment of sections 201(a) and 202 by adding "sex," between "religion" and "or."

*The Civil Rights Act of 1957 should be amended to extend the jurisdiction of the Civil Rights Commission to include denial of civil rights because of sex*

The Civil Rights Commission is authorized by section 104 of the Civil Rights Act of 1957, as amended (42 U.S.C. 1975c) to

study and collect information concerning legal developments which constitute a denial of equal protection of the laws under the Constitution because of race, color, religion, or national origin or in the administration of justice;

appraise the laws and policies of the Federal government with respect to equal protection of the laws under the Constitution because of race, color, religion, or national origin or in the administration of justice;

Serve as a national clearinghouse for civil rights information.

The Commission is also authorized to investigate deprivation of voting rights because of race, color, religion, or national origin; but this function is of little concern in sex discrimination since there is apparently no concerted effort to deprive women of their voting rights.

Deprivation of equal educational opportunity and enforcement of laws prohibiting sex discrimination in employment are of great concern, however. The hearings and reports of the Civil Rights Commission would help draw public attention to the extent to which equal protection of the laws is denied because of sex. A clearinghouse for civil rights information is also needed.

Perhaps the greatest deterrent to securing improvement in the legal status of women is the lack of public knowledge of the facts and the lack of a central information bank.

For example, laws in Connecticut and Pennsylvania requiring longer prison sentences for women than for men for the same offense were declared unconstitutional in 1968.<sup>6</sup> There is now no Federal organization with responsibility for exploring and publicizing the extent to which this and other inequalities in the criminal law and practice, such as those involving abortion, exist in the United States.

"Sex" should be inserted after "religion" wherever the word appears in section 104(a) of the Civil Rights Act of 1957, as amended, including paragraph (1) relating to voting rights. While there may be no problem with respect to voting rights, an overall pattern of prohibiting discrimination based on sex should be consistently sought.

*The Fair Labor Standards Act should be amended to extend coverage of its equal pay provisions (i.e., the Equal Pay Act of 1963) to executive, administrative, and professional employees*

The original legislative proposal for an equal pay law, as drafted by the Labor Department, did not exempt executive, professional, and administrative employees. At no point in the legislative process was it proposed to make such an exemption.

When the Congress decided that the equal pay requirement should be administered by the Wage and Hour and Public Contracts Divisions of the Labor Department, the equal pay bill was made an amendment to the Fair Labor Standards Act which the Department administers. The exemptions of the Fair Labor Standards Act then automatically applied to the equal pay provisions. One exempt category covers executive, administrative, and professional employees.

Women in professional, executive, and administrative positions have the protection of Title VII of the Civil Rights Act of 1964, which prohibits discrimination in employment because of sex, as well as because of race, color, religion, or national origin. Title VII, however, does not permit a complainant's identity to be withheld from the employer, as it can be under the Fair Labor Standards Act.

This is particularly important to women who have achieved professional, executive, and administrative positions, which they are very reluctant to endanger. Such women do not have the protection against reprisal provided by union contracts. Furthermore, Title VII at present includes no enforcement authority for the administering agency.

Thirty-six thousand other women (and a few men) have been awarded \$12.6 million in wages since the law went into effect in 1964, including \$4.6 million awarded 16,000 employees in the 1969 fiscal year.<sup>7</sup>

It would be necessary to amend section 13 of the Fair Labor Standards Act (29 U.S.C. 213) so that this exemption of section 13 does not apply to section 6(d).

*The Social Security Act Should Be Amended To—Provide benefits to husbands and widowers of disabled and deceased women workers under the same conditions as they are provided to wives and widows of men workers, and provide more equitable retirement benefits for families with working wives.*

The emergence of a new pattern of family economic interdependence has been accompanied by an awareness of inequities in the social security program as they apply to families where the wife works.

Under current law a wife or widow receives a benefit based on her husband's earnings without meeting any test of dependency. A husband or widower of a woman worker is entitled to a benefit only if he proves he receives one-half or more of his support from his wife.

The family protection provisions of the social security program were based on the sociological conditions and climate of the 1930's. In 1940, 14.7 percent of married women were in the labor force; in 1968 the percentage had increased to 38.3 percent. In these families the wives contributed on the average 26.6 percent of the family income. In 25.6 percent of such families, the wives contributed 40 percent or more of the family income. In most of the families where the wife was in the labor force, the husband's yearly income was below \$7,000.<sup>8</sup> The percentage of two-income families is increasing and more and more frequently the family standard of living is based on two incomes.

The death or disablement of a wife in a two-income family will leave the husband with increased responsibility for the children and less income with which to meet the needs. With almost two-fifths of all husband-wife families following a new pattern of economic interdependence, it is time for the social security program to adapt to the new sociological conditions and climate. Changes to recognize the new-type family began with a series of amendments in 1950 which provide benefits to children of working women under the same conditions as for children of working men.

Social Security Act provisions for automatic benefits for wives of retiring male workers lead to a second type of inequity. In

Footnotes at end of article.

1939, a benefit was provided for the wives of retiring men workers—on the assumption that the wives were dependent and it cost more for a family to live than for a single person. If the wife is entitled to a benefit based on her own earnings, she has to choose between the two. In 1950 this benefit was provided for dependent husbands of women workers. The benefit for wife or dependent husband is 50 percent of the worker's benefit with a maximum of \$105 per month.

Thus a wife who has worked for many years and contributed to the social security system may receive no larger benefit than if she had never worked. For example, a wife who never worked under social security would get a wife's benefit of \$105 at age 65 if her husband had the maximum average monthly earnings of \$650. If the same wife had worked and paid contributions on average monthly earnings of \$120, she would be entitled at age 65 to a benefit of \$81.10, plus an additional wife's benefit of \$23.90, for a total benefit of \$105—the same as if she had not contributed to the social security system.<sup>9</sup>

The present provisions also result in situations where a retired couple who have both worked receive less in benefits than a couple where only the husband worked and had the same earnings as the combined earnings of the working couple. If, for example, only the husband had worked and had average earnings of \$650 a month—\$7,800 a year—the benefits paid to the couple at age 65 would be \$323 (\$218 to the husband and \$105 to the wife). By contrast, if the husband and wife each had average earnings of \$325 a month, or \$3,900 a year—combined annual earnings of \$7,800—their benefits will be lower—\$134.30 each, or a total of \$268.60.<sup>10</sup>

Proposals for giving greater recognition to working wives' social security contributions have been made by the Social Insurance and Taxes Committee of the President's Commission on the Status of Women<sup>11</sup>; by the Citizens' Advisory Council on the Status of Women<sup>12</sup>; and by Congresswoman Martha Griffiths in H.R. 841.

*The administration should urge Congress to adopt the liberalized provisions for child care proposed in S. 2986 for inclusion in the Social Security Act (section 437 of title IV). The administration should also support authorization of Federal aid for child care for families not covered under the family assistance plan, with at least a modest appropriation in 1970*

Lack of adequate child care facilities has been found to be a major deterrent to solution or even significant progress in providing greater education opportunities for children, reducing the welfare burden, giving greater dignity and self-respect to mothers on welfare, filling critical manpower needs in shortage occupations and providing real freedom of choice in life style for women.

Every Federal and State study of the status of women has referred to the necessity for expanding child care facilities.

Department of Labor manpower experts cite lack of child care as the most serious single barrier to job training of employment for low-income mothers.

Our national goal should be:

1. A system of well-run child care centers available to all pre-school children. Although priority would be given the needs of low-income working mothers, the facilities should be available to middle income mothers who wish to use them.

2. After-school activities for school-age children at all economic levels who require them.

The National Advisory Council on Economic Opportunity estimated this year that

700,000 migrant children need day care. Only 13,000 spaces are available.

The Council found that 1,373,000 economically deprived children could have benefited from participation in full-time Head Start programs. Only 213,000 spaces were funded this year.<sup>13</sup>

The Task Force endorses the Administration's plan for increasing facilities for care of pre-school and school age children, with priority for low-income and welfare families.

In addition, we recommend that the Administration support legislation to authorize Federal grants for developing child care facilities for families at all income levels, with at least a modest appropriation.

The funds would be used to construct child care centers, expand existing care programs, renovate facilities, assist States in improving their licensing standards, train professional and sub-professional staff, research, food programs, and a comprehensive study of existing child care programs at Federal, State, and local levels.

*H.R. 469 and H.R. 466 should be enacted to guarantee husbands and children of women employees of the Federal government the same fringe benefits provided for wives and children of male employees in those few areas where inequities still remain*

A number of the laws and regulations governing fringe benefits of Federal employees are, like the social security program, based on the assumption that a wife is dependent on her husband except in those few cases where he is unable to work when it is recognized that he may be dependent on her. The facts demonstrate that in the 38.3 percent<sup>14</sup> of all husband-wife families where the wife works, there is interdependency, and the dependency concepts applicable to the traditional family are not viable (see recommendation 3(g) for additional relevant facts).

Under the civil service and foreign service retirement systems, for example, the surviving husband of a deceased woman employee is not eligible for an annuity unless he is incapable of self-support because of physical or mental disability and has received more than half his support from the deceased woman<sup>15</sup> employee. The surviving spouse of a deceased male employee is automatically eligible for an annuity.

There are inequities in quarters' allowances for employees serving overseas and in eligibility freed attendance at dependents' schools. There are similar differences in treatment of military personnel.

To correct these inequities the Interdepartmental Committee on the Status of Women considered and endorsed H.R. 643 introduced by Congresswoman Griffiths in the 90th Congress. This bill had been drafted by the Civil Service Commission at the request of the Congresswoman.

H.R. 469 of the 91st Congress is identical to H.R. 643, and H.R. 466 would correct the same problems in the military personnel systems.

*The Internal Revenue code should be amended to permit families in which both spouses are employed, families in which one spouse is disabled and the other employed, and families headed by single persons, to deduct from gross income as a business expense some reasonable amount paid to a housekeeper, nurse, or institution for care of children or disabled dependents*

This proposal differs from present provisions of law in the following respects:

The present deduction is a personal deduction from taxable income. It is of no benefit to the taxpayer for whom the standard deduction (now generally 10 percent of gross income up to a maximum of \$1,000) is more advantageous than itemizing allowable deductions for charitable contributions, in-

terest on mortgages and loans, medical expenses, taxes, and casualty losses. Taxpayers who are not homeowners are not likely to have enough personal deductions to exceed the standard allowance; therefore, they receive no, or a very reduced, benefit from a personal deduction. The Task Force believes it would be more equitable and more rational to deduct the expenses from gross income as a business expense.

Under present law a husband-wife family benefit from the deduction only if their income does not exceed \$6,600 with one dependent or \$6,900 with two or more dependents. The Task Force proposal eliminates this limitation on income. There is no income limitation on the single head of household, and there seems to be no good reason for limiting the deduction to low-income husband-wife families.

The present law does not permit single men with disabled dependents in their care (such as parents) to take this deduction although single women in the same situation are covered. The Task Force believes both should be covered.

The present law does not allow men or women with disabled spouses requiring care at home or in an institution to benefit from this deduction. Such a couple can deduct only expenses for care of "dependents," which by definition does not include spouses. This also seems irrational and inequitable and the Task Force believes that if care of the disabled spouse is necessary to enable the other spouse to be gainfully employed, the expenses of such care typically should be deductible to the same extent that expenses for care of "dependents" is deductible.

The existing law limits the deduction to \$600 for one dependent and \$900 for two or more. The Task Force finds that corrective action is needed, but additional economic data would be required to establish the level of deduction.

*Legislation should be proposed authorizing Federal grants on a matching basis for financing State commissions on the status of women*

Since 1962 every State, the District of Columbia, Puerto Rico, the Virgin Islands, and several cities have established commissions on the status of women. Although most were unfunded or inadequately funded, 38 commissions or successor bodies are still functioning. These 38 do not include women's divisions created by statute in Louisiana and New Jersey, which are not yet operational. The Governor of Ohio also has recently issued an executive order establishing a yet to be staffed women's unit in the State government. Other governors are committed to reactivating their State commissions.

In most of the States the commissions are still independent bodies. In a few States, a women's unit, usually with a citizens' advisory committee, has been established in a permanent part of the State structure—in the Governor's office, the Department of Human Rights, the Department of Community Affairs, the Employment Security Department, or the Labor Department.

Few commissions have received sufficient staff assistance or funds to carry out their programs as recommended in the *Handbook for State and City Commissions on the Status of Women*, prepared by members of the 1967 Midwest Regional Conference of State Commissions.<sup>16</sup> The need cited there include: a headquarters office with funds for a chairman or executive secretary, phone, files, postage, office supplies and equipment, transportation to meetings and conferences, surveys and pilot projects, and publication of reports.

Only seven of the commissions receive any regular State appropriations—Alaska, \$5,000; California, \$44,210; Illinois, \$5,000; Kentucky, \$25,000 (plus \$15,000 grant for a research project); Maine, \$2,000; Michigan,



\$11,500; and North Carolina, \$3,000. The New York Women's Unit in the Office of the Governor is best staffed, having 11 salaried employees.

The many positive contributions of the commissions in a variety of fields are documented in progress reports of the Federal Interdepartmental Committee on the Status of Women and in reports of conferences of the commissions, all available from the U.S. Department of Labor, Women's Bureau.

Their durability under adverse circumstances and through changes in State administration further demonstrates that they are needed and useful. With the growth of commissions on university campuses, the State groups will have another function—to give technical assistance to the younger women and to see to it that the concerns of university commissions are effectively brought to the attention of the Governors and State legislatures.

The Task Force recommends that one of the first assignments of the Office of Women's Rights and Responsibilities be to develop a legislative proposal for Federal grants to State commissions and to State government units having the same functions. The grants should be made under standards that will encourage growth of university commissions.

#### POLICY OF EXECUTIVE BRANCH RESPECTING SEX DISCRIMINATION

*The executive branch of the Federal Government should be as seriously concerned with sex discrimination as race discrimination and with women in poverty as men in poverty.*

The testimony and published data received by the Task Force indicate that long-established policies of Federal agencies base their efforts to alleviate poverty and discrimination on the assumption that race discrimination is more inflammatory than sex discrimination.

Sex bias takes a greater economic toll than racial bias. The median earnings of white men employed year-round full-time is \$7,396, of Negro men \$4,777, of white women \$4,279, of Negro women \$3,194. Women with some college education both white and Negro, earn less than Negro men with 8 years of education.<sup>17</sup>

Women head 1,723,000 impoverished families, Negro males head 820,000. One-quarter of all families headed by white women are in poverty. More than half of all headed by Negro women are in poverty. Less than a quarter of those headed by Negro males are in poverty. Seven percent of those headed by white males are in poverty.<sup>18</sup>

The unemployment rate is higher among women than men, among girls than boys. More Negro women are unemployed than Negro men, and almost as many white women as white men are unemployed (most women on welfare are not included in the unemployment figures—only those actually seeking employment.)<sup>19</sup>

Unrest, particularly among poor women and college girls, is mounting. Studies show that 39 percent of the rioters in Detroit were women and in Los Angeles 50 percent were women. The proportion of women among the arrestees was 10 and 13 percent, respectively.<sup>20</sup> Welfare mothers are using disruptive tactics to demand greater welfare payments. Radical women's groups, some with a philosophy similar to that of the Students for a Democratic Society are mushrooming on college campuses.

Essential justice requires the Federal government to give much greater attention to the elimination of sex discrimination and to

the needs of women in poverty. The following specifications are recommended as a beginning.

*The Secretary of Labor should immediately issue guidelines to carry out the prohibition against sex discrimination in employment by Government contractors, which was added to Executive Order 11246 in October 1967, became effective October 1968, but remains unimplemented.*

The first Presidential executive order prohibiting discrimination in employment by employers operating under Government contracts was issued in 1941. Each Administration has continued its existence in various ways. Organizations and women's groups have been on record supporting the inclusion of the word "sex" in this order since its inception. This pressure was persistent and it grew in numbers over the years.

The 1963 report of the President's Commission on the Status of Women took cognizance of this problem but recommended its correction by a separate executive order stating the principle of nondiscrimination but without the enforcement possible under the executive order covering other phases of discrimination.<sup>21</sup> A minority report was issued by a member of the Committee on Private Employment of the President's Commission on this recommendation.<sup>22</sup> The President never acted upon the recommendation.

The Commission also recommended: Appropriate Federal, State, and local officials in all branches of government should be urged to scrutinize carefully those laws, regulations, and practices which distinguish on the basis of sex to determine whether they are justifiable in the light of contemporary conditions and to the end of removing archaic standards which today operate as discriminatory.<sup>23</sup>

After Title VII of the Civil Rights Act of 1964 clearly established that sex discrimination in employment was contrary to public policy, the executive order on government contracts was revised and reissued on September 24, 1965, as Executive Order 11246 without prohibiting sex discrimination.

Not until two years later, after extensive concern had been expressed by women's groups and other organizations, was the order amended to prohibit sex bias. The effective date was October 17, 1968, one year after the date of issue, to permit the Labor Department adequate time for developing policy.

It was not until January 17, 1969, that proposed guidelines were issued, with interested persons allowed 30 days in which to comment. Many women's groups and organizations responded with impatient requests for immediate issuance. After some time oral hearings were scheduled for August 4, 5, and 6, 1969. Women's groups and organizations, ranging from radical to conservative, testified. All urged immediate implementation of the sex discrimination provision of Executive Order 11246.

It is imperative that revised and updated guidelines be issued immediately and the Executive Order vigorously enforced.

*The Secretary of Labor should establish priorities as sensitive to sex discrimination as to race discrimination in manpower training programs and in referrals to training and employment.*

A disadvantaged individual for manpower program purposes, "is a poor person who does not have suitable employment and who is either (1) a school dropout, (2) a member of a minority, (3) under 22 years of age, (4) 45 years of age or over, or (5) handicapped."<sup>24</sup>

Being female is not considered to be as much of a handicap as belonging to a minority group, despite economic data clearly indicating the contrary (see the economic data with recommendation 4).

The definition of "disadvantaged individual" would not include a white woman on welfare unless she were a school dropout, under 22 years of age, 45 years of age or over, or handicapped. This definition clearly needs to be revised to include all women who are poor and who do not have suitable employment.

In the on-the-job training programs conducted under the Manpower Development and Training Act only 31.7 percent of the 125,000 trainees in fiscal year 1968 were women. The on-the-job training is particularly important because the placement rate is higher than for institutional training programs.<sup>25</sup>

In the JOBS (Job Opportunities in the Business Sector) program, only 24 percent of those hired were female. This program is for the disadvantaged only. As of November 1968, 54,000 employee-trainees were in projects funded by the Labor Department.<sup>26</sup>

Of the 33,000 enrollees in the Job Corps in June 1968, only 29 percent were female.<sup>27</sup>

Young men have the additional advantage of military training, with 100,000 below-standard young men receiving training every year, in addition to the training the military provides for poor young men who meet the normal standards.<sup>28</sup>

The Government's failure to accord a higher priority to training of women either in civilian or military programs is unjust and is socially very costly.

The number of unemployed young women, age 16 to 24, has risen from 268,000 in 1947 to 697,000 in 1968. (The unemployment rate for young women has increased while decreasing for young men in this age range.)<sup>29</sup>

Without any question the growing number of families on Aid to Families with Dependent Children is related to the increase in unemployed young women. For many girls living in very poor or disorganized families, the inability to find a job means turning to prostitution or other crime—or having a child to get on welfare. Potential husbands do not earn enough to support an unemployed wife.

The stability of the low income family depends as much on training women for employment as it does on training men. Only through employment of both partners can such families move into the middle class.

The task force expects welfare rolls will continue to rise unless society takes more seriously the needs of disadvantaged girls and young women.

*The Attorney General should initiate legal actions in cases of sex discrimination under section 706(e) and 707 of the Civil Rights Act of 1964, and intervention or filing of amicus curiae briefs in pending cases challenging the validity under the 5th and 14th amendments of laws involving disparity based on sex.*

Although the Justice Department has participated in more than 40 cases of racial bias, it has not intervened in behalf of an individual discriminated against because of sex, except in one case on a procedural point.

The Justice Department, likewise has not given aid in any case in which women are challenging the constitutionality of State laws discriminating on the basis of sex—with one exception *White V. Crook*,<sup>30</sup> in which race discrimination was also a factor.

A former Attorney General, who was a member of the 1963 President's Commission on the Status of Women, not only signed the commission's report but sponsored the following recommendation:

"Early and definitive court pronouncement, particularly by the U.S. Supreme Court, is urgently needed with regard to the validity under the 5th and 14th amendments of laws and official practices discriminating against women, to the end that the principle of equality becomes firmly established in constitutional doctrine."

Footnotes at end of article.

"Accordingly, interested groups should give high priority to bringing under court review cases involving laws and practices which discriminate against women."

Women will be skeptical of the Administration's commitment to equality as long as the Justice Department refuses to act.

*The Commissioner of Education should establish a women's unit in his office to lead efforts to end discrimination in education because of sex.*

Discrimination in education is so widespread that we believe a special unit in the Office of the Commissioner is needed to focus public and agency attention on the facts and effects of discrimination against women in education.

The percentage of graduate degrees awarded women is lower than in 1930, when women received 40 percent of all masters degrees. They received 34 percent in 1966. Fifteen percent of doctors degrees in 1930 went to women, but only 12 percent in 1966.<sup>22</sup> University commissions on the status of women organized by women students are surveying the numbers of women students and faculty members and finding strong evidence to support their personal observations. Other evidences of discrimination are stated under recommendation 3(c).

Functions of the unit should include the following:

To collect data now available on the status of women and girls as students and as faculty and administration in secondary schools and schools of higher education and to plan and coordinate a survey to fill the gaps;

To give technical assistance to State and university commissions on the status of women and to other organizations actively concerned with status of women in education;

To invite such organizations as the Association of American University Professors, American Council on Education, Association of American Colleges, and the Association of Governing Boards of Colleges and Universities to cooperate in identifying and securing corrective action on discrimination against women as members of faculty and administration;

To work with Federal, State, and local officials, with professional organizations, and with the Parent-Teachers Association to improve the quality of counseling of girls and women;

To become a clearinghouse of information on women in education and counseling needs of women;

To speak for the needs of disadvantaged girls within the educational community; to lead efforts to break down the legal and attitudinal barriers to all types of vocational training for girls; to encourage establishment of vocational training in household skills;

To see to it that counseling institutes sponsored by the Office of Education include a substantial segment on the special counseling needs of women, needs growing out of societal attitudes and institutions that restrict the aspiration of girls and keep from them knowledge of the great choice of roles open to them;

To find means of assuring that the financial needs of part-time students are given appropriate priority in allocation of money available for financial assistance.

As a result of the testimony of numerous witnesses, which provided convincing evidence of discrimination against women as students and as faculty and which included many specific suggestions for governmental leadership action, the Task Force concluded that the Office of Education should have a women's unit, whose director would report to the Commissioner, to give leadership to

public and private efforts to eliminate discrimination in education.

*All agencies of the Federal Government that collect economic or social data about persons should collect, tabulate, and publish results by sex as well as race.*

Government studies, publications and press releases frequently obscure the degree of economic handicap women suffer and its consequences. Sometimes results of studies are published for males only or for males and females combined. Sometimes the data are structured so as to ignore gross differences by sex.

For example, the Bureau of the Census published a summary of major highlights of the March 1969 Current Population Survey.<sup>23</sup> The following tables do not include data by sex: "Median Earnings in 1968 and 1967 by Occupation of Longest Job During Year—Civilian Males 14 Years Old and Over with Earnings" (page 5), "Persons Below the Poverty Level by Color: 1959-1968" (page 6), and "Percent Distribution by Years of School Completed for Persons 20 Years Old and Over" (page 9). A table on page 4, "Median Family Income of Negroes as a Percent of White Family Income" should have included median family income by race of families headed by women and families headed by men.

While later detailed publications will include data by sex and race, the summary will be the publication most useful to the general public. When its tables do not include sex breakdowns, one has to dig into a number of detailed publications in order to get the most basic kinds of data relating to sex discrimination.

Another example of ignoring the economic situation of women is "Welfare Reform Charts: 1969 Legislative Recommendations" published by the Department of Health, Education, and Welfare.<sup>24</sup> Although almost two-thirds of the adult poor are women and although a much higher proportion of those adults on welfare are women, the publication never mentions this fact or even uses the word "women."

One item in this publication reads "There are over one million families headed by fathers who are working full time and earning less than the average AFDC-UF payment for families without other income." The number of such families with women heads should have been given as well.

Although one of the key features of the proposed family assistance plan is a great expansion in day care centers to make it possible for mothers to get training and employment, there is no chart on day care and none relating to training and employment of women.

The Equal Employment Opportunity Commission, the agency charged with enforcement of legislation forbidding discrimination in employment, has published a three-volume report<sup>25</sup> based on a survey of numbers of persons employed in the private sector by industry, occupation, sex, and race. One can examine this whole report and never find a table or narrative statement that compares the employment situation for white men, Negro men, white women, Negro women. There are not even any tables comparing white women with white men or Negro women with Negro men.

The tables are all based on comparisons of minority men with white men, minority women with white women. The underlying assumption of this appears to be that sex differences in industry and occupational distribution of white men and white women are insignificant or perhaps that these differences do not result from discrimination. It is submitted that this assumption begs the question, because it is only from such facts that the discrimination if any can be spotted and then analyzed.

An analysis of the data by Princeton University, under a grant from the Commission and the Department of Labor, used an extraordinarily sophisticated and confusing methodology, which obscured sex discrimination in employment. Much emphasis is given this analysis in the report.

The Princeton group constructed "an index to show the relative standing of each racial group based on how many were employed in low- or high-paying occupations."<sup>26</sup> Actually they constructed two indexes—one for males and one for females. The "standing" of Anglo males was arbitrarily given a value of 100 and minority males were compared. In separate tables Anglo females were assigned an index of 100 and minority group females were compared with the Anglo females. This methodology avoids acknowledging that in all earnings information, whether overall, by occupation, or by education, white women rank below Negro men and way below white men. For the report to be a proper foundation upon which to base an opinion the standing of Anglo females to Anglo males and minority males and of minority females to Anglo males and minority males should be set forth.

All statistics on employment published by any Federal agency should show breakdowns by race and sex for every factor analyzed. Study designs should be based on the principle that sex discrimination is illegal and immoral.

*The Secretary of Labor and the Secretary of Health, Education, and Welfare, should give training for household employment a high priority in manpower training.*

Through the leadership of the Women's Bureau, a National Committee on Household Employment was established in 1965. Seven experimental and demonstration training programs have been funded in Alexandria, Virginia; Boston, Massachusetts; Chicago, Illinois; Manhattan, Kansas; Philadelphia, Pennsylvania; Pittsburgh, Pennsylvania; and New York, New York.

The following results are reported: improvement in the attitude and performance of workers and the regularity of their employment, increased wage potential, and better employee and employer attitudes and satisfaction. Employer training has been included in some programs and it is recommended for inclusion in all programs.

The Task Force recommends making such programs widely available under the Manpower Development and Training Act and the Vocational Education Act.

Funds should be earmarked by the Secretary of Labor from the national account (unallocated reserve) of the Manpower Development and Training Act budget.

The Committee establishing guidelines under the Cooperative Area Manpower Planning System (CAMPS) should be directed to give a high priority to such training.

State employment service offices should be required to give more attention to placement of household workers and determining manpower needs for household employment.

The Commissioner of Education should encourage the States to provide for training in household employment and home-related arts in their secondary and post-secondary training programs.

We recommend that consideration be given by curriculum planners in the Departments of Labor and Health, Education, and Welfare to including training in driving and home maintenance and upkeep, outside and inside. Elderly couples and individuals are an increasing market for household services, and need services of this kind, as do families with working mothers. Training in such skills would enable the employee to earn higher wages.

Footnotes at end of article.



# EQUALIZATION OF POLICY-MAKING RESPONSIBILITY IN THE FEDERAL GOVERNMENT

The President should appoint more women to positions of top responsibility in all branches of the Federal Government, to achieve a more equitable ratio of men and women—Cabinet and agency heads should be directed to issue firm instructions that qualified women receive equal consideration in hiring and promotions.

Wise utilization of the Nation's human resources dictates that the responsibilities of leadership in America be distributed more equitably between our men and women citizens.

The United States has not capitalized fully on the skills, abilities, and special insights of women, particularly at the leadership level. When half the population is rendered virtually non-contributory in fashioning policy, the loss of balance and perspective is self-evident, tragic, and wasteful.

Shutting out any group stifles its urge to contribute, depresses its concept of self worth, and ultimately discourages the striving for excellence.

Where so large a proportion of citizens is involved, the damage to national pride and achievement can be far reaching and can call into question the Administration's basic fairness.

The present pace of appointments of women to high Federal positions should be accelerated, to reflect their numerical strength more realistically, and as an incentive and symbol of the Administration's commitment.

To do so, the President and his Cabinet should place stronger emphasis on appointments based on merit rather than sex, and whenever possible urge the private sector to follow suit.

In making appointments the "showcase" approach or tokenism should be avoided. Women should not be confined to the so-called distaff area but brought into the dynamics of policy development.

The existing bank of qualified women economists, lawyers, politicians, jurists, educators, scientists, physicians, writers, and administrators has the intellectual capacity to meet the most exacting demands.

Under present social and economic attitudes, relatively few of these professionals have been accorded the same public recognition as similarly qualified men, but they can and should be located.

The direction of a program staffed by volunteers often develops administrative and managerial skills of a high order.

For this reason standards and assumptions regarding the qualifications of women for high office should be reassessed with a view to capitalizing on these assets.

When the other recommendations in this report are implemented hopefully they will serve to reduce roadblocks now hampering women at lower levels, thus speeding an upward flow of talent and offering more choice to government talent scouts when women are sought for leadership roles.

## MINORITY VIEWS OF DOROTHY HAENER ON EXTENSION OF FAIR LABOR STANDARDS ACT

I am strongly of the opinion that this Task Force should have adopted the following recommendation:

The Fair Labor Standards Act should be amended to extend its coverage, without exceptions, to every job within the reach of Federal authority. In particular, household workers and all other low-paid workers in the United States should be paid not less than the Federal minimum wage.

As recently as February 1968, an estimated 10 million workers in this country earned less than \$1.60 an hour. Most of these workers were in agriculture, retail trade, and the services—particularly domestic service. Of the estimated 2.2 million employees in domestic service—the overwhelming majority of whom are women—86 percent, or more

than 4 out of every 5 workers earned less than \$1.00 an hour.

In considering the plight of these low-paid workers, it should be kept in mind that even in the case of persons covered by the Federal minimum wage of \$1.60 an hour, an individual working full time, on the basis of a 40-hour week, earns only \$3,328 a year.

These figures are well below the present poverty income level of \$3,600 per year for a family of four as defined by the Department of Agriculture for "emergency or temporary use when funds are low." It would appear reasonable that the employer through adequate wages rather than the taxpayer should be expected to support the estimated 10,000,000 working poor who make less than \$1.60 an hour. Even \$1.60 an hour (\$3,328 per year) is far below the \$5,550 guaranteed income recommended for a family of four by President Nixon's recent White House Conference on Food, Nutrition, and Health.

The efforts of the Women's Bureau to give proper status and dignity to household employees through training and better working conditions would be aided greatly by coverage of employees under the Federal Fair Labor Standards Act. The lack of coverage under this and other labor standards legislation is one of the factors denying household employment appropriate dignity and status, as well as better pay and working conditions.

The Task Force cannot justify failure to take action on "lack of time or jurisdiction." The Task Force discussed on several occasions the question of Federal minimum wage. At least two recommendations were presented to the Task Force dealing with this question. A number of speakers in their presentations discussed minimum wage, and one speaker was specifically invited to speak to the Task Force on this subject.

The recommendations of the Task Force dealing with poverty make it self evident that the Task Force could not have made those recommendations without considering the problem of minimum wage. On a task force dealing with women's rights and responsibilities, it would seem one of the basic responsibilities is to speak for those who don't have a voice to speak for themselves.

I am of the firm opinion that the knowledge brought by the speakers, the discussions the Task Force had, and the knowledge generally available was fully sufficient for the task force to have taken a position.

In an effort to be reasonable in my proposed recommendation I did not include an increase in the minimum wage of \$2.00 an hour.

Had I any anticipation at all that the Task Force would not adopt the recommendation, I would have included an increase in the minimum.

## COMMENT OF THE CHAIRMAN REGARDING MINORITY STATEMENT

At many points in its deliberations, the Task Force did consider the massive problems of the "working poor". Several of the recommendations made in the report specifically attack certain of these problems. Extension of the Federal minimum wage to all workers is a complex matter of such pervasive effects throughout the national economy that the Task Force did not feel it was ready to make a specific recommendation without further intensive study.

### APPENDIX A

Problems commended for early consideration to Director, Office of Women's Rights and Responsibilities

1. Extension of Federal Fair Labor Standards Act, particularly to household employees.
2. Methods of changing attitudes.
3. Abortion.
4. Social security benefits for women divorced after fewer than 20 years of marriage,

for dependents of single persons, and for aged widows and widowers.

5. Civil service classification standards for "women's" occupations in the Federal service.

6. Deterrents to training of women employees of the Federal government.

7. Inequities in the unemployment insurance system.

8. Reemployment after childbirth and insurance against medical expenses and lack of income.

### FOOTNOTES

<sup>1</sup> Research Division, National Education Association.

<sup>2</sup> *De Rivera v. Flidner*, Sup. Ct. N.Y. Civil Action, 00938-69. Resolved by administrative appeal.

<sup>3</sup> *Kirstein et al. v. University of Virginia*, E. C. Va. Civil Action No. 22069-R.

<sup>4</sup> Executive Secretary, Association of American Law Schools, 1968, Association of American Medical Colleges, 1967.

<sup>5</sup> President's Commission on the Status of Women, *American Women*, p. 45, 1963.

<sup>6</sup> *Daniels v. Pennsylvania*, 232A, 2d 252; *U.S. ex rel. Robinson v. York*, 281 F. Supp. 8 (D. Conn. 1958).

<sup>7</sup> Unpublished figures from Wage and Hour and Public Contracts Divisions, U.S. Department of Labor, 1969.

<sup>8</sup> Unpublished data from Bureau of Labor Statistics, U.S. Department of Labor.

<sup>9</sup> Citizens' Advisory Council on the Status of Women, *Report of Task Force on Social Insurance and Taxes*, p. 70, 1968.

<sup>10</sup> *Ibid.*, p. 72.

<sup>11</sup> President's Commission on the Status of Women, *Report of Committee on Social Insurance and Taxes*, p. 36, 1963.

<sup>12</sup> See 8 above, p. 77.

<sup>13</sup> Office of Economic Opportunity, *Continuity and Change in Antipoverty Programs*, Second Report of National Advisory Council on Economic Opportunity, 1969.

<sup>14</sup> Unpublished data from the Bureau of Labor Statistics, U.S. Department of Labor.

<sup>15</sup> 5 U.S.C. 8341 and 22 U.S.C. 1082.

<sup>16</sup> University Extension, The University of Wisconsin, *Handbook for State Commissions on the Status of Women*, 1968. Available from Women's Bureau, U.S. Department of Labor.

<sup>17</sup> U.S. Department of Commerce, Bureau of the Census: CPR-60, No. 60, Table 11 and Table 4.

<sup>18</sup> U.S. Department of Commerce, Bureau of the Census: CPR-60, No. 55.

<sup>19</sup> U.S. Department of Labor, Bureau of Labor Statistics, *Employment and Earnings*, Vol. 15, No. 7, January 1969, Table A-1.

<sup>20</sup> Fogelson and Hill, *Who Riots? A Study of Participation in 1967 Riots*, July 1968. Published in *Supplemental Studies for the National Advisory Commission on Civil Disorders*, p. 233.

<sup>21</sup> President's Commission on the Status of Women, *American Women*, p. 30, 1963.

<sup>22</sup> President's Commission on the Status of Women, *Report of the Committee on Private Employment*, 1963.

<sup>23</sup> President's Commission on the Status of Women, *American Women*, p. 45.

<sup>24</sup> U.S. Department of Labor, Manpower Administration Order 1-69 of January 16, 1969.

<sup>25</sup> U.S. Department of Labor, *Statistics on Manpower: A Supplement to the Manpower Report of the President*, Tables F-2 and F-5, March 1969.

<sup>26</sup> U.S. Department of Labor, *Manpower Report of the President*, p. 94, January 1969.

<sup>27</sup> See footnote 9 above, Table F-15.

<sup>28</sup> See footnote 10, p. 119.

<sup>29</sup> See footnote 9 above, p. 18, Table A-12.

<sup>30</sup> 251 F. Supp. 401.

<sup>31</sup> President's Commission on the Status of Women, *American Women*, page 45, 1963.

<sup>32</sup> Women's Bureau, U.S. Department of Labor *Fact Sheet on Trends in Educational Attainment of Women*, April 1968.

<sup>33</sup> U.S. Department of Commerce, *Selected Characteristics of Persons and Families*:

March 1969, Series P-20, No. 189, August 18, 1969.

<sup>24</sup> U.S. Department of Health, Education, and Welfare, *Welfare Reform Charts, 1969 Legislative Recommendations*, October 1969.

<sup>25</sup> Equal Employment Opportunity Commission, *Equal Employment Opportunity Report No. 1: Job Patterns for Minorities and Women*, 1968.

<sup>26</sup> *Ibid.*, page 6 of Volume 1 of Equal Employment Opportunity Commission Report.

[From the Washington Daily News, June 10, 1970]

**MORE TASK THAN FORCE: NIXON AND WOMEN'S RIGHTS**

(By Anne Crutcher)

After months of unofficial needling and official hesitation, the report of the President's Task Force on Women's Rights and Responsibilities is out. So are the Labor Department's guidelines for keeping sex discrimination out of government contract work.

What does it all add up to? Not much, really, in the absence of strong backing from the White House.

The Task Force, made up of 11 women and two men (assorted college presidents, government officials, and business people, a lawyer, a judge, a journalist, and one representative each of organized labor and youth) agrees that American women don't have equal rights and that they ought to.

To help give women equality, the Task Force wants the President to set up an Office of Women's Rights, to call a conference, and to press for new laws and surveys designed to locate discriminatory practices and put a stop to them. The Task Force Report also calls on the President to appoint more women to high government jobs. It asks a bigger Federal investment in day care centers and training of household help.

The Labor Department's guidelines spell out a few of the discriminatory practices to be banned in any firm with government contracts—His and Her want ads, separate seniority lists, different retirement rules, unequal wages and hours. The guidelines also specify that women must not be denied jobs because of their marital status or the ages of their children.

On these tender subjects, the President doesn't say yes and he doesn't say no. White House spokesmen said yesterday that he's been on record for years in favor of women's rights. Presumably, only a politician's desire to have it both ways keeps him from saying he hasn't changed his mind.

Meanwhile, everybody knows that without a specific word from the seat of power, Task Force pieties about Democratic Commitments and Great Untapped Human Resources mean very little.

Even with a strong Presidential indorsement, it is hard to see how anti-discrimination measures can do much more than drive discrimination underground. Employers may stop being so frank about how they don't hire women for the executive suite or the weight-lifting department, but there still may not be many openings.

[From the Washington Post, June 14, 1970]

**PRESIDENT IS CRITICIZED BY WOMEN**

A small group of militant women yesterday accused President Nixon of "abdication of responsibility as the leader of our country" for his failure to meet with delegates to the 50th anniversary conference of the Labor Department's Women's Bureau.

The conference had invited Mr. Nixon to address its 800 delegates at their banquet Friday. The President, who is in Florida, sent a telegram of regrets and best wishes to the Bureau's director, Elizabeth Duncan Koontz.

Instead the conferees were invited by Mrs. Nixon to an 11 a.m. reception on the White House lawn. This infuriated some members of the National Organization for Women (NOW). They made their feelings known to the press but not to the First Lady, who posed for pictures with delegates and signed autographs during the hour-long reception.

"The President saw the Boy Scouts yesterday, but all we got was a tea party," commented NOW Chairman Wilma Scott Helde of Pennsylvania.

[From the Washington Evening Star, June 15, 1970]

**TEA INSTEAD OF TALK**

(By Toni House)

To many of the 800 women who came here last week to get action on equal rights, ending up with tea and sympathy at the White House was a big disappointment.

The women, delegates to the Women's Bureau 50th anniversary conference, were annoyed they were offered light refreshments on the mansion South Lawn and a chat with First Lady Pat Nixon, when what they wanted was a nitty-gritty talk with the President.

Some, of course, were delighted to be serenaded by the Marine Band, sip punch, and shake hands with Mrs. Nixon.

But others expressed their displeasure to members of the press and each other, saying they were "insulted," "disappointed," "frustrated."

**INSULTED**

Lucy Komisar, vice president of the National Organization for Women (NOW), said she was "insulted and outraged," that the President, who was in Florida, had declined to address the group when he had "met with the Boy Scouts yesterday (Friday) and they're not even voters."

"This is a major American problem and it is frightening to us that he thinks so little of us," she continued.

Florida Muzeurza of Washington, said she thought the President should have seen them, especially since they paid their own expenses for the conference.

Mrs. Edna Richards, president of the North Carolina Association of Class Room Teachers, said she was "disappointed" the President was not present and would "only forgive" him if "he is working on Vietnam or poverty."

Wilma Scott Helde, national NOW board chairman, circulated a petition, signed by a large number of delegates, calling on Mrs. Nixon to become women's "representative in the White House."

About 200 conference delegates even stayed away from the White House reception in protest, and others did not go through the receiving line.

Some who did shake hands with Mrs. Nixon voiced their unhappiness over the President's absence. "He's a very busy man," said the First Lady. He works 18 hours a day. Both of us have always supported equal rights."

And, although she did not mention it in her opening remarks, Mrs. Nixon instructed Women's Bureau Director Elizabeth Koontz to inform the conference both she and the President are in favor of the Equal Rights Amendment, support of which has been in the Republican platform since 1940, she said.

Support of the Equal Rights Amendment was the hottest topic on the floor once the delegates returned to the Washington Hilton to conclude their conference.

A minority statement, signed largely by AFL-CIO unions and a few students, was offered, objecting to "the obvious effort to use this conference to win support" for the

amendment "without providing adequate opportunity" for discussion.

The statement objected to the amendment because it would knock out so-called "protective" labor legislation (limits on women's working hours, weight lifting and such).

Despite the dissent, a motion by Margurite Rawalt to endorse passage of the amendment was passed overwhelmingly.

Other final conference action called for the repeal of "all laws restricting the right to abortion"; the establishment of a national system of child day care centers; the immediate implementation of the President's Task Force on Women's Rights and Responsibilities recommendations; and the elevation of the Women's Bureau director to assistant secretary of labor for women's resources.

The conference also called for the administration to establish the elimination of racism and sexism as top priorities and endorsed the National Welfare Rights Organization's \$5,500 minimum income campaign.

[From the Washington Post, June 21, 1970]

**WOMEN CHARGE PROMOTION BIAS**

Women attending a conference of Federally Employed Women here yesterday contended that the government continually discriminates against them in promotions.

They charged also that the Civil Service Administration is not doing all it can to secure better opportunities for them.

Federally Employed Women, a 2-year-old organization of women working for the government, asserts that only 1 per cent of all women in government employment hold a Civil Service grade of 13 or higher and that 80 per cent are in grades 1 to 6.

In comments directed at James E. Johnson, vice chairman of the Civil Service Commission, several women claimed that federal supervisors preselect people for promotion and sometimes bypass merit system procedures.

Johnson, who was invited to the conference as a panelist, said he did not believe proper procedures were being by-passed and asked that any such cases be reported to his office.

Johnson did not explicitly deny there was discrimination against women in the government. But he countered the charges by saying that, as a Negro, he had undoubtedly suffered discrimination and was sympathetic to their problems.

The conference also heard that a gap in the comparative earnings of men and women is widening. A 1968 Department of Labor study was cited to show that in 1955 women earned 64 per cent of the salaries earned by men and that in 1968 they earned only 58 per cent.

The keynote speaker at the two-day conference, Sen. Marlow W. Cook (R-Ky.) told the women that he doubted that a bill calling for an equal rights for women amendment to the Constitution would be passed by this Congress.

Similar bills had been in Congress since 1923, he said.

The organization has grown from the 16 members who began it here in 1968 to more than 1,000, according to Daisey Fields, national president.

Dr. Bernice Sandler, a psychologist at the Department of Health, Education and Welfare, said she believes the women's movement was growing because women have learned from the struggles of the Negro.

"Like the Negro stereotypes," she said, "women are supposed to be childlike, lack ambition, be happy in our places—either on the plantation or at home."

"We are called 'girls' even at 60 years of age, the way Negro men were referred to as 'boys'."



[From the Washington Post, July 27, 1970]

**WOMEN CHARGE FEDERAL RUNAROUND**  
(By Elizabeth Shelton)

Secretary of Labor James D. Hodgson turned down a request Saturday that measures to combat job discrimination among minorities immediately be applied to women.

Hodgson told a delegation of 10 women representing organizations as diverse as the National Association of Women Lawyers, Zero Population Growth and the Women's Liberation Movement that he will have to take "a much closer look" before he makes a commitment.

He questioned whether the same standards can be applied to women workers as to minority groups.

Hodgson barred the press from the confrontation but sent them a statement later that he is in "full accord" with the women's rights organizations' job objectives. "It is just the method of achieving them," according to Pat Gannon, deputy information officer who briefed the press.

However, members of the group who took notes during the meeting quoted Hodgson's remarks as follows:

"We have no intention of applying literally exactly the same approach to women in Order 4, which was designed for racial minorities."

The Labor Department directive, known as Order 4, published in the Federal Register in February, requires federal contractors and subcontractors to take affirmative action to recruit and train minority members for jobs. It requires them to notify the government of their goals and to set timetables for compliance.

Women's organizations have been insisting that the word "sex" be included in the order's listing of "race, religion, color and national origin" as conditions for affirmative action programs.

Hodgson, according to his spokesman, agrees that "in some instances they (women workers) are a minority."

Gannon said Hodgson will have a position paper ready for the women's organizations next week.

The women emerged from the conference charging a "runaround." They suggested that the secretary instead prepare a position paper for the guidance of federal contractors, firmly barring discrimination.

"We feel the guidelines (which Order 4 seeks to implement) are weaker than either the Equal Pay Act or Title VII of the Civil Rights Act of 1964," Dorothy Haener, representative of the United Automobile Workers Union, also said.

Miss Haener said after the meeting, "We made it clear that a position paper issued to us is useless. The position paper should be made to all government contractors. We want the affirmative action program to include 'sex.'"

"We feel the secretary's refusal is a repeal of Executive Order 11735," she added. That executive order prohibits companies performing contracts at taxpayers' expense from discriminating in hiring and employment policies against women as well as members of ethnic minority groups.

Dr. Ann Scott, federal compliance co-ordinator for the National Organization for Women, called Hodgson's approach "naive, uninformed and frankly stupid."

"This unwillingness to listen to women is part and parcel of this administration's attitude toward women," she said.

The spokeswomen for the group said that it is impossible to disassociate race from sex in discriminatory hiring practices. There is a higher rate of unemployment among white women than among black men, according to the recent report of the Presidential Task Force on Women's Rights and Responsibilities. The group lowest on the ladder where jobs, wages and unemployment are con-

cerned is comprised of black young men and girls.

Most of the women who are discriminated against are members of other minorities, so they are "doubly discriminated against," Miss Haener said.

Miss Haener told Women's Bureau Director Elizabeth Duncan Koontz, who happened into the Labor Department lobby as the group was departing: "We told him we were interested in working within the system but that reactions like his were making it increasingly difficult."

**TO BRING THE FEDERAL GOVERNMENT HOME TO THE PEOPLE—HEALTH DELIVERY AND COSTS**

Mr. HARRIS. I have been conducting a series of public hearings in Oklahoma to bring the Federal Government home to the people. I have particularly concentrated upon those issues which hit the average taxpayer, the working man and woman of my State, hardest.

On July 8, 1970, I held a very important public hearing in Tulsa, Okla., on the subject of delivery of health services and rising medical costs.

These hearings were exceptionally well attended, and the testimony which I heard was well prepared and useful.

It is obvious, Mr. President, that we must improve considerably the health delivery system of America, and that we must inaugurate a new system for assisting our people with medical costs.

Lately, the President has indicated that he will recommend next year the enactment of a national health insurance program for people of low income. I support this concept but, once again, if we do only that, we will leave out the man in the middle, the person who is too well off to be eligible for special programs, such as health programs, but not well enough off to be able to fully assume all of the burden of health care expenses by himself.

It is obvious, too, from the hearings which I held in Oklahoma that the enactment of a national health insurance program, alone, which I support, will not be sufficient to meet the mounting health crisis in this country, unless we also greatly increase the medical and paramedical personnel available and expand health facilities.

I intend to have the full transcript of this hearing printed in the RECORD and see that it is delivered to the chairmen of the Senate Finance Committee, the Senate Appropriations Committee, the House Ways and Means Committee, the House Appropriations Committee and each member of the Senate Finance Committee, as well as to bring it to the attention of others who will be making important decisions in regard to this vital subject.

Today, Mr. President, I ask that the first portion of the testimony received at the Tulsa hearing, which has now been transcribed, be printed in the RECORD.

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

**PUBLIC HEARING ON HEALTH DELIVERY AND COSTS, TULSA, OKLA., JULY 21, 1970**

**OPENING STATEMENT BY SENATOR FRED R. HARRIS**

Let me say that I am impressed very much by the overflow crowd here this morning. I

appreciate that a great deal because it shows your immense interest in the subject of these hearings.

This hearing is a continuation of my efforts to bring the federal government home to the people. I have received letters from hundreds of Oklahomans telling me of the financial problems caused them by the costs of medical care.

Those without health insurance or without enough, and who are unable for one reason or another to qualify for Medicare or Medicaid, often suffer near financial ruin. Those with health insurance policies sometimes learn, to their sorrow, that their coverage falls short of increased medical costs.

I am particularly interested in the average working man and woman and the difficulty they are having making ends meet in regard to medical costs.

Many wage earners are having a tough time right now because of high prices and a shorter work week, and rising hospital and medical costs hit them especially hard.

Also, they and other people of average income always have hanging over them the possibility that a major illness can completely wipe them out financially.

These are particular problems which you all know about very well. Many of you are directly involved in the medical profession, in hospitals, or in other aspects of the medical problems that we're going to be talking about today.

The Senate Finance Committee, on which I serve, has jurisdiction over government programs of financing health care and we will be considering legislation in this field very soon this session.

This record will be transcribed, and I will personally get it to the Chairmen of the House Ways and Means Committee, the House Appropriations Committee, the Senate Finance Committee and the Senate Appropriations Committee, and each member of the Senate Finance Committee, as well as present it on the floor of the Senate so that what you say here and what other Oklahomans say here will be taken to those who can make the decisions.

It is imperative that more and more people feel that somebody is listening—that the federal government, that the Congress, that those who make decisions at the federal level are interested in what you have to say. This is the purpose of this hearing.

Fred Glipson, here, is my Legislative Assistant working particularly in this field and with the Senate Finance Committee.

Again, I will say how grateful I am that so many of you are here to speak about our joint desire to provide solutions to these problems. This is a positive kind of hearing. What we are interested in is finding solutions, what we can do together to solve the problems that Oklahomans and others are experiencing in regard to health costs.

I appreciate those who helped set up these hearings. Let me thank in particular the Executive Director of the Tulsa Area Health and Hospital Planning Council, and I would like to ask him, Mr. Schlezinger, to get our hearings started with whatever statement he cares to make.

**TESTIMONY OF IRA H. SCHLEZINGER, EXECUTIVE DIRECTOR OF THE TULSA AREA HEALTH AND HOSPITAL PLANNING COUNCIL**

Thank you Senator. Before I make any formal comments, I would like to express a sincere and real gratitude on the part of Oklahomans for the opportunity to express some of our concerns and commitments to the provision of health care on a statewide, national, and regional basis. I think, as the size of the crowd indicates, there is an obvious commitment to a better—though we obviously have a good degree of health care being provided now—but to a better and more effective delivery. I have an idea that the testimony given today will assist you as Senator to develop the type of legislation that we will be

needing down the road to reach this type of system.

Without question, the 1970's will continue to see what is often alluded to as a "crisis" in the provision of medical care. The adequacy, availability, acceptability, and expense of health services are now considered by both providers and consumers of care to be of highest national priority. If one is to believe but one-tenth of what is published both nationally and locally, one must assume that by 1975 there will be a clearly defined national policy on the provision of health care. Such a policy may well result in a program comparable to that of Medicare and Medicaid, but all-encompassing in scope and flying under the banner of National Health Insurance. A number of approaches and programs have already been proposed and, in some instances, have been implemented on a limited-scale demonstration basis. Some of these approaches, in my opinion, do no more than support the status quo, while others advocate an almost totally socialized system of medical care.

It is not the intent of my testimony to make judgments as to the validity of the various approaches, or to propose alternative schemes. It is the intent, however, to make some general comments and raise some questions that should be resolved before any Congressional action on national health policy is taken.

It is recommended that any statement of national policy on cost and availability of health care meet the following objectives:

1. National health policy should first and foremost place emphasis on detection and prevention. No individual should be placed in a situation where they hesitate to seek medical care because of fiscal or philosophical restraints. Any policy that has the effect of forcing individuals to seek medical care at only critical or acute stages in order to assure proper entry into the system and payment for services, is not in the best interest of either the consumer or the provider.

2. National health policy should be responsive to changes in public preference regarding the method of delivery of care. Providers of health care can no longer stand in isolation in making the determination of where national and local resources should be directed as it affects personal health services. Emphasis on ambulatory care, home care, medical education, rehabilitation and other related programs as determined by the public must be considered and hopefully incorporated into any developed policy statements.

3. National health policy should be as comprehensive as is fiscally and administratively feasible without placing impossible demands on existing resources. Policy should not encourage limits and exclusions in coverage that will make the cost of health care an excessive financial burden on any individual or family. This does not imply that there should not be charges for medical care, but simply that no family should be forced to spend more than a pre-determined percentage of its income in order to obtain quality health services on a regular basis.

4. National health policy when formulated should encourage efficiency, economy, coordination, and cooperation in the actual delivery of services between the public and private sectors. The financing system should include incentives to maximize efficient and effective use of hard-pressed health resources. Incentives should be developed that emphasize and motivate locally initiated services of a regional nature where appropriate rather than duplication of facilities, services and manpower. The financing method should also encourage cost consciousness in the planning and programming of services by physicians, patients, and provider personnel on a local, state and national basis.

5. National health policy when developed must be easily administered. A policy that requires complex administrative procedures or encourages arbitrary decision-making at either the National or regional level will not accommodate or satisfy either the consumers or the providers of care, and thus becomes a luxury we can ill afford.

A number of questions in addition to the concerns and objectives already outlined must be resolved before a policy of National scope can be effectuated.

For example, if government is to become the major purchaser of care what are the ramifications for privately owned, privately operated hospitals and long-term care facilities? What will the role of the voluntary health agency be?

How will public accountability be assured under an expanded national policy, and to what extent will governmental ownership, actual or implied become either necessary or inevitable?

How will balance be obtained between the increased demand for medical services under an expanded national health policy and the availability of services in terms of manpower and facilities?

Will there of necessity be restraints placed on demand and if so, how will these be determined? If constraints become necessary, will they favor acute care over long-term care, catastrophic medical needs over preventive medical care, self care vs. rehabilitative care, and how will the priorities be established?

How effective will co-insurance, co-payments, or deductibles be in terms of continuing demand?

What will the role of the private sector be in terms of administration in the increasingly governmentally subsidized health care economy? What can and will be the appropriate role of the private agency in a publicly mandated program?

Can there, should there, and will there be an effective marriage between the private and public sectors in terms of economic support of the health care system?

These are just some of the questions that must be considered and eventually answered before national policy can be formulated. Because of the complex nature of the issue, with particular emphasis on the fiscal, social, and economic implications, the question must be given careful and continuous thought and study before a policy is formulated. Most people will agree that the ultimate national health policy will establish both public and private patterns of care that will affect the delivery system for at least the next decade.

Once again, on behalf of planning agencies in general, and the Tulsa Area Health and Hospital Planning Council in particular, may I express our appreciation for this opportunity to make our concerns known.

Senator, we have on a number of occasions through interested consumers and providers of health care noticed the tremendous gaps in the delivery almost from a fiscal standpoint. A lot of people in Oklahoma and other areas of the nation are just not receiving medical care because of a personal hesitancy to seek out medical care based on an inability to pay. There have to be some changes based on the economic aspects of health care delivery. I'm hoping and I am optimistic that as a result of these hearings today we will see some of these changes.

Senator HARRIS. What is your present situation in regard to hospital space in Tulsa now and what would you project in regard to the future?

Mr. SCHLEZINGER. Hospital space, I think, is manifested in a number of different ways. If you are talking about acute-care beds, we're probably in fairly decent shape for now and the immediate future. If you're

talking about specialized types of services, there is a tremendous need in the Tulsa area for a diversity of services. We have one institution now which is in the process of developing rehabilitation and extended care facilities. We have another institution that's talking about the development of self-care units. These are the types of services that the Tulsa community, the Tulsa region, definitely needs in order to develop a continuum of care which is the type of care which is in fact needed for a region of one-half million people.

Senator HARRIS. I appreciate very much your counsel.

Next, I would like to call on Dr. Tony Puckett, who is Chairman of the Health Council of the Central Oklahoma Economic Development District. Dr. Puckett, I understand that you have a number of people with you, and we'd appreciate your introducing them and being sure that we know that they're here, and, then, we'd like to have your statement.

TESTIMONY OF TONY PUCKETT, M.D. OF SHAWNEE, OKLA.

Senator Harris, I thought we would introduce these people just before their presentation if this is satisfactory.

I am presently serving as Chairman of the COEDD Health Commission and I am a practicing physician in Shawnee; I practice obstetrics and gynecology. I think it might be beneficial if we told you a little bit about the Health Commission of the Central Oklahoma Economic Development District (COEDD).

The Health Commission of the Central Oklahoma Economic Development District, or C.O.E.D.D., was organized in 1966 under the Inter-local Cooperation Act that was designated and funded by the Economic Development Administration of the Department of Commerce. By the criteria established by the U.S. Department of Labor, the C.O.E.D.D. area has continuously qualified as an economically depressed area due to the high unemployment, low per capita income, and/or out-migration of population. C.O.E.D.D. is predominantly a rural area located between two metropolitan cities, Tulsa and Oklahoma City. It contains 40 towns in eight counties which have a population of approximately 215,000 people. C.O.E.D.D. was initially funded in 1968 by the Department of H.E.W., as an area-wide comprehensive health planning agency. During these past two years, considerable time has been spent in organizing the proper mix of providers and consumers of health services, representing both the private and public segments of health care. This organizational process involves the active participation of 200 residents in the C.O.E.D.D. area who have participated in 13 grass-roots health planning task forces, or local health planning task forces.

From the task forces, elections were carried out which brought about the organization of a 38-member Health Commission. We feel that the partnerships have helped the program carried on through C.O.E.D.D. as a dynamic process. Through our cooperative effort, we have succeeded in documenting our health needs and we have succeeded in documenting our needs in terms of health facilities, service and manpower. We recognize that our area has health problems that are similar to other rural areas, that the health needs, at times, going unmet and that our other resources, both human and financial, are limited and difficult to expand. We are aware, as is your committee, that simply more money into the current program is not the solution.

We have documented many areas of overlapping services between both the private and governmental segments of medical care in our area and have come to realize that unless a comprehensive and unduplicated system of health care is developed, that the



cost will continue to be greater than necessary to provide service and meet the health needs in our area. The C.O.E.D.D. Health Commission was happy to accept the invitation to present testimony before this committee for consideration, in hopes that as the Senate and Congress labor over the legislation that directs the delivery and financing of health care for many Americans, the needs of the particular residents of C.O.E.D.D. will be met.

We will present testimony to the two points to which we were requested to address ourselves; one, the subject of National Health Insurance and, two, a delivery system which would be adequate and compatible to meet the needs of people living in rural areas, which is essentially the C.O.E.D.D. area. The Commission feels that National Health Insurance is an inevitable development.

We hope National Health Insurance will bring about some reasonable order and adequate health care for all disadvantaged Americans.

A summary of a survey taken in our area regarding National Health Insurance is attached to our submitted printed document for your perusal. The sentiment of the area is socio-economically classed within the C.O.E.D.D. area by the Health Commission. We would hope the development of a program of National Health Insurance that would eliminate the multiple areas of reduplication of many federal programs for providing care for those disadvantaged Americans, including the Indian, the Veteran, and Medicare recipients.

It is our impression from our work in the C.O.E.D.D. area, as well as representation in the National Health Forum in February and in multiple other health commissions from other rural areas, that a delivery system must be one designed in the area and from the area to meet the needs of the people and not be a system taken from larger metropolitan, high population density areas which, at the present, do not seem to be adaptable in overall form to our area. In other words, the delivery system should be flexible and designed by the areas which will use the system.

We have been interested and worked with and for the Indian segment of our population for sometime and have asked Mr. Arthur Rolette, a member of the Absentee Shawnee Indian Tribe, who serves on our Health Commission, to make some brief statements about the Indian Health Care problem. He is immediate Past-Chief of the Absentee Shawnee Tribe and is a member of the Advisory Council for the Shawnee Unit of the Indian Health Service. He is on the Board of OIO and CAP. Mr. Rolette owns and operates a Grade A Dairy and has been a most active member on our Commission. Mr. Rolette.

#### TESTIMONY OF ARTHUR E. ROLETTE, ABSENTEE SHAWNEE INDIAN

There are many things the Indians of this area are in need of. But, the most important to me is a hospital to serve the Indians. It has been pointed out more than once, to the Public Health Service Department of Indian Health Service, that Indian hospitals in the state are all, more or less, 100 miles away for the Indians living in Central Oklahoma. This distance becomes an important factor to us, the Indians, when we are seeking health improvement or care by hospitalization.

Indians feel a hospital is a great need in Central Oklahoma and make this hospital their one request. This request should be supported by the representatives of the people in Congress.

Public Hospitals are available to Indians, but money problems present some difficulty and most Indians rely on the Indian hospital for inpatient care.

As Dr. Puckett says, I am a member of the Health Commission and along about the last quarter we get short in money at Public

Health. We send our patients to a public hospital or they go themselves. Sometimes they cannot pay their hospital bill and it creates a problem for us. I don't think it's the hospital's fault or the doctor's that they don't accept these patients because sometimes they get paid for their care and sometimes they don't. So that's one of the problems we have.

I have a list of the Indian population in our area. As the Senator said, we only had short notice. Running a dairy you don't moonlight, so I didn't have much time to prepare anything.

Right now we have three doctors at the Shawnee Indian clinic, and we need four. We have three small clinics also. But they are gaining 100 patients a month at our clinic and the doctors say they are not going to be able to take care of all of them. What we do need are two more RN's, some office workers and another dentist. The dentist is about three months behind and he only treats the children, though he will pull a tooth for adults. But other than that he just takes care of children.

In my opinion, I think we should have some sort of a change. We have government doctors and I think they should work with the doctors in town. They used to take their turns on weekends, but now they don't. They are on duty, or are supposed to be on duty 24 hours a day, but they only work five days a week. Now I think if they would cooperate with the doctors in Shawnee, they'd get along better. Work right in the hospitals with them. I'm sure that Dr. Puckett and all would work with them.

#### INDIAN POPULATION—CENTRAL OKLAHOMA ECONOMIC DEVELOPMENT DISTRICT APRIL, 1960

County	Number Indians	Percent total
Creek	1,137	2.8
Hughes	1,397	9.2
Lincoln	184	1.0
Okfuskee	1,067	9.1
Pawnee	565	5.2
Payne	310	7
Pottawatomie	1,742	4.2
Seminole	2,343	8.4

District total, 8,743. Oklahoma total, 64,689. District percent of State population, 13.5 percent.

Source: Oklahoma Employment Security Commission "Indians in Oklahoma", September 1966.

Senator HARRIS. Thank you very much. We were successful in getting the Senate to adopt an amendment to the appropriations for the Department of the Interior which added \$3,776,000 to the appropriation that had been recommended by the Senate committee for Indian health. Part of that \$3,776,000 that we added in the Senate is for increased personnel and for drugs and supplies, which are short, as you know, in many of the Indian hospitals of our state and of the country. So, I hope that we will be able to keep that amount, or at least part of it, in conference with the House of Representatives. I think that you have made a strong case here which will be helpful to us in trying to get these funds. I appreciate your being here. Thank you.

Dr. PUCKETT. The next person I would like to introduce to bring testimony is Mrs. Mabel Ashley. She's a housewife; she's an active member of our Health Commission; she's the secretary-treasurer of the Creek Farmers Federal Credit Union; she's been active in the Eastside Youth Center at Bristow; and she is quite active in multiple youth activities in the Bristow area.

#### TESTIMONY OF MRS. MABEL ASHLEY OF BRISTOW, OKLAHOMA

Senator Harris, Dr. Puckett, and others here. I am here to talk about the health needs of the poor. Health education is really what we need most. Even with access to the Health Department, many people just won't

go to the Health Department. We have clinics, but the vast majority of them stay at home. I remember when we had the rubella program and we had to go out and almost go to each door and find out if the children had had their immunization shots. Then we had to make provisions to get these children to the clinic.

Family planning plays an awfully important part in the health needs of the poor because a very large family suffers more if any disaster comes.

Family counselling would be a great advantage among the poor because the majority of them don't know how to use what they have. They can't take their natural resources and provide for a month until their next welfare check comes. They need proper counselling from the Welfare Department or the case worker or whoever could help these people in managing their money. The check comes on the first of the month and by the fifth of the month the money is gone. They get surplus foods but many just do not know how to prepare them so they are edible.

Also, it would be good for welfare people or low-income people if they could make extra money without this being taken from their welfare check. With no reflection on the Welfare Department, I think the Welfare Department and all these other agencies have a tendency to make liars out of people because they tell them they are going to get \$100 a month and have a specified number of things for them to spend this \$100 for. If the \$100 doesn't go where it should go, the recipient goes out and gets a job and everything that he makes he is supposed to report—nobody is going to report that because they think it is going to be taken away from them, and they're just not going to do it. If it were specified that they could work and this money be taken for the needs that they have, I think that this would be a good thing.

We have a dentist in our county and a number of our health departments have dentists but they can only do emergency work and we need dental care among the poor.

Glasses are one of the greatest needs for the poor—both children and adults. And in order to find out how many of the welfare recipients or low-income people need these you almost have to go from house to house to find out because they don't have the confidence to come and say they need this.

A means should be provided for drugs for persons discharged from mental institutions. The cost of medication is so high that recipients can't pay the money and so this ends up costing the state more because these people have to be recommitted.

Also for people on Medicare and welfare there is a ten-day stay in hospitals and when the ten days are up many of the patients are not ready to be discharged. Before he can go into the hospital he has to have the \$50 deductible that has to be paid. There are many families who don't have this. Working for the Credit Union, I find out that some of our members are welfare recipients and they have to borrow the \$50 so they can go into the hospital, and they don't really have the money to pay it back, and if they are ill for a long time they are completely ignored. They have no way of paying this back, so we need to have something done about that if there is anyway possible.

We need a recreational place for our low-income people because "all work and no play makes Jack a dull boy." The children and even older people need recreation. Everybody needs some form of recreation. Our young people are on the streets. They are dropouts. We don't have anyway to cope with this.

Also we need money to see if we can do anything about the low-income people who still don't have sewers and their outdoor privies are inadequate. Some of them don't have water where it is available. Many peo-

ple are too shy to talk about things like this. There was a survey made and our worker in our County Health Service went from door to door to see how many outdoor toilets there were. I don't know what the evaluation was, but I think it was kind of high. It would be good for the government to know about these things and maybe we could get something done. I thank you.

Senator HARRIS. I appreciate your statement very much.

Dr. PUCKETT. I would like to introduce Mr. Leon Noss, hospital administrator and member of our Facilities Committee who serves in reviewing proposed facilities for our COEDD area. He is going to present a statement relative to the hospital's problem in a rural setting.

TESTIMONY OF MR. LEON NOSS, ADMINISTRATOR, SHAWNEE MEDICAL CENTER HOSPITAL

The nineteen hospitals of this eight county area share the concern of Rolette and Mrs. Ashley and the problems that they have mentioned as well as the many other problem areas of health delivery and the receipt of health services that we do face in our area. Certainly we and the hospitals and our physicians want to develop a delivery system that can meet many of these needs. We believe that the hospitals and the physicians in our area have the ability to contribute to the solution.

These hospitals and physicians are located near the homes of these people, in the various towns in our area. They are already in the physical location which will permit these people to receive their many health needs faster and at less expense. Thus the hospitals and the private physicians can serve as the front line of attack on these health needs. But governmental health programs have so split our delivery system, and penalized these small hospitals through the reimbursement methods, that we are in a severe struggle for financial existence. Our ability to provide charity or other services for which we do not receive full payment is severely limited by the large per cent of services we already provide under Medicare and Medicaid contracts at less than cost.

Indian Health Service, VA, and Military programs do not permit most of these people to utilize their local hospital or physician as covered health services. The people are segregated into groups and sent off to a facility which is financed to provide services to their particular group. Government thus creates a duplication of facilities as well as a hardship for these people if they are to receive needed health services. The vast majority of these needed services could be met by the local hospital and local physician at much less cost. Why not let the Indian, VA, and Military hospitals and physicians compete with us under a unified health insurance plan. The quality of care will soar, and more needs will be met at less cost.

Under the present Medicare and Medicaid programs, where health services are covered for another segregated group of citizens, the hospitals in our area are providing a large per cent of their services. But these hospitals are not being adequately paid for these services. We not only are not paid our billed charges, we are not even paid for all of our costs. No business can long exist if its costs are not even paid.

Perhaps the philosophy of government is the most difficult part for the health providers, hospitals, doctors, etc., to understand. Large investor owned companies lobby and fight to receive government contracts because these produce large profits to be shared by the investors. Apparently government feels that these companies should receive a profit for producing such items as airplanes, helicopters, guns, etc. But the philosophy changes when government wants to buy health services. For these they are unwilling

to even pay cost. In either case the government is purchasing services or products for the public well-being. Surely health care is as important as guns.

If the current financing methods under Medicare and Medicaid are also used for National Health Insurance, then a number of the community hospitals in our area will be forced to close, and the local physicians driven into the urban centers.

These hospitals serve a population where a large percent of the people are presently covered by Medicare or Medicaid. Up to 88% of the services are utilized by these people. But the hospitals do not receive 100% payment for these services. Instead they receive only about 88% from both Medicare and Medicaid. Thus there is a large loss to be made up by the private paying patients.

For the physician, he can live in one of our rural communities and receive \$350.00 for a particular surgical procedure. But this same physician can move to an urban center such as Oklahoma City, and receive \$550.00 for that same surgical procedure. Can you then understand why physicians do not want to go to the rural communities?

I have tried to say two things. First, government, through its programs, is splitting our health delivery system and penalizing our people while it says it wants to eliminate duplication and provide better personal health care to all citizens.

Second, government needs to apply a similar philosophy to its health care purchases that it uses for other purchases for the public, at least to the extent of paying its full share of costs.

I urge you, on behalf of the health and welfare of the people of our 8-county area, to give consideration to our needs in your future deliberations.

Senator HARRIS. I will.

Dr. PUCKETT. I would like to touch on just three points. Mr. Noss has pretty well, I think, made the case for the hospitals. We are including a survey from the various hospitals regarding their reimbursable costs under Blue Cross-Blue Shield, Medicare, Medicaid, and private plans and you can peruse that at your leisure. I think it will certainly document completely the statements which Mr. Noss has made regarding reimbursement problems the small hospitals are having, and this is based on the number of beds and is statistically valid.

Number two, I think Mrs. Ashley touched on one point which we haven't said a lot about. Any type of national health insurance is not going to be of value if the recipients are not able to have the drugs in order to cure the ailments. So we feel that there must be some financing by some means at least for payment for drugs for the people.

Mr. Rolette has presented the Indians' case; in our area in order to get health care the Indians are segregated in a separate facility. We at the Health Commission feel that if he were able to choose, because he were adequately financed through some type of insurance or otherwise, if he could choose either the Indian service, private service or any other service, or even set up his own, based on the fact that he could fund it by utilization, that the Indian would receive a continuum of excellent care. And so we would suggest that either a hospital, or funding these people where they could go where they want to go is a solution to that particular problem.

Let me thank you for the opportunity to present testimony and we are available to answer questions at any time or to expand upon any of the points which we have made, should your committee desire this.

Senator HARRIS. I appreciate very much your excellent statement on behalf of the Health Commission of the Central Oklahoma Economic Development District.

ADDITIONAL TESTIMONY PRESENTED BY THE COEDD HEALTH COMMISSION TO THE U.S. SENATE COMMITTEE ON FINANCE

The COEDD Health Commission is honored in presenting testimony before the U.S. Senate Committee on Finance and expresses its gratitude to Senator Fred Harris for making this democratic process possible. The Central Oklahoma Economic Development District, hereafter referred to as COEDD, was organized in 1966 through the provisions of the International Cooperation Act. The initial motivating forces behind this organization, were the local problems of high unemployment, poverty, and out-migration of population. Through monies, administered through the Economic Development Administration of U.S. Department of Commerce, assistance has been provided in planning and action to alleviate these above described problems. However, it soon became apparent to the 215,000 citizens living in the rural area and in the 40 cities and towns within this eight-county area that more jobs were not necessarily the solution to all of the needs identified in the planning process. It becomes further apparent that a comprehensive process, involving planning for total development of the region including functional areas of physical, social, and economic needs, must be implemented immediately if the planning process is to be responsive to the problems of the local people.

In 1968, COEDD was funded through the provisions of P.L. 89-749, referred to as the "Partnership For Health" legislation. During the past two years, the COEDD Health Commission has been organized, consisting of 38 members, who have been elected by 13 "grass-roots" Health Planning Task Forces. This Commission has, by working with the public and private segments of health care and consumer, as well as provider interests, studied and documented many of the health needs of the area. COEDD, being a rural, depressed area, recognizes the likelihood of a "health crisis" in the near future. Our health needs are many, our problems are critical and limited human and financial resources demand that a comprehensive process be developed, whereby maximum utilization of health resources, facilities, services and manpower, may be attained.

Some areas of concern documented by the Commission include:

1. Fragmentation and duplication among segments of the health service delivery system

2. Differences in health status of population in accordance with socioeconomic standing

3. Out-dated and improperly utilized health facilities

4. Increased cost of health care

5. Increasing shortages of Health Manpower—medical and paramedical

Many parties are increasingly advocating a Universal National Health Insurance program as one solution to the health care crisis. A recent survey conducted throughout COEDD<sup>1</sup> indicated that over 12% of the low income families are neither covered by government health programs nor participate in a prepayment plan with a private health insurance company. Furthermore, the quality of coverage varies among many area prepaid programs and does not, in many cases, meet the health needs of the individuals and families. Due to increased financial burdens being created by the health crises, a large number of area households now favour National Health Insurance. The Health Interview Survey conducted throughout COEDD, shows the present level of support and opposition for a universal insurance program by socioeconomic strata. It also indicated that

<sup>1</sup> Exhibit A.



a significant number of households were undecided.

If Congress, with all of its wisdom, decides that Universal National Health Insurance is in the best interest of America, then the COEDD Health Commission volunteers its assistance in expressing areas that we are most concerned with, particularly our level of expertise regarding present health problems and about a workable health delivery model for rural America.

Today, health is not a basic right in COEDD. Many discrepancies exist in availability and accessibility to health services among our people. Gaps exist within and between the many fragments of the health system. Significant differences exist in the health status in accordance with socioeconomic standing, culture, and race. The people of COEDD feel that hospital charges are too high, while another study recently conducted<sup>2</sup> indicates that major discrepancies exist today in the cost items allowable by major third-party payment plans, and significant differences exist in their levels of

reimbursement. Unless corrective action is taken by Congress, programs, such as the Medicare and Medicaid program, will bankrupt and force the small, rural hospital to close its doors. The hospitals in rural areas such as COEDD, because of the high numbers of persons over 65 and the Medicaid-Welfare load, depend upon Titles 18 and 19 for the majority of their total annual budget.

The Indian citizen is denied access to adequate levels of care because of inconveniently located facilities and shortages of health personnel. Continuity of service is nonexistent for Indians living in COEDD. Why does the Federal Government continue to duplicate facilities and services and to operate a completely segregated system of health care for Indians?

The COEDD Health Commission recommends that in communities, such as Pawnee, Oklahoma, that future consideration be given toward building and equipping a joint community health facility that will meet the needs of all area citizens and that the different levels of government discard any plans for continued duplication of facilities and/or services for the Indian and Non-Indian

populations. We also recommend payment for services rendered, whether they provided by the private segment or public, be made to all levels of government or to the private segment through such a National Health Insurance Plan.

In summary, the COEDD Health Commission maintains that an effective and workable "Partnership" must be developed between the public and private segments of health care. It is important that both partners, as well as consumers of health services, have an equal voice in shaping the destiny of America's Health Care System. It is possible to preserve the patient-physician relationship and to provide for free choice by all people of physician, institution or agency rendering health care as cherished in our democratic society, and still; to develop a comprehensive delivery system that will promote the qualities of life, including health care wanted to all people. This is a great undertaking. Together, let's start now to build this "Partnership"; one that is economically responsive to the various needs of the patient.

<sup>2</sup> Exhibit B.

EXHIBIT A—TABLE OF RESULTS, COEDD HEALTH INTERVIEW SURVEY—JUNE 1970

Socioeconomic stratum	Percent of households with health insurance				Opinions of household respondent regarding national health insurance (percent)		
	Private	Government	Both	None	Favor	Oppose	Undecided
High.....	58	24	13	5	24	48	28
Middle.....	51	32	12	5	42	32	26
Low.....	37	40	11	12	57	24	19
Rural.....	55	24	13	9	46	36	18

<sup>1</sup> Sample population selected at random from households among rural and urban areas of COEDD. All communities above 1,000 population were stratified into socioeconomic frames in accordance with a precise, valid methodology developed by NCDC, U.S.P.H.S., DHEW. Collection of data was a door-to-door process by teams of experts formally trained in proper interviewing techniques.

- I. Size of COEDD Survey Population..... 2,500 households.  
 II. Composition of sample:  
 A. Urban:  
 1. High socioeconomic stratum..... 348 households.  
 2. Middle socioeconomic stratum..... 348 households.  
 3. Low socioeconomic stratum..... 768 households.  
 B. Rural..... 1,036 households.

EXHIBIT B—SUMMARY OF THIRD PARTY REIMBURSEMENT EXPERIENCES AMONG COEDD HOSPITALS, JULY 1, 1970<sup>1</sup>

	Under 30 beds	30 to 50 beds	50 to 100 beds	100 to 150 beds		Under 30 beds	30 to 50 beds	50 to 100 beds	100 to 150 beds
Average cost paid/patient day:					Average percent of billed charges paid by:				
Blue Cross.....	\$45.44	\$55.24	\$53.59	\$57.80	Blue Cross.....	99	97	99	95
Medicaid.....	\$38.57	\$45.65	\$50.70	\$53.80	Medicaid.....	89	85	90	85
Medicare.....	\$40.67	\$44.28	\$51.27	\$44.57	Medicare.....	86	87	94	85
Average percent occupancy/total patients:					Regional median average of reimbursement from:				
Blue Cross.....	10.6	11.7	17.0	16.0	Blue Cross.....			97	
Medicaid.....	8.9	11.7	7.0	5.0	Medicaid.....			87	
Medicare.....	59.6	55.8	46.0	42.5	Medicare.....			88	

<sup>1</sup> Figures taken from most recent annual audit.

UNDER 30 BEDS					30 TO 50 BEDS				
Hospital number	1	2	3	4	Hospital number	5	6	7	8
Blue Cross:					Blue Cross:				
Gross bill charges.....	\$28,061	\$35,898	\$29,519	\$38,307	Gross bill charges.....	\$38,617	\$16,129	\$66,142	\$30,215
Expense recognized.....	\$26,850	\$34,565	\$29,159	\$28,039	Expense recognized.....	\$38,617	\$16,129	\$63,454	\$29,902
Cost paid/patient day.....	\$46.95	\$46.03	\$44.16	\$44.64	Cost paid/patient day.....	\$59.80	\$48.56	\$45.30	\$67.33
Occupancy (percent).....	12.42	12.14	8.29	9.8	Occupancy (percent).....	18	4.52	14.8	11.7
Paid percent billed charges.....	95	96	100	99	Paid percent billed charges.....	100	100	95	98
Medicaid-welfare:					Medicaid-welfare:				
Gross bill charges.....	\$13,519	\$24,852	\$12,547	\$48,278	Gross bill charges.....	\$83,191	\$30,802	\$49,933	\$23,085
Expense recognized.....	\$13,391	\$22,516	\$12,141	\$41,875	Expense recognized.....	\$58,466	\$24,369	\$37,671	\$22,516
Cost paid/patient day.....	\$45.56	\$28.90	\$40.81	\$39.02	Cost paid/patient day.....	\$37.19	\$30.89	\$48.32	\$49.95
Occupancy (percent).....	6.52	12.60	4.1	12.4	Occupancy (percent).....	24	10.72	8.6	8.4
Paid percent billed charges.....	99	90	96	86	Paid percent billed charges.....	70	79	75	97
Medicare:					Medicare:				
Gross bill charges.....	\$124,229	\$143,273	\$142,721	\$236,905	Gross bill charges.....	\$546,626	\$245,847	\$300,000	\$130,469
Expense recognized.....	\$124,528	\$138,531	\$137,612	\$214,674	Expense recognized.....	\$393,383	\$194,483	\$237,000	\$125,323
Cost paid/patient day.....	\$43.27	\$39.46	\$39.32	\$40.66	Cost paid/patient day.....	\$36.97	\$36.29	\$44.26	\$60.59
Occupancy (percent).....	63.84	56.78	57.1	61	Occupancy (percent).....	44	72.79	51.7	53.2
Paid percent billed charges.....	100	96	96	90	Paid percent billed charges.....	71	79	79	96
Total occupancy, Blue Cross, Medicaid, Medicare (percent).....	82.78	81.52	69.49	83.20	Total occupancy, Blue Cross, Medicaid, Medicare (percent).....	86	88.03	75.1	73.3

## 50 TO 100 BEDS

Hospital number	10	11	12
Blue Cross:			
Gross billed charges	\$135,638	\$39,597	\$330,897
Expense recognized	\$135,638	\$42,333	\$297,119
Cost paid/patient day	\$46.45	\$56.52	\$67.82
Occupancy (percent)	17	10	25
Paid percent billed charges	100	100	89
Medicaid-Welfare:			
Gross bill charges	\$72,946	\$33,062	\$66,164
Expense recognized	\$71,755	\$28,699	\$56,677
Cost paid/patient day	\$36.70	\$64.70	
Occupancy (percent)		9.1	5
Paid percent billed charges	98	86	85
Medicare:			
Gross bill charges	\$338,332	\$252,125	\$450,763
Expense recognized	\$338,003	\$244,329	\$389,173
Cost paid/patient day	\$45.50	\$43.10	\$65.21
Occupancy (percent)	41	60	39
Paid percent billed charges	99	96	86
Total occupancy, Blue Cross, Medicaid, Medicare (percent)	58	79.1	69

## 100 TO 150 BEDS

Hospital number	13	14	15
Blue Cross:			
Gross bill charges	\$146,016	\$204,075	\$343,119
Expense recognized	\$143,694	\$173,402	\$340,273
Cost paid/patient day	\$43.08		\$72.52
Occupancy (percent)	12.9	84	19.28
Paid percent billed charges	98		99
Medicaid-Welfare:			
Gross bill charges	\$81,882	\$156,689	\$82,365
Expense recognized	\$80,287	\$96,517	\$78,405
Cost paid/patient day	\$42.91	\$43.34	\$75.17
Occupancy (percent)	7.2		4.92
Paid percent billed charges	98	62	95
Medicare:			
Gross bill charges	\$560,072	\$933,426	\$691,817
Expense recognized	\$575,577	\$566,162	\$640,415
Cost paid/patient day	\$39.33	\$39.87	\$54.51
Occupancy (percent)	56.8		48.27
Paid percent billed charges	102	61	92
Total occupancy, Blue Cross, Medicaid, Medicare (percent)	76.9		71.84

Senator HARRIS. Mr. Reid Hutchens, Jr., who is President of the Southern Oklahoma Development Association Health Advisory Council, is with us. Reid, we appreciate your coming up here and will be glad to hear from you at this time.

TESTIMONY OF MR. REID HUTCHENS, JR. OF TISHOMINGO, OKLA.

Thank you Senator. My report will be divided into two parts. The first is the health care system and the second will be on the high cost or the reason for the high cost of hospitalization.

The Southern Oklahoma Development Association and the Health Advisory Council appreciate the opportunity to express the following concerns regarding the health care system.

Congress, in consort with the U.S. citizens, must guide by law and economic incentive, the health care system toward a balance between maintenance of individual health through preventive care as opposed to the present single focus on disease, treatment, rehabilitation and exotic services as related to hospital confinement.

To achieve this balance, the health care system must provide a continuity of health supervision from birth to death as defined by a health planning process for a given geographical area and/or population density.

Recent experience with health programs promulgated by Congress and interpreted by Washington standards have proven that rural Oklahoma may not be able to take advantage of well-meaning laws and in some cases find the programs in conflict with the area's best interest.

Example (1) Hospital reimbursement comparison attached. Hospitals in south-central Oklahoma have a Medicare occupancy of 53%—79%—42%—62%—51%—56%, etc. Medicare pays 85%—72%—83%—76%—71%—75% of the billed charges.

These hospitals in a rural poverty area are going broke by the imbalance of Medicare patients. If, however, the reverse were true, a situation which does exist in the more densely populated areas, so that Medicare occupancy was 30% or less, the hospitals could afford to care for the Medicare patient.

Example (2) Comprehensive Health Planning, P.L. 89-749, written in 1966, was a creative piece of legislation suggesting that there should be a partnership for health which would recognize the local input into the planning process. Today all programming still comes from Washington down, telling us how to plan and what to plan.

Congress, in consort with the U.S. citizens, can make personal health care more feasible and more accessible by striving for a coordinated health care system, giving all U.S. citizens the right to choose their health provider and facility.

At the present time we have segregated health care systems. We have health care systems for:

- The American Indian.
- The Veteran.
- The military personnel and dependents.
- The poor.
- The aged.

If Congress determines that a national health care system is in the best interest of all citizens, then all citizens should be equal under the law and not be forced to seek health care in a manner prescribed by law due to his background.

In the development of Medicare the Congress should be commended for passing into law this outstanding piece of legislation. They provided hospital care to millions of Americans that were unable to obtain needed hospitalization.

However, the Congress failed to pick up its fair share of the bill.

As a result of Medicare you are seeing hospitals in Oklahoma getting into serious financial difficulty and the cost of hospital care skyrocketing. Medicare can certainly be blamed for a major part of this high cost of hospital care. I was told a while ago that—I don't know how accurate the information is—that as a result already of Medicare, thirty-five hospitals in Oklahoma have closed their doors and soon thirty-five more will.

The Congress passed the law and said that they would pay for hospital care for the patients on a reasonable cost basis. The first two years two percent was added to the reasonable cost figure. This was dropped by law July 1, 1969. Congress also said that bad debts would not be considered as a part of cost. The Social Security Administration said that out-patient service, nursery, obstetrics, pediatrics and accelerated depreciation would not be considered as reasonable cost. When you take all these items out you take out the biggest expense items in normal hospital operation.

In the Tishomingo Hospital we had to hire extra help as a direct result of Medicare. This was additional professional nursing people, medical records personnel, office personnel and auditing expense. In the last fiscal year we ran 53 percent Medicare patients. This is the normal average for Eastern Oklahoma hospitals.

Senator HARRIS. How were those handled before Medicare? Did those people get care before, or do you know?

Mr. HUTCHENS. Well I would say that a lot of people got some care that they were not getting under Medicare. Some of them maybe had welfare, some of them had other kinds of insurance, some of them were able to pay their own—take for example my mother. She is not a wealthy person by any means but she is financially independent. She has been

in the hospital the last two years with Medicare picking up the bill. She could pay for it herself, she has the money, but the government picks it up.

Senator HARRIS. The insurance program under Medicare?

Mr. HUTCHENS. Medicare picks up her bill. She could pay it out of her pocket. She has the money.

Senator HARRIS. There are a good many people I trust that could not.

Mr. HUTCHENS. Yes, there are several. Medicare has served a purpose but let me see where they're wrong. When we ran 53% Medicare patients you only picked up 53% of the costs of this extra help. What I'm saying here, if we had to hire this lady here to keep records as a direct result of Medicare, and we ran as an average 53% Medicare patients, the government only pays 53% of her salary.

In our hospital we charged Medicare patients \$268,708 but you only recognized \$227,690 as expenses. This difference of \$41,000 had to be transferred to the remaining 43% of our patients. I might stop here and say in comparison of bills, Medicare paid us \$35.21 to take care of their patients a day, Medicaid or welfare paid us \$41.77, and Blue Cross paid us \$47.43. Welfare patients accounted for 16% so this only leaves 31% to absorb the cost you refuse to recognize. Blue Cross patients accounted for 8% of our business and they paid us 100% of our bill charges. In simple terms here is what has happened. We had to shift the expenses that Medicare failed to recognize to 31% of our patients causing us to raise our prices at an unusually high rate. Also the Congress put us under wage and hour and this also caused additional hospital expense.

The *Daily Oklahoman* quoted you yesterday as saying, "Every day I receive letters from Oklahomans telling me of the disastrous financial problems brought about by the high cost of medical care." The people are right in advising you of this matter. This is where a major part of the blame lays and this is with the Congress.

If the Congress creates a National Health Insurance Program with the same attitude as Medicare you will see either hospitals closing their doors or increasing their bill charges at a far greater rate than either of us could imagine.

Most hospitals are non-profit community serving organizations.

If we hold down our bills we either go broke, or discontinue giving service to Medicare patients. If we do this we are failing in our purpose in the community. If we don't raise our rates and try to exist we must go to the ad valorem taxpayers for relief. This would be disastrous as we are eight to nine times larger than county government. We



had no choice but to shift the burden of cost to this small percent.

Senator, I would urge every effort be made on your part to remove the administration of Medicare from the bureaucrats in Washington to either the state or area level. This would also apply to say future Health Plans or government health programs.

The administration of any program from the bureaucrats in Washington removes the one most important thing—the local problem.

On December 1, 1969, I visited with John Veneman, Under Secretary of H.E.W., discussing the reimbursement formula and asking for help. He was most understanding, and even said that he could see where Modesto, California, his home town, would have different problems than the greater Los Angeles area. He also understood our area as having different problems from the highly industrial states where Medicare patients may be as low as 20 percent versus our 53 percent, and Blue Cross running as high as 55-60 percent versus our 8 percent. If we had 20 percent Medicare we too could make it and absorb it.

Mr. Veneman could also see and understand this problem. But he said there was no way to write a program for different areas. He also promised some relief, some came but not enough. We had to increase our rate again on February 1, 1970 because of Wage and Hour. If unemployment compensation is passed it will be necessary again to increase our rates.

I think you will agree with me that metropolitan and rural areas have different situations. This is why I advocate either state, area or local level administration of Medicare or any other government health field. Under Medicare we are required to hire our own auditor. This is good. We are also audited by a firm from Ada, a Medicare auditor. We are audited again from Tulsa, a Medicare auditor. We are audited again in Baltimore, and subject to audit from G.S.A. which answers only to Congress with no statute of limitation. It is estimated that auditing expense has already exceeded \$1 billion for Medicare.

Here is why we are on top of the problem in Oklahoma and we are further advanced than most other states. In 1967, Oklahoma hospitals had completed 100% of their audits and with a 99% settlement. The regional area was only 92% with 74% settlement; the national average was 89% with 60% settlement. In 1968, Oklahoma again had completed 100% of their audits with 97% settlement versus regional 74% audits with 28% settlement and a national average of 66% of the audits with only 26% settlement. In 1969, already Oklahoma as of December had completed 47% of their audits with 31% settlement; regional areas only 21% had completed audit with 7% settlement; and the national area 20% had completed their audits with 4% settlement. Your colleagues in Congress

will soon be catching hell—just as soon as the audits are completed.

Senator HARRIS. That won't be anything new. (laughter)

Mr. HUTCHENS. I would like very much to come to Washington and appear before the subcommittee or full committee to discuss how they are breaking all hospitals in the nation where we have a high percentage of retirement personnel or people of the rural areas.

I wrote you last week asking for your support of a "Cost Containment Program in Oklahoma Hospitals" that was presented yesterday to the Social Security Administration in Baltimore by the Oklahoma Hospital Association in cooperation with the welfare program and Blue Cross. Again I would like to urge that you go all out and support that program so we can survive a little longer.

Also, on behalf of the Southern Oklahoma Development Association, I want to thank you for your help in overriding the President's veto of the Hill-Burton funds. Do you have any questions?

Senator HARRIS. That's it. Thank you very much. I appreciate that very much and I think that you made some awfully good points. We obviously have to have programs to provide for people who couldn't otherwise get medical care. I think we ought to be fair about the basis on which we pay. Furthermore, I don't believe that we ought to pay people less than an adequate wage whether they work in a hospital or laundry or wherever. But we ought to recognize that when people are paid proper wages that that increases cost to some degree. So I appreciate what you've had to say and I think it will be very helpful to me and to the committee.

#### ADDITIONAL TESTIMONY PRESENTED BY THE SOUTHERN OKLAHOMA DEVELOPMENT ASSOCIATION

##### Description of area

110 miles East to West; 85 miles North to South; 6,883 square miles.

Total population of entire District: 170,000 (Source: 1960 U.S. Census.)

Three largest communities: (10 counties) Ardmore—20,679; Ada—14,311; Durant—10,920. (Source: (Population) U.S. Census, preliminary release, May 22, 1970.)

Historically, economic base dependent on farming and ranching.

Income levels: 44% of population derive a total annual income of \$3,000 or less; 67% are under \$4,999.

Per Capita Personal Income: SODA Average—\$2,407; Okla. Average—\$3,328. Source: 1960 U.S. Census.

Education: Median education level for entire area is 8.8 years.

Minority groups: 8.9% of total population (District) consist of American, Indian, and Negro.

Age: U.S. Average—29.5; median age of SODA area—34.7 years old.

Counties with the younger population are: Garvin, Carter, Pontotoc.

##### Description of health manpower

Physician providing patient care/100,000 population: U.S.—132/100,000 population, Okla.—106/100,000 population, SODA—74/100,000 population.

Total—123 MD & DO in the SODA area. Dentist providing patient care/100,000 population: U.S.—47/100,000; Okla.—35/100,000; SODA—24/100,000.

Professional Nurses providing patient care/100,000 population: U.S.—313/100,000 population; Okla.—188/100,000 population; SODA—100/100,000 population.

Total—169 active Registered Nurses.

Age—4% under 25 years old, 20% 25-34, \*22% 35-44, \*36% 45-64.

Education—81% Diploma.

Active—78%.

Inactive—22% (½ of inactive are retired due to age or family).

Field of Employment—63%—Hospitals, 14%—Public Health, 7%—Nursing Home.

##### Description of health facilities

General Hospitals: 13 institutions with total of 811 (plus) hospital beds in 9 counties (Note: This excludes recently completed and planned facilities.)

Hospital size range from 20-150 beds.

Accessibility—Evenly distributed within the area.

Long-term Facilities: (Nursing Homes) 55 institutes with total of 2000 (plus) beds in 10 counties.

Nursing Home size range from 30-100 beds.

Other: (State facilities) Okla. State Veterans Hospital—Sulphur—231 beds, Okla. School for Deaf—Sulphur—enrollment fluctuates around 220, Pauls Valley State School—600 (Plus).

County Health Department: 10 units, one in each county staffed with varying levels of personnel, such as: nurses, home health aides, sanitarians, and physicians.

Limited voluntary agency services.

##### Description of health services

Limited to basic institutional care and minimal safe water and sewer systems and housing facilities.

Local colleges and educational facilities have limited curriculum and programs to develop or promote health manpower for the area.

Local public school curriculum have limited curriculum to develop and promote an optional level of health knowledge which could promote and improve health status in the area.

Out-patient services for acute illness and early detection of disease are limited to private physician practices during office-hours and to hospital emergency rooms facilities and personnel after hours.

There is limited to no available care for mental health problems in the area.

COMPARISON OF 3D PARTY PAYMENTS TO HOSPITALS IN SODA AREA, HOSPITAL SIZE, FROM 30 TO 150 BEDS

Hospital	A	B	C	D	E	F	Hospital	A	B	C	D	E	F
Gross billed charges	\$49,242	\$57,219	\$263,203	\$27,437	\$24,379	\$50,954	Occupancy (percent)	16	13.1	6.13	13.3	24.9	13.5
Expenses recognized by Blue Cross	\$49,242	\$56,138	\$237,049	\$27,437	\$24,379	\$50,954	Paid percent billed charges	80	81	86	79	71	95
Paid by Blue Cross per patient day	\$47.43	\$59.03	\$63.86	\$57.13	\$28.99	\$49.09	Medicare:						
Occupancy (percent)	8	7.6	13.52	10.0	7.9	9.7	Gross billed charges	\$268,708	\$553,324	\$741,414	\$171,315	\$207,948	\$295,973
Paid percent of billed charges	100	98	90	100	100	100	Expenses recognized by Medicare	\$227,690	\$403,404	\$613,917	\$131,159	\$148,529	\$222,782
Medicaid:							Paid by Medicare per patient-day	\$35.21	\$40.34	\$53.17	\$47.38	\$28.06	\$36.98
Gross billed charges	\$102,362	\$84,645	\$114,704	\$31,704	\$95,890	\$70,859	Occupancy (percent)	53	79.3	42.05	62.4	51.6	56.4
Expenses recognized by Medicaid	\$81,779	\$68,884	\$99,002	\$25,470	\$68,537	\$67,355	Paid percent billed charges	85	72	83	76	71	75
Paid by Medicaid per patient day	\$41.77	\$41.84	\$55.96	\$40.68	\$26.79	\$46.70							

Note: Average percent of billed charges paid by Blue Cross, 98 percent; average percent of billed charges paid by Medicaid, 82 percent; average percent of billed charges paid by Medicare, 77 percent.

Senator HARRIS. Has Gary Theilan from the Oklahoma City Planning Council come in yet? No?

Gene Pace is here representing Jack Boyd, Director of the Oklahoma State Health Planning Agency, who will be filing a statement later on. Gene, do you want to add anything at this time?

Mr. PACE. Not at this time, thank you.

Senator HARRIS. All right. I appreciate very much your being here.

I would next like to call on Mr. William Roderick, Director of the Pipeline Industry Benefit Fund.

TESTIMONY OF MR. WILLIAM RODERICK, DIRECTOR OF THE PIPELINE INDUSTRY BENEFIT FUND

Senator Harris and ladies and gentlemen. I'd like to preface my remarks here this morning to say that I wear a number of hats as I stand before you. I am the administrator of a National Health and Welfare Plan, which covers Pipeline employees doing work under the United Association of Journeymen, Plumbers and Pipefitters across the country. We have eligible members in all the states. We pay hospital bills and medical bills in all the states. I'm also the President of the Tulsa Labor Council. Of course, the official position of the AFL-CIO, as well as of the independent unions throughout the country, is for the preservation of the health and the well-being of our people. We in the labor movement have, in most cases, adequate health care. We find ourselves having to negotiate further, though, to keep abreast of the inflationary trend of hospital costs. I'm also a member of the Tulsa Area Health and Hospital Planning Council. I do not speak for them this morning but I am a member, and I am aware of some of the problems we have locally. As administrator of the Fund for the last four years, of course I have firsthand knowledge of the rising health costs and care costs that we have. We have some 6,000 members and their families who are eligible for benefits and we pay claims in each state in the Union. We see quite a difference in the inflationary trend and rise in costs of health care.

Our actuary just completed a report for fiscal year ending February 28, and we found that to provide the benefits that we do for our members—and we are a self-insured entity and we do not have anyone under writing us and we pay out of our own reserves, our Taft-Hartley trust—if we were to go to a carrier to underwrite the coverage we provide for our people, which we feel in great part is better than most places, it would cost in the neighborhood of \$900 a year to purchase this type of coverage. This includes a vision plan; a dental plan; complete out-patient benefits; hospitalization (we pay the semi-private room rate); we pay unlimited miscellaneous expenses while they are in the hospital; we have a disability benefit in connection with this. We pay according to a schedule on dental benefits. But to purchase this and to provide the coverage that we do for our members, it would cost in the neighborhood of \$900 a year premium for each of these people. And we feel like we are doing a very good job for our members. However, the position that organized labor has taken down through the years is that an investment in human resources—which is education and health—is an important investment. Even though we are real fortunate in being able to provide as well as we do for our people, many people across this country of ours do not have adequate health care.

The point was made in regard to the employees of hospitals going under the minimum wage. It's noted that if a person on the minimum wage worked 52 weeks a year and earned around \$3,700 he would still be in the poverty group in our country. I can see the problems that he would have in trying to provide adequate health care for him-

self and family. I pulled two folders from our claim files yesterday. There was a maternity claim incurred in December of 1968 and a maternity claim which was incurred in May of this year—some 16½ months later—in a local hospital here in Tulsa. I noticed that the room and board charges had increased 15%; the miscellaneous fees while in the hospital increased over 30%. Realizing that probably both confinements were not equal, they were equal in the number of days that they were in the hospital, seven days in each of these cases. But there was a 30% increase in miscellaneous fees and a 15% increase in room and board. I realize the problems Medicare and Medicaid are creating, and I don't overlook that we have been doing a very good job in providing health care for elderly people, the indigent and the people who cannot provide, the disabled. So I don't think we can be critical of the program for what we have done. I also feel that those people, regardless of their financial standing in our country today, should have the best health care that our medical people and our scientific people can provide.

I feel that there are many problems that we have throughout the nation and that those assembled here are trying to deal with these problems in an effective way. It is the feeling of the AFL-CIO, people in organized labor, that there are slipshod methods and methods that are not coordinated; economies that we could practice; people who are not receiving optimal care as far as medical services are concerned; that all of these are problems that we have. Controls on hospitals and economy, even on the physician in some cases, should be put into effect and a national plan should be instituted in the United States to assure that every citizen, regardless of his race, his creed, his color, is entitled to the best health care available. Thank you.

Senator HARRIS. Thank you very much, Bill, for a very good statement.

Next, we have Jack McGee, who is President of the Communications Workers of America, here in Tulsa.

TESTIMONY OF MR. JACK M'GEE, PRESIDENT LOCAL 6012, COMMUNICATIONS WORKERS OF AMERICA, TULSA, OKLA.

Thank you, Senator. I am trying to present the consumers side of National Health Insurance.

My name is Jack D. McGee, and I am the President of Local 6012 of the Communications Workers of America, here in Tulsa.

I appreciate this opportunity, both as a citizen and a Unionist, to give you my views on National Health Insurance.

We have needed National Health Insurance in this country for a long time, we need it now, and we need it badly.

There is no way to avoid the fact that our system for delivering health care to the people is so grossly inadequate that we ought to be ashamed of ourselves.

I can only speak as a patient—a consumer of health care—and as someone whose work as President of a Union Local keeps him informed of the problems of other workers who are consumers of health care. So I feel that I should back up my views on how inadequate the health care system is with statements from some authorities.

The first authority I would like to quote to you recently said:

"We face a massive crisis in this area and, unless action is taken both administratively and legislatively to meet that crisis within the next two years, we will have a breakdown in our medical care system which could have consequences affecting millions of people throughout this country."

That was President Nixon speaking, after he had read a report prepared by then Secretary Robert Finch of HEW, and Assistant Secretary Roger Egeberg.

Another authority said 60 percent of the American people were getting good health care, and the problem was getting it to the other 40 percent. That was President Gerald Dorman of the AMA.

President Dorman may have been trying to make a positive point by saying 60 percent get good care, but we have to look at the negative side—at the 40 percent—and that is an awfully large percent—who are not getting good care.

I would also like to mention to you that there are several strong forces at work in our society today which should be taken into account when National Health Insurance is discussed.

One is consumerism. The other is environment. Both are dominant in the 1970s. Both are strongly linked to health care delivery. We all are consumers of health care and we all have discovered—I hope not too late—that we have tampered too much with our environment and nature is reacting in a way that greatly affects our very existence, let alone our health.

There is one more aspect to this.

An attitude is growing among many Americans to rise up and protest whenever they feel that an injustice is taking place. Just a couple of weeks ago thousands and thousands of Italian-Americans from the Eastern United States marched on FBI headquarters in New York, claiming the FBI was picking on them. For better or for worse, we are in an era of protest.

Now, when you tie together the consumer movement, the environment movement, and the tendency to protest, it isn't hard to visualize thousands of Americans marching on the AMA if they feel that will get them some of the improvements and benefits they feel an American citizen should have.

The people know that technological advancements in health care have been chalked up beyond anyone's dreams.

Polio has been eradicated, organs have been transplanted, machines keep the heart working at a proper pace, hospitals have dozens of devices that didn't exist only a few years ago.

The people have read about this, and seen it on television.

It created expectations—simple expectations, such as not having to sit in a waiting room for half a day just to get an overpriced prescription, and not having to mortgage everything you own to cover some catastrophic illness in addition to your insurance.

Those expectations have not been fulfilled. You have the details, and the statistics, so I will not repeat them.

But we all know that health care costs are rising faster than anything else.

We all know that some Americans have never seen a doctor or a dentist.

We all know that millions of Americans are not protected or are underprotected by health insurance.

And we all know that when we get sick most of us are going to have to spend hours sitting in a doctor's waiting room until he gives us a fast five minutes and that overpriced prescription.

The statistics and the facts are all in the Finch-Egeberg Report, and the January issue of Fortune articles in "Our Ailing Medical System," also give the sorry details.

There is a solution to this problem. It is National Health Insurance.

There is a bill before the House Ways and Means Committee—HR 15779, introduced by Rep. Martha Griffiths of Michigan—which does the job working people are interested in, not just for themselves, but for all Americans.

If that bill is passed, we will have in this country a health care delivery system that covers everybody for everything they need in health care. We won't have it over-



night, because there is a lot of rebuilding to do on the system, but we will have it.

I am sure that you are familiar with HR 15779, so I will not go into its details. I would rather talk about its objectives.

It would provide universal protection.

It would provide the full spectrum of benefits, from spectacles to psychiatry.

And, it would stop the rise on costs of health care at the terrible rate they are going up now.

A fully functioning system under the Griffiths bill would see the replacement of the fee for service system—or the piecework system as some call it—for a contract system of payment. This would come about through the great growth of pre-paid comprehensive group practice plans, which the bill makes no bones about encouraging. And, wherever we have pre-pay group practice we have preventive medicine—which is an important cost cutting factor.

A few years ago the President of my Union, Joseph A. Belrne, served on the President's Commission on Health Manpower.

I would like to recall to you a comment he made in the Commission Report of 1967, regarding comprehensive pre-pay, group practice plans. He said:

"The overwhelming evidence produced by the panel study . . . as well as the discussion of the members of the Health Manpower Commission suggest the properness of recommending favorably the extension of comprehensive pre-paid group health care plans."

"In addition, the discussions and study of the Health Insurance Plan of Greater New York as well as the three years of experience of the Federal Health Benefit Program show quite clearly the compelling evidence supporting the view that group practice plans bring about the most economic delivery of medical services. The Commission should take a forthright stand in support of group practice plans."

Early this year, the Nixon Administration started moving toward this view.

At least part of the movement was caused by the doubling of Medicare and Medicaid costs in the last four years, but the major incentive was the demonstrated ability of pre-pay group practice to provide more and better health care at less cost than fee-for-service solo practice.

The Administration program is called Medicare Part C.

Under Medicare Part C, as the Administration envisions it, groups of health care dispensers would contract with the government, on an annual fixed fee per person basis, to provide both preventive and curative care to Medicare and Medicaid enrollees.

We know that it's a long haul from a proposal to action, but the significance is the Administration's recognition that more care, for more people, can cost less under pre-pay group practice.

My view is that if pre-pay group practice is going to do a better health care job for Medicare and Medicaid recipients, won't it also do a better job for every individual in this country?

I would like to mention a few additional general principles involving National Health Insurance.

I think no physician should have to participate. Patients should be free to choose any health care system they want. There should be no interference with clinical practice. The Griffiths Bill ensures that practitioners should be able to participate—to contract with the program—on an individual basis, part-time, full-time, and of course, in groups. The Griffiths Bill ensures that because this would be so new in so many areas of the country, the program should provide funds for planning efficient comprehensive health care delivery and it should provide funds for initial staffing of projects. The Griffiths Bill ensures that benefits should include

physical exams, surgery, office visits, hospital calls, house calls, eye care, prescription drugs, rehabilitation and physical therapy, hospitalization and skilled nursing home care. There should be no limit on hospitalization and skilled nursing home care. Children should receive complete dental care until they are 16.

The national health insurance program should be administered by a board which represents all of the interests involved—health care, labor, management, government. That board would set the per capita rate.

The board should have a health care advisory council made up of people in health, and a consumer advisory council, made up of people who know health care needs.

The Griffiths Bill ensures all of these points.

A few minutes ago I mentioned the part the national mood plays in this matter, and there is another point under that topic that I want to submit to you as pertinent.

This country is bedeviled with some massive problems.

There is the war in Vietnam. There is a diminishing economy, there is urban blight, there is bitterness between the races.

As a consequence of all this, many people have developed the feeling that government as we know it, and want to preserve it—representative government—won't work any more.

If the health professions, along with the other segments of society who care, can develop a real health delivery system, we will have shown that at least in this area representative government will work.

We will have shown that divergent views can be brought into agreement.

I believe that representative government in a pluralistic society can work.

Labor has also believed in national health insurance for a long time. It is nothing new in many European countries, which, as you know, often come up with better health statistics than our country.

The first bill to establish national health insurance here that I know of was introduced by Senator Robert Wagner in 1939. It was introduced again in 1943, 1945, 1947, and 1949.

It's time had just not come. Medicare was actually a stopgap.

We have all heard the quote from Shakespeare's Julius Caesar, which tells us:

"There is a tide in the affairs of men, which, taken at the flood, leads on to fortune; Omitted, all of the voyage of their life is bound in shallows and in miseries."

I hope the Congress will not bind itself in the "shallows and miseries" of worn out objections to National Health Insurance.

I am aware of some of those "shallows and miseries" because an assistant to President Belrne, Louis B. Knecht, has made several speeches to medical groups on National Health Insurance, and he has collected the questions from the audiences. Some of them revive the old "socialized medicine" theme song that the AMA harped on for so long in opposition to Medicare. Some are cogent, but others are equally inane, but I think it would benefit everyone interested in better health care for all people to see them, and some answers which have been prepared to them.

I would like to submit them as part of my remarks.

Thank you again for this opportunity to present a consumer's side of National Health Insurance.

Q. Would an individual be able to select a particular doctor in group practice under your concept of National Health Insurance?

A. Yes. The freedom of an individual to select a doctor is preserved. The National Health Insurance program I envision would ensure that any individual could select his or her own physician, just as they do now. No one would be assigned to a particular

physician. In group practice programs which now exist a patient selects a physician in the program as the personal physician, and deals with that physician. If the patient needs the services of a specialist his own physician would refer him to one in the group, but that would only be parallel to the present system—not different from it.

Q. You said that within your scheme of National Health Insurance that it would provide the patient free choice of physicians and that the physician could participate as much or as little as he chooses in the system. If the physician chooses not to participate what other alternatives would be available to him or to the consumer?

A. Any physician who chose to remain completely aloof from the National Health Insurance program could do so. He would attract his patients from those who wish to remain his patients regardless of the program. Obviously, the degree of participation by physicians cannot be predicted. Hopefully, it will be very high. And probably a very high percentage of people who are health care consumers will want to participate. That would generate high participation by physicians.

Q. Would labor object to complete socialization of medical care a la Great Britain?

A. Labor supports the National Health Insurance program currently in Congress (Griffiths' bill) which preserves free enterprise. Labor considers itself the major force preserving the free enterprise system in the United States now, despite management's anti-consumer and anti-labor attitudes, which generate antipathy toward the system on the part of many working people.

Q. How can National Health Insurance, which would add to the demand without increasing the resources of an already overburdened system, be expected to contain costs? Without tremendous investments in facilities and manpower to make more services available, is it realistic to believe that those who pay the premiums, taxes and dues will be anxious to share the scarce resources which will be in greater demand under National Health Insurance?

A. The National Health Insurance program recognizes all of these pertinent points. Take them one at a time. First, we know that many Americans are not receiving the health care they need and so we may expect them to seek it under a National Health Insurance program. The "overburdened system" described by the questioner would get an additional burden, and he asks how costs could be contained with this happening. The answer is that costs would be contained in several ways. A National Health Insurance program would encourage preventive care—keeping the patient healthy rather than waiting until the patient becomes ill and then curing him. It would reward efficient quality care and penalize unneeded surgery and hospitalization. It would encourage the general development of pre-pay group practice plans which for the past 20 years have shown, as the President's Commission on Health Manpower concluded, that health care can be delivered under group practice at savings of 20 to 30 percent. The system of "usual and customary" payments for care would be superseded by a system under which groups of doctors would contract to provide care for people under a per capita budget. This budget would not be developed by government decree, but by the determination of health dispensers on what is fair compensation. The physicians and the hospitals participating would then be responsible for delivering care, on a quality basis, within the budget.

Q. In view of your position in favor of fixed fees for physicians, is your union in favor of wage controls by the federal government?

A. The issue of wage controls and price controls is often debated within organized

labor as a means of reversing inflation, but the situation usually resolves itself into the general acceptance of the fact that there would be a lot more wage control than price control. On the pertinent aspect of the question—"Fixed fees for physicians"—the questioner is in error. National Health Insurance does not contemplate a fixed fee for physicians. What would be fixed would be the per capita fee which each contractor with the program would agree to accept to provide total care for those covered in the contract. If X County Medical Society agreed to cover everyone in X county then the members of the X County Medical Society would receive the per capita for everyone covered, and decide how to divide up their revenue among themselves. Some of the members of the society might be paid on a fee basis, others might be paid on an hourly basis, others might be paid on a different basis. The important point is that reimbursement would be up to the contractors—per capita would be set by a board which would include health service dispensers.

Q. What is a good living? Salary, hours worked per week for the physician?

A. A good living is that income which provides a worker with the resources to purchase essentials, with the resources which enable him to give his family the amenities which make their lives comfortable and interesting, and with the resources which make their lives secure. The labor movement has been fighting for these elements since its inception. Certainly anyone who works should feel safe under standards of living which labor set as ideal.

Q. Basic need for good health is availability for equal opportunity in the labor field. Is labor going to fight for this with equal vigor as it is for fee on case (fee for service) in medicine?

A. Labor believes that it has led the fight, that it is leading the fight for equal opportunity, and it will continue to fight for equal opportunity.

Q. Can you expand on the better European Health Statistics, i.e., number of hospitals built in Great Britain since 1945?

A. There are generally accepted statistics which show the most industrial nations have better infant mortality rates and other health rates than the United States. Just taking infant mortality, we were sixth in the world in 1950, 11th in 1960, and by 1969 we had dropped to 18th. A comparison of hospital beds added, not just hospitals built, would be a more accurate statistic, but since England was desolated by bombing during World War II, that figure would not be an accurate indicator of comparative health care.

Q. What happens to the solo practitioner with your proposed comprehensive plan? How much would your all-inclusive National Health Insurance plan cover? Where would you get the physicians to participate on a voluntary basis?

A. The solo practitioner would have many choices—to remain in solo practice, to participate in the program part-time, to participate in the program full-time as an individual, or to participate in a group either full-time or part-time. The program would cover every conceivable type of health need, including dental care up to the age of 16. It would not include custodial care. Hopefully, many practitioners would want to participate, but the program also provides funds for planning efficient health care delivery, expanding medical education and stepping up construction of needed facilities.

Q. Why do you think the total number of subscribers has declined in the HIP of New York? The lack of growth of the Detroit health foundation of the auto workers? The lack of significant growth in the health care concept?

A. All impartial studies show that people favor the group practice concept and that it is the best, least costly way to get more

and better health care delivered to the greatest number of people. If membership is declining in a major group practice program, or if one is not growing, certainly the reasons should be explored. The pre-pay group practice concept has been held back for several reasons, one being that in some states political pressure has made it illegal. Another reason is that many people have never heard of it.

Q. In your speech you mentioned the recent report of the Senate Finance Committee. Would you care to comment on the technical respectability of this report? Have you considered the implications of making such statements out of context?

A. The Senate Finance Committee would not have issued its report, condemning some doctors for making huge profits in medicare and medicaid, without being absolutely certain that it could back up every charge it made. It would be foolish for the Committee, one of the major Committees of Congress, and the Senate's tax authority, to make these charges without being able to document them. But just as important as that is whether or not the comments in the speech were out of context. The speech said clearly, "we have all read that hundreds of doctors have made exorbitant profits out of medicare and medicaid. Of course, thousands did not. Doctors, like labor leaders, don't get written up for being honest."

The statement clearly said that hundreds of doctors made unconscionable profits, but thousands charged fair fees and did not. That would seem to be as firmly in context as this controversial matter could be placed.

Q. When we have national prepaid group health insurance and all doctors are on salaries, will the CWA guarantee the doctors the right to strike for legitimate grievances, or will we be grouped with teachers and letter carriers? Will the right to strike be restricted to the AFL-CIO?

A. Organized labor considers the right to strike a universal right of all workers, but also considers it a course of action which is taken only as a last resort. For instance, police officers are considering affiliating their associations with the AFL-CIO, and while there is no formed policy at this writing it is the general opinion that an entire police department should not go out on strike. The matter of public safety is involved. But with letter carriers, it is a matter of public comfort. It is also a matter of public comfort with teachers. So each instance must be judged on the merits of the situation. Hopefully some day the doctors of the nation will want to participate in the national labor movement as part of the AFL-CIO, so they may deliberate their strike role from within organized labor.

Q. After pointing out the shortcomings of the Senate Finance Committee report, you then proceeded to parrot the atypical, sometimes erroneous features of the report, and used this evidence as support for compulsory national health insurance. The Philadelphia Inquirer, in a recent anti-medicine series of articles, calculated that if all MD fees were cut by 50 percent, this would result in lowering of national expenditures for health by only .8 percent. How would national health insurance solve the problems of manpower shortage, distribution, etc.? Wouldn't your proposal further aggravate these problems?

A. The reference to the Senate Finance Committee report has been discussed in answer to a previous question. Every available piece of evidence shows that comprehensive pre-pay group practice cuts medical costs considerably more than the figure quoted from the newspaper series. The problems cited by the questioner would be solved because health care delivery for the first time would be put on an efficient basis—something which does not exist now. The program recognizes the shortages of health manpower, and the numbers of people who now have no access to health services, and recognizes that

these factors must be built into planning the overall program. The proposed legislation specifically provides for additional health manpower and additional facilities, and also provides for research into establishing efficient methods of delivery.

Q. Aside from infant mortality statistics (which are controversial), what other indicators are there which demonstrate health care is better in certain European countries than in the United States? Significant differences?

A. From 1950 to 1965, the United States dropped from thirteenth to twenty-second place in life expectancy for males. The life expectancy for females dropped from seventh to tenth place.

Q. What methods do you suggest be utilized to provide the enormous sums of capital needed to provide the facilities which would be required to fill the demand created by a national health insurance program?

A. Presently, the Hill-Burton Act is the major federal source of funds for health care facility construction. It has been mainly used in rural areas and smaller cities. If necessary, it should be modernized and augmented to provide the facilities that are needed. If an additional source of revenue is required the abolition of mineral depletion allowances, with other tax reforms, could provide the funds needed for health care.

Q. Do you feel that the medical professions should be organized as unions with the same rights?

A. All working people should have the same rights, and if the medical professionals should determine that they want to participate in organized labor, along with many other professionals, they would certainly be welcome into the AFL-CIO.

Q. Who would, in fact, who could, administer a National Health Insurance program? What about its great cost?

A. The National Health Insurance program should be administered by a board which represents all of the interests involved—health care, labor, management, government. It should have two major advisory councils, a health care advisory council made up of people in health, and a consumer advisory council made up of people who know health care needs. Costs for health care now run \$60 billion plus a year. The suggested program would be financed through contributions in Social Security form by employees and employers, and by Treasury revenue. In the long run, national health insurance will be more efficient than the present inefficient system.

Q. A National Health Insurance system would aggravate an already staggering demand for health care services. What do you suggest to meet this problem?

A. The program recognizes that many people are not now receiving health care, and built into it are measures to develop answers to this problem, such as expanded training of health practitioners, added facilities, and better systems of delivering care. But in the long run National Health Insurance would decrease the average number of hospital days per patient, and other current health waste through its basically more efficient methods.

Q. Two problems of highest priority to the medical profession are health care manpower shortage and health care costs. These were not created unilaterally by the medical profession and they will not be solved in a unilateral manner. I would like to hear more of an expression from the nonprofessional consumer and labor as to their responsibilities in these areas.

A. Certainly the non-medical profession member of society has an obligation to make sure that adequate sources of professionals are available, and that all segments of society are contributing to keeping the costs of health care down. Pre-pay group practice would do this by providing for training, and by operating more efficiently than solo practice with fee for service.



Q. If there has been this great demand for group practice health insurance coverage, why it is that only 5 percent of the people have purchased this coverage when offered?

A. Most people do not know there is such a thing as pre-pay group practice, and in some states it is illegal to even establish it. The latest really comprehensive program has been set up in the new community of Columbia, Md., and, under the aegis of Johns Hopkins in Baltimore, it is tremendously well received.

Q. How can you blame the medical profession for the high cost of Medicaid-Medicare when our fees have been set and frozen as of January 1969? What would have been the reaction of organized labor to such an action being taken without right of arbitration?

A. Impartial analysis have shown that under Medicare and Medicaid there has been a high incidence of unneeded hospitalization and treatment, so that regardless of the fee, it is the unnecessary use of these two programs which has created high costs. But it must also be remembered that some physicians have made inordinately high incomes from the programs. Whenever organized labor participates in a government program it does under the conditions set by legislation or administratively.

Q. How many physicians are members of your executive Board to protect the public from labor's selfish dominance?

A. There are no physicians on the Executive Board of the Communications Workers of America—only communications workers elected by their fellow members. For a parallel the governing body of the American Medical Assn. is a good example. It has no members of organized labor—only physicians chosen by their fellow members. Regarding "selfish dominance"—if seeking decent wages and working conditions and job security through unions is selfish dominance, then how else are working people to secure those justifiable goals?

Q. Under pre-paid programs do you feel the delivery of health care will be improved, if at the present people demand attention on a fee for service basis beyond the capacity of the individual or group? Will not the facilities be under a greater strain?

A. This point has been covered in answer to a previous question. Basically, the development of a health care delivery system based on pre-pay group practice would, when fully operational, provide the care the citizens of the nation need.

Q. Under National Health Insurance you advocate "free choice" by patients, and "participation" or "non-participation" by physicians. How could a physician possibly have any practice at all if he did not "participate" in a National Health Insurance program?

A. Physicians could participate solo, in groups, part-time, or full time. A nonparticipating physician would have to draw his patients from those people who do not want to take advantage of its benefits. The questioner raises an interesting point—he obviously believes the National Health Insurance program would be so popular with the public everyone would want to utilize it.

Q. Since a major problem in expanding wide spectrum health care to all people is the marked lack of available services, what will be the effect of a dramatic change in the delivery system without subsequent increase in actual delivery of services?

Just what percentage of increase in available services can be expected through improved efficiency, recruitment, etc., in the 70s?

A. This point has been covered in answer to a previous question. Basically, the development of a health care delivery system based on pre-pay group practice would, when fully operational, provide the care the citizens of the nation need.

Q. How would you propose Group Practice Coverage of communities of 3,000 isolated from large cities by distance?

A. Small communities which do not have enough people to keep more than one or two physicians busy of course could not support a pre-pay group. But a doctor could still participate in the program in these towns, as a solo contractor. The problems of economically depressed communities would be alleviated, because the program would provide revenue for physician compensation in those communities.

Q. What do you think is the cause of breakdown in medical delivery care?

A. The basic cause is the continuation of a system which just developed without planning—without taking into account population growth, technological advances, and rising expectations by the people.

Q. Have you considered the possibility that "your" solution is chiefly the problem?

A. The National Health Insurance program may be "the problem," to some, but to those who today are denied the benefits of health technology it will not be the problem, and to those who are beset with bills and high insurance costs for medical coverage it will not be the problem.

Q. How can you ignore the problems encountered in government health service in other countries—namely, Britain, Canada, etc.—1. Loss of physicians to "free enterprise" countries; 2. No new hospital construction for 12 years despite need for more beds; 3. Abuse of plan by recipients resulting in: a. long waiting in offices; b. up to 2 yrs. wait for elective surgery; c. actual lowering of medical standards for a large number of persons; 4. High cost for administration and bureaucratic featherbedding.

A. There is no relationship between the health care plans of Great Britain and other countries which have socialized medical systems, and the American proposal for National Health Insurance. The American proposal is a method of financing medical care while maintaining free enterprise. In England the government owns the hospitals and pays the hospital staff salaries, which would not be so under the American proposal. The British system pays private physicians on a per capita basis, but under the American proposal organized groups of societies would contract with the government on a per capita basis, and the members of the group would decide themselves how to divide up their revenue. They could decide to pay themselves on a fee for service basis out of the revenue of the group, or on a salary basis, or on a per capita basis. It would be entirely up to them. Individual physicians practicing solo could contract on a per capita basis.

Q. The plan for National Health Insurance as proposed by Mr. Knecht is identical to the British N.H.I. The British plan has resulted in a poor and a deteriorating standard of medical care. The care is inferior to the American system. What changes are being proposed to avoid the failures of the British system if we have N.H.I.?

A. There is no relationship between the health care plans of Great Britain and other countries which have socialized medical systems, and the American proposal for National Health Insurance. The American proposal is a method of financing medical care while maintaining free enterprise. In England the government owns the hospitals and pays the hospital staff salaries, which would not be so under the American proposal. The British system pays private physicians on a per capita basis, but under the American proposal organized groups of societies would contract with the government on a per capita basis, and the members of the group would decide themselves how to divide up their revenue. They could decide to pay themselves on a fee for service basis out of the revenue of the group, or on a salary basis, or on a per capita basis. It would be entirely

up to them. Individual physicians practicing solo could contract on a per capita basis.

Q. Cost estimates—Re: National Health Insurance?

A. A study is now underway to determine projected costs. Presently Americans are spending more than \$60 billion a year for health care, and a significant portion of the population does not receive adequate care. The study would have to reflect all of the factors involved, such as the part of the costs which would go to providing care to those who are not now receiving it.

## CONCLUSION OF MORNING BUSINESS

Mr. GRIFFIN. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

## AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PROCUREMENT AND OTHER PURPOSES

The PRESIDING OFFICER (Mr. Boggs). The Chair lays before the Senate the unfinished business which will be stated by title.

The BILL CLERK. A bill (H.R. 17123) to authorize appropriations during the fiscal year 1971 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the selected reserve of each reserve component of the Armed Forces, and for other purposes.

The Senate resumed the consideration of the bill.

## CALL OF THE ROLL

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll. Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. FULBRIGHT. I object. The PRESIDING OFFICER. Objection is heard.

The bill clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

[No. 249 Leg.]

Boggs	Fulbright	Percy
Byrd, W. Va.	Griffin	Proxmire
Dole	Mansfield	Stennis
Ervin	Pell	

Mr. BYRD of West Virginia. I announce that the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Connecticut (Mr. DODD), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from Tennessee (Mr. GORE), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Arkansas (Mr. McCLELLAN), the Senator from New Mexico (Mr. MONTANA), the Senator from Utah (Mr. MOSS), the Sen-

ator from Connecticut (Mr. RIBICOFF), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from Arizona (Mr. FANNIN), the Senators from New York (Mr. GOODELL and Mr. JAVITS), the Senator from Florida (Mr. GURNEY), the Senator from Maryland (Mr. MATHIAS), the Senator from California (Mr. MURPHY), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

The Senator from Kentucky (Mr. COOPER) is necessarily absent attending the funeral of a friend.

The Senator from Oregon (Mr. HATFIELD) and the Senator from Idaho (Mr. JORDAN) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) and the Senator from Maine (Mrs. SMITH) are absent because of illness.

The PRESIDING OFFICER. A quorum is not present.

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

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

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

Aiken	Hansen	Pastore
Allen	Harris	Pearson
Allott	Hart	Prouty
Anderson	Holland	Randolph
Baker	Hollings	Russell
Bayh	Hruska	Saxbe
Bellmon	Hughes	Schweiker
Bennett	Inouye	Scott
Bible	Jordan, N.C.	Smith, Ill.
Burdick	Long	Sparkman
Byrd, Va.	Magnuson	Spong
Case	McCarthy	Symington
Church	McGee	Talmadge
Cook	McGovern	Thurmond
Cotton	McIntyre	Tower
Curtis	Metcalf	Williams, N.J.
Dominick	Miller	Williams, Del.
Ellender	Mondale	Yarborough
Fong	Muskie	Young, N. Dak.
Goldwater	Nelson	Young, Ohio
Gravel	Packwood	

The PRESIDING OFFICER. A quorum is present.

#### AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PROCUREMENT AND OTHER PURPOSES

The Senate continued with the consideration of the bill (H.R. 17123) to authorize appropriations during the fiscal year 1971 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the selected reserve of each reserve component of the Armed Forces, and for other purposes.

Mr. PROXMIRE. Mr. President, on Thursday the distinguished Senator from Mississippi (Mr. STENNIS) made some comments in response to a speech I gave on the floor of the Senate on July 20,

1970, concerning cost increases of certain major weapons systems.

In my speech, I pointed out that the costs of 38 selected major weapons systems are now \$23.8 billion above the planning estimates for those programs. Moreover, the total represents a \$3.6 billion net increase for the same weapons just between June 30, 1969, and March 31, 1970—in other words, a \$3.6 billion increase in only 9 months.

The Senator from Mississippi does not quarrel with my figures, which he readily concedes to be true. The point that he makes is that the question of cost growth "is a complex, difficult, and demanding function." He goes on to say that a simplistic approach to the problem of why the costs of weapons increase is not adequate. For example, it is necessary to take into account "changes in quantities, scope of the work, and performance characteristics."

My distinguished colleague also states that comparisons of a current "hard" estimate of cost to completion with the "initial planning estimate" can be misleading.

My purpose today is to discuss each of these matters, for apparently the Senator from Mississippi believes that my earlier statement was both simplistic and misleading.

First, it needs to be recalled that in the past 2 years, Congress has begun to scrutinize weapons procurement and military spending in a way and to a degree that has not been done for a long time. For more than a decade, the Pentagon has been getting what amounts to little more than a blank check from the legislative branch. Weapons have been developed and produced that turned out to be dismal failures. Funds have been spent that should never have been spent. Mismanagement, waste, and inefficiency in defense procurement and defense production have been conspicuous and rampant.

Yet, only a few years ago and until recently, there was an illusion of maximum efficiency and unlimited need in this area. A curtain of national security completely separated the Pentagon from the public and from most of us in Congress, and military procurement was almost completely insulated from scrutiny or criticism. Thanks to the work of the efforts in Congress over the past 2 years, the curtain has been raised somewhat. No one has illusions about military procurement any longer.

The facts are that nearly every major weapons system held up for close examination has been shown to be ridden with cost overruns, or technical performance failures, or delivery slippages, and some programs are plagued with two or all three of these problems. They cost far more than they were supposed to cost. They perform well below the standards which were established for them when they were originally authorized, and they were delivered late. Defects and breakdowns in the procurement system can no longer be characterized as exceptional. They are the rule.

As a result of investigations of such fiascos as the C-5A aircraft, the Defense Department has finally been required to

provide to Congress on a quarterly basis information about its weapons purchases. I must point out, however, that this information is provided in classified form only to the four appropriations and authorizations committees of the Senate and the House with jurisdiction over the armed services. If one is not a member of one of these committees, he does not get this information from the Pentagon.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. FULBRIGHT. I thought the Senator and the Joint Economic Committee had such reports available. Is that not so?

Mr. PROXMIRE. This was not to be the case. The GAO was following the law that we passed last year, when we acted on this bill, and it was to be made available only to those four committees. We did get at my special request however, in unclassified form, the information we put in the Record 10 days ago.

Mr. FULBRIGHT. I say to the Senator that this is the same sort of thing we run into in the Committee on Foreign Relations—all the failures of the Government and of the State Department and of the Pentagon, and of course they are many, are classified.

While the newspapers and other media get some of the information around, it is unofficial and always subject to question by the officials. So doubts are created about whether or not the information is accurate.

This is becoming a scandal. Senate committees cannot have hearings and publish them any more without their being gone over by the Executive for any kind of supposed classified material. Classification—making things secret—now means concealing the delinquencies of our own Government primarily from the American people. These things are not secrets from our enemies.

Mr. PROXMIRE. Certainly, there should not be any secrecy as to the actual costs. I can see why troop deployment and perhaps the performance of a weapons system might be classified. But when you get down to costs, which is what I was asking about, it should be unclassified and should be released promptly to the public—the taxpayer—and to Congress. We have to have that information if we are going to act intelligently on it.

Mr. FULBRIGHT. Exactly. That is one of the great obstacles to discussion and action on the part of the Senate—the lack of clear official and positive information.

I hope the Senator will pursue that matter further.

While I am on my feet, I want to say, with reference to studies as to the cost overrun of the C-5A, the Senator from Wisconsin is primarily responsible for those studies. Of course, he knows that that has been said before, but it cannot be said too often that he and the committee of which he is the distinguished chairman have contributed more than anyone else to the enlightenment of the Senate and the country on these matters.

Mr. PROXMIRE. I appreciate that. Dick Kaufmann, the staff member on



that committee, has done a marvelous job, as has Ernest Fitzgerald, who was with the Pentagon and is now working for the committee. He has also helped greatly.

Mr. President, for this reason, I have urged the General Accounting Office to provide to Congress the same information in unclassified form on a regular basis. Frankly, I had assumed last year that the procurement data would be forthcoming from the GAO on a quarterly basis and that it would be provided to every Member of the Congress and that it would be made available to the public. Earlier this year, I learned that this was not to be the case, and that although GAO had made one report on "The Status of the Acquisition of Selected Major Weapon Systems," based on information dating back to June 1969, in February 1970, another such report would not be made until much later in the year. I, therefore, asked Elmer Staats, the Comptroller General, to provide me with the cost information so that the previous report could be brought up to date. The GAO did provide me with the information and I immediately made it available to the public.

It came as no surprise that in only 9 months the costs of the 38 weapons systems had increased substantially, for one reason or another. In those instances where the increase was due to an increase in the quantity of the item being procured, I made that clear. In those instances where a change in quantity was not a factor or was not the sole factor, I also made that clear.

The Senator from Mississippi makes the point that most of the increase in the cost of the Minuteman II program is attributed to military construction costs that were not in the earlier reports provided by the Pentagon and that "one of the areas where we have improved the reporting system is requiring the inclusion of total program costs." I say to the Senator from Mississippi—whom I told about this speech I am making and gave him a copy of it and he has it and expects to come into the Chamber shortly—that for years the Pentagon has systematically minimized the costs of military procurement by failing to include all the costs properly chargeable to each program. The fact that the Air Force now admits that \$356 million for construction should be considered part of the Minuteman II program is little consolation to the American taxpayer who has had to support that construction or will support that construction regardless of the Air Force's bookkeeping system.

I would also point out to the Senator that the Pentagon continues to obscure the true costs of its weapons by concealing the fact that major items of cost have been excluded from its reports. To cite only one other example, the Navy until recently reported only nominal cost increases or cost overruns on the DE-1052 destroyer escort program. Last June it reported a mere \$1 million increase. After I pointed out the omission from the Navy's cost breakdown for this program, it modified the totals so that it now shows a \$184 million increase. But what the Navy still fails to do is include

in the cost of that destroyer program the antisubmarine helicopters which had been developed and produced for it. This helicopter program, called DASH, has cost at least \$275 million. It has, however, been canceled because of poor performance and cost overruns. It so happens that 411 of the 750 helicopters purchased were lost before the program was canceled.

I might also point out that last year the Subcommittee on Economy in Government heard testimony on the Minuteman program.

That testimony revealed the same pattern of cost overruns and other problems which are apparently the hallmarks of all major weapons procurement. The attention of the Senator from Mississippi is invited to the testimony on Minuteman contained in the hearings of the Subcommittee on Economy in Government on "The Military Budget and National Economic Priorities," part 2. In my judgment, the Minuteman program has one of the highest cost overruns, and is one of the most poorly managed of our major weapons programs. Minuteman II and Minuteman III alone show increases in cost from approximately \$6 billion from the original planning estimates to over \$10 billion as of the current estimates through program completion, or a net cost increase of \$4 billion. There is abundant evidence of waste and mismanagement on this program.

The Senator from Mississippi, in his remarks on my initial disclosures, mentioned the F-111 and the C-5A in his speech. Of course, these are two of the best known disasters in the recent history of military procurement. The cost overruns in both cases have been so ridiculously high that the Air Force has had to reduce the quantity of its purchases lest it run out of funds for other programs. Despite the reduction in quantity of the F-111 and the C-5A, both programs will cost the American taxpayer vastly more than was originally estimated or bargained for. Think of that. Here is a situation in which both programs are reduced sharply as to quantity and, in spite of that, the overall cost will be more than was estimated originally for the much higher quantity. Both programs will fail to meet original technical performance specifications. Both programs suffer delivery delays. So on every important criteria, they are failures.

The distinguished Senator asks whether the cost decreases in the most recent report for the F-111 and the C-5A, decreases accounted for by the most recent quantity cutback, should be considered "cost underruns." That question, I respectfully submit, rubs salt in the wounds of the taxpayers who have had to put up with both disasters. The fact of the matter is, as I pointed out in my earlier statement, the Pentagon has taken credit for cost reductions due to quantity cutbacks on both of these programs in its cost reports to the General Accounting Office. The F-111 program was decreased by over \$1 billion, and the C-5A program was decreased by \$521.9 million, both decreases due to quantity reductions. There is no question that we can always decrease a program by merely produc-

ing less. But when we talk about reducing costs, that is not exactly what we have in mind.

I pointed out in my original statement that the net cost overruns for the 38 programs reported on would have been almost \$3 billion higher but for the reductions that the Defense Department took into account because of such quantity cutbacks.

A question has also been raised about the alleged cost overruns on the Safeguard ABM program. It is asserted that the costs of Safeguard have increased because a third site has been added. The implication, I suppose, is that adding a site or enlarging the scope of a program should not be considered a cost overrun. I would point out, however, that getting the nose of the camel into the tent, prior to moving it all in, is one of the oldest techniques of weapons salesmanship used. Only last year, the Secretary of Defense was testifying to the Senate Armed Services Committee that the way to find out whether Safeguard would work would be to go forward with phase 1, that is, the first two sites. It was clearly implied, in my opinion, that there would be no phase 2 or a third site, until phase 1 was deployed.

Here is what Secretary Laird said on May 22, 1969, a little more than a year ago, just before we began debate on the military procurement bill to decide whether we would go through with Safeguard:

So to those who are concerned about whether the Safeguard system will work, I would say let us deploy phase 1 and find out. Only in this way can we be sure to uncover all of the operating problems that are bound to arise when a major weapons system is first deployed. Since it will take five years to deploy the first two sites, we will have ample time to find the solutions through our continuing R&D effort to any operational problem that may arise. And only then will we be in a position to move forward promptly, and with confidence, in the event the threat develops to a point where deployment of the entire system becomes necessary.

Thus, on May 22, 1969, Secretary Laird was saying:

Let us deploy Phase 1. Let us complete it. Let us finish it. Let us see how it works and after that decide whether to go ahead.

That is the argument for deploying phase 1, that we need to get this in operation to really test and determine whether further deployment of ABM's would be wise.

Now, I interpret this statement to mean that the Pentagon would go forward with only the first two sites and that it would not ask for a third site for some time. The Secretary mentioned 5 years, and he also indicated that evidence of a new threat would be required before the system was expanded. But that, it now seems clear, was to get the nose of the Safeguard camel into the taxpayer's tent.

Of course, this year we are being asked to proceed in the pending bill with the taxpayer's tent. Of course, this year we are being asked to proceed in the pending bill with the Safeguard.

Moreover, evidence has now been brought to light of cost increases on the Safeguard program that have nothing

to do with the addition of a third site and that can only be considered as a cost overrun. The Pentagon has already conceded that the full program costs of Safeguard have gone up from the \$9.1 billion estimate given to Congress last year to \$10.7 billion this year. This increase is explained by the Pentagon as a result of inflation, the "stretch-out" in the time until deployment can be completed, and design changes and more detailed estimates.

In other words, Safeguard is increasing by more than \$100 million per month. These facts were developed in the April hearings before the House Subcommittee on Department of Defense Appropriations, and they are indisputable. As Chairman GEORGE H. MAHON stated in those hearings:

With this recent cost increase history, how can Congress have any confidence in the Safeguard cost estimates?

The Senator from Mississippi refers to the initial planning estimate as only an original "guess." In his words, "It cannot be any more than a guess." The guess, it is stated, occurs at a stage when there is just a concept of a need that is coming up or is going to appear on the horizon.

Thus, it is said, the current estimates to completion should not be compared with the initial planning estimates.

If the initial planning estimate is indeed nothing more than a guess, then I am happy to know this fact, and I hope everyone else in the Senate will take note of it next time that a Pentagon spokesman testifies in support of a newly proposed weapons program. I would also hope that when one of these spokesmen comes forward with nothing more than a guess to justify a request for millions of dollars to initiate a new program, that the Members of the Senate will refuse to authorize or appropriate such funds until the Pentagon can back up its proposal with something better than a mere guess as to its future costs. It is incredible, and I can think of nothing more simplistic, for the United States Senate to accept guesswork when it comes to the cost implications of new weapons systems. That is the way we have been authorizing weapons systems, and once we authorize several million dollars, we are told that we do not want to waste that and that we had better authorize more or everything we have already spent will be gone. Perhaps, in the future, all planning estimates of the Department of Defense should be clearly labeled as "guesses" in the posture statement of the Secretary of Defense, in the testimony of the representatives of the Defense Department before the committees of Congress, and in the Pentagon's selected acquisition reports.

The difficulty, of course, with the guesswork thesis is that initial planning estimates are very often presented to Congress not in terms of guesses, but in terms of certainty and not doubt. They are put forward to elicit congressional and public support for new weapons programs. They are offered for the purpose of obtaining public funds to support military projects, and they are often a variation of the camel's nose technique. The

idea is to get a program started with public funds, and frequently this means minimizing or intentionally underestimating its future costs.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SYMINGTON. Mr. President, I again congratulate the able senior Senator from Wisconsin for the service he has rendered the American people in analyzing the great and growing costs of defense.

In my opinion, our national security depends on three major items.

First is the physical capacity to destroy any enemy that attacks us; and certainly that he knows we have that capacity.

Second is a viable economy together with a sound currency.

Third is the moral fiber of the people because of their faith in their Government.

I have mentioned that before. An outstanding publisher in the middle of the State editorialized that there was a fourth major item, the will, the determination of the people to defend. I think that will go along with the moral fiber that the two go together.

I had printed in the RECORD last year the fact that tens of billions of dollars had gone down the drain as a result of all services, corporations, and universities falling in love with the missile business, one might say; and seeing it as a new way to create work—in some cases work on weaponry badly needed; in some cases work on which, in my opinion, there was argument as to whether it was really needed or not; and in some cases work which, to me, seemed to be unnecessary.

As the able Senator from Wisconsin knows, I am a member of his committee, the Joint Economic Committee, and proud of that fact. It is a bipartisan committee which has attacked these problems of waste most intelligently over recent years. It has rendered a great service to the people. Without getting into it this afternoon, I intend to make a talk tomorrow about another aspect of this backbreaking overall budget.

May I ask the Senator who, along with his able staff, has been working hard on these matters for some time, whether there is any reason why the cost accounting aspect of national defense should be different in the procurement of military weapons, or military activities, than that of other Government departments?

Mr. PROXMIRE. There should be no difference. As the Senator will recall, the Senate passed the Defense Procurement Act with an amendment providing for uniform cost accounting standards to be applied throughout the defense industry, which Admiral Rickover estimated would result in a savings of \$2 billion. There are differences in the estimate of the amount that may be saved. However, this is something that we need and need very badly.

Let me comment on what the Senator has said with respect to what we need in terms of national defense. I think it is so important.

I completely agree with the Senator from Missouri, a former Secretary of the Air Force, and a man with enormous experience in business as well as in the top echelons of Government, when he says that it is essential that we have the military capacity to defend this Nation. I agree that no Senator would vote for any reduction which would endanger that capacity.

In addition, we have to recognize that we need a viable economy that would make it possible for us to have in the future the kind of military strength which is essential.

It could be that, if we were to make very unwise and foolish decisions in the military area, we could hurt our economy badly.

There is not any question that the actions of the Government, both in the way of acting on military expenditures and military actions abroad, could have a profound effect on our people, the young people, and split and divide and embitter our people and weaken our country far more than the failure to have a particular weapons system.

Mr. SYMINGTON. Mr. President, I am sure the Senator has read the testimony of the Nation's largest banker, Mr. Lundburg; also Mr. Watson, head of IBM, whose brother Mr. Nixon recently sent as our Ambassador to Paris and whose testimony agrees with that statement of the Senator from Wisconsin.

When a businessman, I soon found that the first thing to do is find out the facts, and costs are facts under sound accounting principles.

We have found difficulty in obtaining information on overseas commitments from the General Accounting Office.

They find difficulty in obtaining information as to just what it is we do with the over \$100 million a day we put out, counting Europe and all other places abroad. That is \$1,100 a second for every second the Senator and I have been talking on this floor.

We know we have serious problems in such areas as housing, education, pollution, and so forth; and I refer not only to my State but also to the Senator's State and other States. It seems incredible we could go into a program to build 20,000 houses for military families in a foreign country, when in my town of St. Louis last year we built 14 single-unit homes.

It is correct, is it not, that the Comptroller General, nominated by the President for 15 years and can only be removed by impeachment, is considered the watchdog of the Congress? Based on the Senator's knowledge as the head of the Joint Economic Committee and ranking member of the Committee on Banking and Currency, I ask if there is not some obligation on the part of the executive branch to submit facts and figures, costs, at the request of the General Accounting Office. Is that not standard practice under our system?

Mr. PROXMIRE. The Senator is correct. I am appalled by this disclosure, which has been made by the Senator from Missouri, that the General Accounting Office was not able to get information from the Department of Defense regarding the cost of overseas bases.



Mr. SYMINGTON. Primarily the fact that information was wanted with respect to what was done with the taxpayers' money, planned payment of money to other people, which did not get to those people.

We have a letter of protest from the General Accounting Office stating their report could not be made in the way it should be made because of their inability to get information they considered necessary; information any banker or businessman would consider essential to a proper report.

Mr. PROXMIRE. The Constitution gives Congress the authority over expenditures. We cannot escape that responsibility, and we cannot discharge it intelligently, realistically, or responsibly unless we have the information.

Mr. SYMINGTON. Where along the line did we lose it—the authority with the responsibility?

Mr. PROXMIRE. As far as the Department of Defense is concerned we lost the authority over the years. Of course, in wartime it is difficult. There are classified expenditures that have to be concealed, as they were in World War II.

The Senator from Missouri has been here for a long time and has greater wisdom than I but it seems to me we were awfully slipshod in the late fifties and early sixties in not insisting on an accounting in detail from the Department of Defense and insisting that if they did not give it to us, we were not going to spend the money; and until they gave it to us, they would not have the money.

Mr. SYMINGTON. I am glad the Senator has brought up that point. This is something that has been going on a long time.

Once we had the bomb, and no one else did, and most all the gold. It did not make much difference how much money we wasted. No one worried too much about it. But now we have serious financial problems, and it would seem we must get our house in order if we are not going to enter into some form of economic chaos.

Mr. PROXMIRE. I certainly do agree.

Mr. SYMINGTON. I thank the Senator for making a fine contribution to the security and prosperity of our country.

Mr. PROXMIRE. I thank the Senator.

Once many millions of dollars have been spent on the program, however, the Congress and the public are hooked, and it becomes too late to terminate the program.

My own view is that so long as the Department of Defense persists in using initial planning estimates in order to create support for any weapons programs, it ought to be held accountable for every dollar increase over those initial planning estimates. If the Senator from Mississippi sees fit to accept the excuses of the Pentagon that its original planning estimates are only guesses, and do not form a basis of comparison with current estimates or final costs, that is OK with me. Possibly he would prefer to use the contract definition cost estimates as the basis for comparison. Possibly he would prefer the estimates ad-

justed for quantity changes as the basis for comparison. If he wishes either of those two measures, then we can speak of increases or overruns of from \$15 to \$16 billion on the 38 weapons programs, rather than an increase of \$23.8 billion.

But I believe we are deluding ourselves and deceiving the public by providing excuses and escape hatches for the Defense Department to crawl out of. It ought to be held accountable for the money it wastes, no less than any other Government agency.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. FULBRIGHT. The last sentence intrigues me. How would the Senator propose that the Department of Defense be held accountable for the money it wastes?

Mr. PROXMIRE. How do I propose that they be held accountable for the money they waste?

Mr. FULBRIGHT. The Senator stated: "It ought to be held accountable for the money it wastes." This has puzzled me. In what way does the Senator propose to hold them accountable?

Mr. PROXMIRE. The only effective way to hold them accountable would be to make it a condition of our appropriation that there be disclosure on their part as to how much money they are spending for what and with what results. If they do not do that they are not accountable to us.

Mr. FULBRIGHT. When you are confronted with the answer that, "These are only guesses," I do not see how to do it except not to give them the money until they come up with something better than guesses.

Mr. PROXMIRE. I would think most American citizens with good common-sense would argue that if someone would say, "I guess this will cost you \$1 billion or \$500 million," they would feel it would not be intelligent for Congress to go ahead. We should insist that they give us more than a guess. They should say, "This is what we estimate to the very best of our ability. We are standing by this and if changes occur we will keep you apprised. We are responsible for this estimate."

When a weapons system is authorized for, let us say, \$1 billion, and later it develops the cost will be \$1.5 billion or \$2 billion, perhaps in the first case we would not have appropriated any money at all, or authorized any money for the program, if they realized what the cost would be. It seems to me we would have insisted on more than a guess, but we should have a very firm estimate.

Mr. FULBRIGHT. In the case of the ABM it is not only a guess as to what it would cost, but there is a wilder guess as to whether or not it will work. In all of the testimony last year and again this year practically every scientist of any consequence not employed by the Pentagon stated that he did not believe Safeguard would work even the present state of the art. They were willing to acknowledge that if you had far longer and more efficient research, possibly some usefulness could be found for it, but under the present state of the art they did not be-

lieve it would work. The Russians have apparently had the same experience with their own system.

Under such circumstances I do not see how you can hold the Pentagon accountable, unless you do not give them the money. If you do it in the face of that kind of testimony, you do so on the wildest kind of guess. There is no way to hold them accountable when they admit they are guessing about it. They will then come back next year, tell you it is twice as much, and say, "You authorized it in the first place in the face of the statement it was a guess."

Mr. PROXMIRE. First, I think that when the Senator from Arkansas says it may work or not, that is one issue. Any Senator who thinks it would not work should not vote for it.

Mr. FULBRIGHT. I say we should not go on guesses.

Mr. PROXMIRE. If they are guessing on cost, that is another consideration. If it is a guess we should insist on a responsible estimate.

Mr. ULBRIGHT. There is only one way to do that and that is not to give the money until the evidence is conclusive, until the Senator and others are no longer in doubt, and until they go further and say, "This is not a guess."

Mr. PROXMIRE. I would agree almost entirely. I do not think the evidence has to be conclusive, because sometimes it cannot be absolutely conclusive; but it ought to be clear that it is a responsible, carefully thought out, detailed estimate. The Pentagon has ample staff to make that kind of estimate, not a guess, but based on a careful cost study, with the kind of increases that can be anticipated, and not a guess.

Mr. STENNIS. Mr. President, will the Senator yield on that point?

Mr. PROXMIRE. I yield.

Mr. STENNIS. I thank the Senator for yielding. I shall be brief on this. The Senator used the words, on page 10 of his speech, "if the Senator from Mississippi sees fit to accept the excuses of the Pentagon that its original planning estimates are only guesses." That is a quotation. The Senator from Arkansas, as I understand it, has referred to the word "guesses" as if they were guesses that the Pentagon used, or that these figures originally were only guesses. Let me point out for the record, and for the benefit of Senators, that nothing I said was anything about the Pentagon's guessing or the Pentagon's saying they were guesses.

The Senator from Mississippi said the original figures did not have the firmness or dignity of estimates; that it was a misnomer; and that they were, in my opinion, more guesses, or a little more than guesses, or that it was guessing. I say that based on years of sitting around the table, hearing testimony over and over again, about various new concepts of weapons of the future. As I pointed out the other day, it is more of an imaginative concept to start with, in the fertile mind of someone, trying to anticipate the needs 10 years hence, and he conceives ideas for a weapon. That is the beginning. I have had them tell me that they could not give a figure at that stage that would be an estimate. Someone around

that same table might insist on their giving some kind of figure, because we wanted to get at the thing the best way we could. Someone has to make a start on a weapon—the militarists or scientists—and then someone on a Senate committee or somewhere else has to have enough faith to say, "I think we had better start. We do not know whether it will count yet, but we have to start."

Mr. PROXMIRE. I think the Senator from Mississippi makes a very good point. Of course, we have to have a start. There has to be the initial phase, where experts are required to imagine a program, or engage in research. I do not object to that. But I say when we come to the point where we authorize a certain quantity for a certain weapon, it is at that point that they must make a responsible estimate, not a guess. At that point, it must be more than a guess. It was that which I understood the Senator from Mississippi to call a guess.

Mr. STENNIS. No. I am glad the Senator has made that remark. I was addressing myself to the initial figures that appear in the records, and that was when it was largely an imaginative thing based mainly on the concept of the weapon. When we move away from that point to where we are ready to enter production they can be far more accurate. We are having overruns even on those figures. But my point is that it is unsound, or certainly unfair, to go back to the figure on the original concept. I remember a time when there was insistence on a figure, when it proved to be highly inaccurate, without anyone being at fault.

Let me go further. Who could put in an estimate, or who did put in an estimate, on what the atomic bomb that was dropped on Hiroshima was going to cost? Who made an estimate way back in the early days about what the Polaris missile was going to cost? I do not know what the record would show, but no one had vision enough to know to make an accurate estimate on that. It is a case of a ship or bomb or plane at that point being largely imaginative.

Mr. PROXMIRE. We provide millions and millions of dollars, and in fact billions of dollars, for military research. At that point they are not line items, it is simply money to be expended in research to find out whether a plane is feasible, for example, whether it will work, and what it will cost. It is after that when they come to us for planning and at that point, when they ask us to commit the Congress to a weapons systems development program that they should tell us in what quantity, and give us a reasonable sound and firm estimate not a guess. We have 38 major weapons systems, \$23 billion in excess of the initial planning estimates. As the Pentagon pointed out, this is more than a 60 percent overrun. It was 50, but it is now 60. Every major weapon system is in an overrun condition. It seems to me we have a situation in which we should insist on accurate, responsible estimates, to begin with; the time has come for us to stop authorizing program after program, which is permitting the spending of billions of dol-

lars without the kind of reliable estimates we should insist on.

Mr. STENNIS. If the Senator will yield to me briefly, there is a study panel, headed by a very eminent businessman, Mr. Fitzhugh, whose report may be out soon. I have had only slight conversations with him, but I think the report takes up and discusses the very matter we are debating. The Senator will find it is virtually impossible to get any figure in those early stages that will in any way stand up. I do not know what the recommendation of the report is going to be, but I hope he hits this very hard, because he is an outstanding businessman and he can help us.

This very matter worries me, and I think it worried Mr. McNamara, and I referred to him as one of the brightest minds I have known, a vigorous and active mind. All of this will come out in the report.

Mr. PROXMIRE. I will be interested in finding out what the Fitzhugh panel reports. Mr. Fitzhugh, chairman of the panel, is head of one of the largest companies in the country, the Metropolitan Life Insurance Co., which has loaned over \$1 billion to defense contractors and owns stock of tens of millions in defense contractors. Eight of the fifteen members of the panel are deeply involved in defense contracts. In fact the average involvement is over \$100 million. Of the remaining seven members of the panel, they have qualifications which are somewhat questionable. One, Buddy Young, was a great football player at the University of Illinois. There are several very fine ladies on the commission. It is not the kind of commission that would inspire confidence that it make an objective, competent study of our procurement policies. Furthermore, the staff of that commission is power loaded. Its chief is Mr. Buzhardt, who is staff assistant for the Assistant Secretary of Defense. He is paid by the Pentagon. So I do not think that we are going to get a report that is very critical of defense procurement from the Fitzhugh panel.

Mr. STENNIS. I was addressing myself to one specific point: I think he has been concerned about this very thing that we are all concerned about.

I thank the Senator very much for yielding to me. I want to point out that these things are not easy. I know when I first came here, a man who was pointed out to me as a very eminent man, an adviser to the President—it was told me that he knows more about the ICBM concept of things than anyone around here—that gentleman later told me it was an impossibility, that it cannot be done, no such thing, it cannot happen, neither can the H-bomb.

Well, he is a very eminent man, but he was mistaken.

I want to make clear, in conclusion, that it was not the Pentagon that used the word "guess." I was the man.

Mr. PROXMIRE. The Senator might very well be accurate. I do not disagree. That is the trouble with it, however; it is a guess. At this stage, when you get your planning estimate, it should be more than a guess. We have spent bil-

lions on research. When they tell us they want a certain number of planes, tanks, or missiles at this point, that estimate ought to be reasonably accurate. But we have found out, again and again and again, that it is an underestimate, and that we have been persuaded to go along with a weapons system and authorize enormous sums for it, only to find out that it will cost enormous sums more than the amount we authorize.

Mr. STENNIS. Will the Senator yield to me once more to illustrate one thing?

Mr. PROXMIRE. I yield.

Mr. STENNIS. These things come up in different ways. For years, we had the old Navy version of the TFX. They would not work properly, but still the Defense Department was asking for a great many. Secretary McNamara approved it.

Finally, we called in the naval officers and said, "What have you got on a new plane as a substitute?"

They did not have much, but we thought it was well to go on and recommend to the Senate what has become the F-14. That was purely a congressional action, but we felt like we ought to act.

That plane has been accepted, and now the F-14, as the Senator knows, will be the most modern thing in the world, if it works out. There will doubtless be some overruns, but we had to go on and act.

So that illustrates somewhat the other side of the picture, where Congress was getting ahead of the Pentagon, so to speak.

I thank the Senator.

Mr. FULBRIGHT. Mr. President, will the Senator yield to me for a moment?

Mr. PROXMIRE. Yes, indeed.

Mr. FULBRIGHT. I think the analogy of the atomic bomb example is a sound one. The atomic bomb did not cost very much in the first place. In the second place, the research on the atomic bomb had been going on for 50 years or longer. Einstein had foreseen the development of atomic energy in his theoretical calculations. He and a number of other eminent scientists thought it was feasible. It was not just something thought up by the Pentagon and put out as a guess—by whoever calls it that. I think it is very sound reasoning—the atomic bomb was developed from nothing.

The ABM is a horse of quite a different color. There is no scientist or no group of scientists comparable to those who were engaged on the atomic bomb who believe there is, even at the present time, a chance of success with the present design. We had all this last year; it is in the RECORD. Dr. Panofsky, one of the leading authorities, came and testified, and we had a number of others. There is no need to call off the entire list. Kistiakowski, York, and others—practically every eminent scientist not employed by the Pentagon testified that it would not work. There is no division of opinion about it, outside of the employees of the Pentagon.

So we are not saying that the Pentagon should not continue research on this matter. We are saying they should not spend all this money on deployment when they have no more than a wild guess as to whether it will work or not.



Other things lend credence to this point of view. When we have Dr. Foster, the head of research and engineering at the Pentagon, being less than candid with the committee, and when we then have two eminent scientists testifying that what Dr. Foster said was not true, it does not help our confidence much. And many of these schemes seem to have originated with Dr. Foster and his colleagues at the Pentagon.

So I think it is exceedingly wasteful to proceed with phase 2 or 3, of Safeguard when it is no better developed than it is, especially in view of the statement by the Secretary of Defense quoted by the Senator from Wisconsin. Last year the Secretary of Defense assured us we would not go on with the second phase until we had the results of experience with phase 1. The Senator read the statement; it is on page 7.

So it appears that from 1 year to the next, we cannot rely on anything they say about it. This seems to me to be a terrible state of things. Of course—it was over my objection—the Senate just barely authorized phase I. Now they come in with phase II despite as the Senator well points out, what the Secretary said.

I would say that quotation constituted an assurance that they were not going to try to proceed with the next phase before they had proven the first. Many of us believed last year that they did not need the first phase; they could use the facilities already at Eniwetok for further development.

The ABM involves many times more money than was spent on the atomic bomb. The difference in the two situations in that the atomic bomb had real, genuine, first-class scientific research behind it, and with first-rate, independent scientific minds saying that it had a very good basis for working.

Mr. PROXMIRE. Would not the Senator from Arkansas construe this remark by the Secretary of Defense on May 22 to mean that he felt we should not go ahead until we have proved it? Let me read that once more:

So to those who are concerned about whether the Safeguard system will work, I would say let us deploy phase 1 and find out. Only in this way can we be sure to uncover all of the operating problems that are bound to arise when a major weapons system is first deployed. Since it will take five years to deploy the first two sites, we will have ample time to find the solutions through our continuing R&D effort to any operational problem that may arise. And only then will we be in a position to move forward promptly, and with confidence, in the event the threat develops to a point where deployment of the entire system becomes necessary.

What else can he mean?

Mr. FULBRIGHT. I think a fair sense of the meaning would be, "Give us this phase and we will not even ask for the next one until we have proved it will work."

Mr. PROXMIRE. And certainly, with the close vote last year, or a tie vote, I think it was this kind of assurance by the Secretary of Defense that resulted in their getting this deployment.

Mr. FULBRIGHT. Let me point out another thing about this kind of system

as opposed, for example, to the Minuteman, or some of the helicopters, or a gun like the M-16. Such things are subject to being tested in such a way that you can tell whether they work. In other words, you can fire a Minuteman from point X, and if it hits point Y, 5,000 miles away, you can be pretty sure it is accurate.

But there is no possible way to test the ABM under operating conditions. Its operating conditions exist only in wartime, that is, against incoming missiles loaded with nuclear weapons, and some of which are exploding.

These are some of the questions that experts like Panofsky raise. They point out that there is really no feasible way to test the Safeguard systems by setting up a base in North Dakota or Montana.

A more feasible place, if there is any, of approximating Safeguard's real operating conditions would be at a testing ground such as Eniwetok. There one might possibly detonate some kind of explosion more closely akin to those which might occur in actual conditions. But even that is very dubious.

Mr. PROXMIRE. The Senator is correct. The Secretary of Defense was telling us that deployment would give us some information, but we do not now seem to be even waiting for that.

Mr. FULBRIGHT. Yes. But the information would be very limited. This seems to me like the worst kind of deception, to come in and make a plea like he did last year, get his first phase, and then, within a year, come back.

This program has been plagued with this same thing throughout. It started out as the Sentinel, and when it became obvious under the Sentinel label that it was no good, they changed its name, and thus apparently hoped to change the whole thing. They have changed its mission back and forth—general area defense, the hard point defense of the Minuteman, thin systems and thick systems, so that every time a Senator or anyone else brings up a convincing argument that whatever immediate concept they are considering is worthless, and they are afraid they will lose the vote in the Senate, they change the concept, and we start all over again. This year they changed it. They change it a couple of times a year. It is an utterly fantastic concept.

This has never been applicable to any other weapons systems of which I know. The nearest thing I can think of is the TFX, to which the Senator has referred. That was the point of a long and exhaustive hearing on the part of the Committee on Government Operations. I think almost everything the Committee on Government Operations alleged about the TFX proved to be true. I think that most of them are still grounded; perhaps a few of them are flying.

Incidentally, on the TFX, I want to tell the Senator from Wisconsin something. Recently, an official from the Australian Government was here. We sat in the rear of the Chamber, talking about the TFX. He said that the Australian Government had ordered some TFX's.

I think it was quite a number. They had ordered perhaps 50 or 100 and had made a downpayment of part of the

cost, some \$150 to \$200 million, I believe it was.

He said:

Your government is going to take my government for \$150 million.

I said:

What do you mean?

He said:

They are refusing to refund the downpayment to us. We don't want those planes anymore.

For various reasons—the same reasons the Senator knows and we all know—the Australians want to cancel the order for the TFX's.

It is now called the F-111. They changed the name. Whenever anything goes wrong, they change the name. When an F-111 goes down—the wings fall off—they change it to the F-14, and it is a new concept with a new name—just as the Sentinel became Safeguard, and next year it will be something more euphonious than Safeguard.

This is a terrible way to do business, especially on guesses. That is what is happening with the ABM. They have no idea what the real mission is even today. Most recently, the Armed Services Committee, if I understand correctly, says that none of this money is to be authorized for an area defense against China. They say—I think it is in the RECORD—that this money is to be only for hard point defense for missile sites for Minuteman; and the very same day, in a different context, you have Dr. Kissinger, the principal adviser to and spokesman for the President, saying, "We are considering restricting ABM to the defense of Washington if the Russians only want it for the defense of Moscow."

The Russians are apparently considering or talking about a proposition that would amount to only an area defense of Washington versus an area defense of Moscow. Since neither our system nor the Russian system is workable, and nobody really trusts them, it does not make any difference. But so goes the argument. As we are considering this authorization, the Soviets are apparently ready to give up the hard point defense. Yet the committee says the United States should have only the hard point defense. They seem to believe that has greater appeal at the moment. This is how vague and indefinite the whole concept is.

I conclude by saying that the Senator from Wisconsin is absolutely right. This whole thing ought to be confined to research until we get to a point where the Pentagon can do more than guess. I congratulate the Senator. I think that what he is doing is a great service to our country.

Mr. PROXMIRE. I thank the Senator.

Mr. President, how can Congress have any confidence in any of the Pentagon's cost estimates? The answer is, not until we find out much more of the truth about military procurement, not until we rid ourselves of the simplistic notion that national security and military spending are too sacred to be scrutinized, and not until we refuse to be misled by the techniques of concealment and confusion practiced so well in this area.

Mr. President, I yield the floor.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. STENNIS. Mr. President, I express regret that the word "deception" was used here with reference to the testimony of Secretary of Defense Laird. I do not believe the Senator from Arkansas really intended to accuse him of outright deception.

The Senator from Wisconsin has correctly quoted on page 7 of his speech that the Secretary used the words "5 years." But the whole import of his testimony of last year with reference to the ABM was that this was approximately a 5- to 7-year program, in terms of total deployment, as then estimated generally by the witnesses—not only the Secretary but others as well—that a possible completion date for the system would be from 1974 to 1976. I know that in debate I usually use the year 1975. At that time it was 6 years.

So even though one interpretation of the word here, in the quoted paragraph, is for 5 years, and then we will go into another site, it is possible to interpret it that way. But I submit that from a reading of all of the Secretary's testimony and that of the other witnesses, and our debates here, we understood that this was going to be a program of 6 to 7 years and would complete the whole system of 12 sites as then contemplated. I know I understood it that way, and I want the record to show it.

Mr. PROXMIRE. Let me read this language of the Secretary:

So to those who are concerned about whether the Safeguard system will work, I would say let us deploy phase 1 and find out. Only in this way can we be sure to uncover all of the operating problems that are bound to arise when a major weapons system is first deployed.

Further on:

And only then will we be in a position to move forward promptly, and with confidence . . .

I do not know how I could interpret that anyway except that the Defense Department would complete phase 1 and then, on the basis of their experience with the completion of the deployment of phase 1, be in a position to assure Congress that they could proceed responsibly or not proceed. So that if we proceed this year to authorize the second phase, site 3, then it seems to me that we are acting without getting the full value of the experience they have had in deploying phase 1 to sites 1 and 2.

Mr. FULBRIGHT. I certainly do not see how it possibly could be read any other way.

Mr. PROXMIRE. What have we found out so far?

Mr. FULBRIGHT. We have not found out anything so far.

Mr. STENNIS. We have found out that it works so far—1 year.

Mr. PROXMIRE. It works in what way?

Mr. STENNIS. In the research and the development.

Mr. FULBRIGHT. They have not deployed it and found out that it works.

I want to say, with regard to deception, that I made reference to Dr.

Foster. Dr. Foster made a flat statement before the Committee on Foreign Relations that a certain panel of experts had stated that Safeguard would do what—I cannot remember the exact language—the import was that it will do what the Pentagon expects of it. He was pressed for the names of those on the panel, and he named two men. Both, as it turned out, were deeply offended that he had left the impression that they, being reputable, first-class scientists, had made any such findings.

If that is not deliberate deception, I do not know what it is; because he told the committee—under great pressure, I will admit—we were asking him to cite some people not in the employ of the Pentagon who had given any support to his theory about the ABM's reliability. After all, it is not popular to take issue with the Pentagon. At least one of them, I know, was in a university which received vast sums of money for research. It is a courageous thing to take issue with the Pentagon on such a matter. Most professors, or anyone else for that matter, would rather remain silent and just let it go by. But these experts, themselves, were very eager to put the record straight, and I commend them for it.

I do not know of a better word one can use. In fact, deception is the most polite one I can think of. There are many other words that may be more expressive and should be used.

Mr. STENNIS. If the Senator will yield for one sentence, I know nothing about that testimony. I was not familiar with it. The Senator was referring to Secretary Laird—

Mr. FULBRIGHT. That is correct.

Mr. STENNIS. When he used the word deception?

Mr. FULBRIGHT. I referred to both. I do not consider this a deliberate deception, such as Dr. Foster's testimony, as I read his language, would seem to involve. I was not going to inquire whether he takes full and sole responsibility for asking for phase two—maybe he opposed it, I do not know—I do not know enough about it; but this statement, I would say, is inconsistent with the request for phase two. In that sense it is. Last year I did not believe, as the Senator stated a moment ago, that he understood we were agreeing to authorize this whole program up to 1975, including 12 sites. I do not think the Senate believed that when it voted on it last year by a majority of one.

Mr. STENNIS. I merely said it was contemplated last year, and all the debate and testimony was that this program would go through in 5, 6, or 7 years, if it was continued, showing that it was inconsistent with the 5-year waiting period.

I think the Senator from Wisconsin has given a possible, reasonable interpretation. It was an isolated paragraph of the Secretary's statement. I think I said that at the beginning, that I said overall I share the Senator's concern about trying to get a fairly active figure as soon as we can, with allowances for inflation and increased wages, and so forth, with reference to these expensive programs. But if we are not going to have it, not going to proceed at all until we can get one that is fairly correct, then

we will not have any more new weapons, because that would kill them in their tracks.

Mr. PROXMIRE. What I was referring to was the fact that we had testimony from top naval officials that the Pentagon and defense contractors are playing games with Congress and deliberately underestimating weapons systems, knowing full well that they will cost more.

Gordon Rule, one of the top procurement officials, said that, and I asked him, "You mean they are lying?" And he said they are being disingenuous. Whether it is disingenuous or calculated prevarication, there is an understandable effort on the part of defense contractors on the one hand, and the champions of a particular weapons system on the other, to make a deliberately low estimate. They buy in. That is what we are concerned with. We want the taxpayer and the Congress to be treated honestly, so that we must criticize these overruns and insist that this system that lures the Congress into weapons systems at phony bargains, perks it up.

Mr. STENNIS. I have said that we have got to get a better way to get at this matter and I think we are making some headway. The Senator from Wisconsin has helped us make some headway.

One reference, if I may, to the ABM, because Dr. Panofsky said it would work. I have very great respect for Dr. Panofsky and the many other fine and foremost scientists that we have. They are very valuable to us. But, at the same time, I am told by knowledgeable people that those scientists, some of them who were at Los Alamos the very day the atomic bomb was first tested, believed and so stated the very morning of the test, "I do not think it will work." They did not believe it was worth a continental.

Mr. PROXMIRE. I thank the Senator. Mr. President, I yield the floor.

#### REORGANIZATION OF MILITARY FOOD SERVICES

Mr. PERCY. Mr. President, as we open debate today on the military procurement authorization bill, there is much concern about the level of spending for military purposes and the heavy costs of new weapons systems recommended by the Department of Defense and about the relative requirements for both defense and domestic matters.

The administration has certainly pointed out, and I believe absolutely correctly, that it has made a switch in our national priorities, has reevaluated where the country is going, and what the needs of the country are, and has de-emphasized military spending as related to the gross national product and the percentage of our national budget as against our domestic needs. The pendulum is swinging toward nation building at home, and I think rightly so.

Excruciatingly painful decisions that have to be made, however, as to what priorities to switch in the budget, bring to mind the great necessity to face a critical analysis of what we are spending in the military.

I think also, as we look at the size of the military appropriation bill, we must take into account that recent reports have indicated this Nation may be facing a Federal budget deficit as great as \$10 billion in fiscal 1971. No extensive educa-



tion in the field of economics is needed to realize that this adds up to more financial troubles for our already struggling economy. A deficit of this magnitude would be added fuel for the rampaging fire of inflation to feed upon.

President Nixon has been trying to control inflation, but it is not his fight alone. Each of us must do as much as possible to control this unhealthy trend of Government deficit spending.

It was for this reason that I announced that I was undertaking a campaign to identify areas of excess fat in our budget where we can save money. My goal is to find areas where we can save at least \$4 billion in fiscal 1971. Toward this goal I have already called for cuts amounting to \$989 million. Each of us has a direct responsibility to do that which is necessary to hold our budget in line. The President is doing what he can, and we in the Senate must share the responsibility in this task.

The President rightly stated in his message of July 18:

This is a time when the taxpayers of the United States will not tolerate irresponsible spending.

There is a need today for all parts of our Government, plus the private sector to join in our attempt to keep our budget as low as possible. Today, I would like to direct my remarks to the several military services.

Last December, the White House Conference on Food, Nutrition, and Health, made many very worthwhile recommendations. Four of their recommendations dealt directly with the military food services. One pointed out that traditionally, going back at least to the days of Custer, companies of soldiers would eat together and fight together in that size unit. This tradition has been carried on to today. By far the majority of messhalls in the services can only accommodate 200 men. An example of the resultant inefficiency is Fort Bragg which has 110 messhalls, each with its own staff and its own equipment. The White House conference, as one of its recommendations, recommended that messhalls be consolidated.

The other recommendations of the conference included consolidation of all food production facilities on each military base; studying the feasibility of purchasing foods now processed on military bases such as pastries and meats; and studying the feasibility of replacing some military personnel with civilian workers.

Now, Mr. President, admittedly, it is not very exciting to talk about messhalls and other aspects of the military subsistence programs. Usually, we can talk about weapons systems that are far more interesting and far more controversial. However, this subject of food in the military becomes far more interesting when one considers the amounts of money involved.

If the four recommendations of the White House conference were carried out, they could result in a yearly savings of possibly as much as \$1 billion, which would amount to 14 percent of the

annual cost of \$7 billion to feed our armed services.

Mr. PROXMIER. Mr. President, will the Senator from Illinois yield at that point?

Mr. PERCY. I yield.

Mr. PROXMIER. That is a very impressive estimate. I want to be sure that I understand that the Senator said if we put into effect the four recommendations of the White House Conference on Food and Nutrition, the savings could be as high as 14 percent or \$1 billion.

Mr. PERCY. That is correct. The conservative estimate would be one-half billion dollars but the potential of one billion dollars is certainly there. I know that the distinguished Senator, from his own experience, recognizes that when one goes after reductions and economies and consolidations, and tries to eliminate duplication and overlapping, to get away from some of the old practices of the past, that 14 percent is a modest figure, or one billion dollars.

Mr. PROXMIER. I do not mean to be facetious but the Senator talks about cutting the excess "fat" out of the military. I think the cut the Senator discusses in the food budget of the military by 14 percent or one billion dollars could be construed as one way of cutting the fat from some of those who eat in the military mess halls. I am sure he is serious about that, but I wanted to be sure that he is not misunderstood, that we can have the same amount of food without any diminution in cost or in food value, or in any other way, and still reduce spending by the military on food by one-half a billion to one billion dollars.

Mr. PERCY. That is absolutely correct. As I pointed out earlier, one of the recommendations was to get away from the tradition in the military that goes back to the days of Custer of having soldiers of a company eating together. In these days of new type warfare and the new way of organizing our personnel, we should get away from having a majority of the messhalls in all of our services that can only accommodate 200 men. That is certainly inefficient. We can set up facilities to feed men on a mass basis.

Mr. PROXMIER. Mr. President, I think that is a very good example. Some people would criticize this proposal on the grounds that one of the things we have in abundance is food. We have a surplus of food and store it in surplus with the Commodity Credit Corporation.

As the Senator from Illinois has pointed out, this would be a more efficient way of providing the same quantity of food but economizing on personnel, and facilities, with the overall result of saving hundreds of millions of dollars.

Mr. PERCY. Mr. President, it is essentially in the area of organization. But this does get to the procedures.

We know that the Army, the Navy, and the Air Force operate separate bakeries and separate facilities of all types. We know that they run a dairy farm out of Annapolis, I think. The need for our having cows maintained by the military and milking the cows is long since gone.

Mr. PROXMIER. I think the dairy

farmers of Wisconsin would agree with the Senator from Illinois on that.

Mr. PERCY. It would be far more efficient to do it in Illinois and in Wisconsin than to have the military services able to have the luxury of having their own dairy farms. We cannot be competitive when we have an implant operation. Having been in manufacturing, I had a principle on manufacturing that the budget director of our company was required to get competitive bids from outside in addition to procuring bids from internal operations. In other words, if we had a casting plant, he had to get competitive bids from other competitors rather than always placing the business with an implant operation.

We drove out of business the inefficient operations inside the plant. What we have to do in military procurement is to be competitive. We cannot be competitive when we place orders always with our own internal operations.

We have probably the most sophisticated and most modern military machine in the world. And we have probably one of the most inefficient, antiquated and wasteful military food distribution systems. There is no reason military food service should not be as efficient as the military service it serves.

This is not a controversial issue. We are not debating our national strategic priorities, or our military deterrent. We are only talking about bringing the military feeding system into the 20th century, and applying cost-effective methods.

One would think that because of the mundane character of this issue, it would be accomplished with comparative ease. And one would think that at a time when we must try to cut our expenditures in every area possible as quickly as possible, that this would be accomplished with speed. But it has not been and so we ask the question, "why not?"

Mr. President, the answer to that question disturbs me quite deeply, as it should disturb every Member of this Chamber, and every person concerned about holding our budget line.

The reason that there has been no progress in this area is due to tradition and what is called "command prerogatives." In civilian terms, it is due to petty jealousies between the various military services.

Although I know, and I know that the distinguished Senator from Wisconsin knows, a herculean effort has been made in the reorganization of the Defense Department with one Secretary of Defense overseeing the operations of our various service agencies, there is still a tremendous amount of in-service rivalry. That is something which in the spirit of gamesmanship is commendable. But when it occurs because each department has to have its own facility, that is a disservice to the country.

I was procurement officer for aviation fire equipment for the U.S. Navy and its Air Corps. I was literally shocked at the parochial attitude maintained within the military service in an effort to keep equipment away from another service that might be competitive. They would

say, "Don't let them have our equipment. Let them develop their own. Let them get it in some other way." Who was the "them?" We were in the midst of a war. I kept thinking that the "them" ought to be the enemy. But the enemy many times turned out to be the other branch of the service which, when one fights them on the football field is understandable, but when one is in the same war and on the same battlefield is not understandable.

So I say regretfully that petty jealousies between the various military services is impeding efficiency in this area.

When we are talking about finding the money and spending a billion dollars, I point out that it is a lot easier to save a billion dollars than to raise the additional revenue to get a billion dollars for some new program.

The services are used to operating their own subsistence programs the same way they did a hundred years ago. They balk at any suggestion to modernize. It is for this reason that there has been no progress in implementing the recommendations of the White House conference. The different departments within the Department of Defense have pushed and cajoled to get the Services going, but they have been stymied by a lack of cooperation.

They have finally succeeded in getting the services to sit down and talk with each other starting July 27 at Fort Lee, Va. How much will come out of this meeting no one can say.

Mr. President, the time has long passed when we can stand idly by and watch the services squabble at a cost of \$500 million to \$1 billion to the American taxpayers each year. Secretary Laird should issue the necessary orders as soon as possible, and the various armed services should get the starch out and lean over backwards, if necessary, to carry out the recommendations as swiftly and as efficiently as possible.

We must not allow petty jealousies to be one of the reasons that we face a deficit as large as \$10 billion. We should start now in this area to save at least \$500 million of the \$1 billion potential that could be saved annually by simple modernization and cooperation by the military.

Mr. President, with this \$500 million item today, I have now identified \$1,489,000,000 that could be saved in fiscal 1971. I pledge that I will continue to go over our budget with a fine-tooth comb to point out those areas where we can cut down on our expenditures by as much as \$4 billion. The task of stopping inflation is one that each individual and each segment of society must share along with our President.

I agree with the distinguished Senator from Wisconsin that our responsibility does not begin when we just tax people and appropriate the money and say to the Executive, "You go spend it."

We have an overseeing responsibility which is not working in conflict with the administration, whether it be Democratic or Republican. We have an overseeing responsibility for seeing that there

is a cooperative effort among the agencies.

I just assume that every single member of the administration is interested in having as efficient and effective a way of doing business as possible. I hope that the Secretary of Defense will feel that we realize that in this body when we say to him, "Let's put the heat on the services." Because this means that with the heat on the Department, he can say, "Look, the Congress wants this money spent more efficiently and effectively. Get rid of the jealousies and the petty differences. Let us have an effective and efficient spending of the money. That means overcoming some of the oldtime practices and modernizing every aspect of the armed services and not just the aspects of advanced technology and military assistance."

Mr. PROXMIRE. Mr. President, I congratulate the distinguished Senator from Illinois on an excellent speech. I think it is especially timely because many of us have criticized the military for spending too much money concentrated in the procurement area and not in the operations area.

Here is a fine example of how we can save in that area. It would be hard to develop an amendment to this bill to get at what the Senator is after in connection with a cut in the food operation. I think that would not be the best way to go about it. The overall reduction of several billions in funds available to the Pentagon is designed to get at this problem. If we could justify our cuts here and in other areas, where other Senators will bring up waste and unjustified spending, it seems to me we would be able to make a responsible reduction in the overall budget.

Mr. PERCY. In reply to the distinguished Senator I must prefer to try to identify specific areas and then, if possible, put in amendments to cover those areas.

Mr. PROXMIRE. The Senator has identified an area and identified it very well. The Senator said the administration is beginning to do something about it. That would be today, because today is July 27.

Mr. PERCY. That is today. That meeting should be going on now.

Mr. PROXMIRE. The administration is working on it, and, as the Senator said, we should work with the administration on this sort of thing.

If there is an amendment in this area I shall support it but I think the overall approach would be best for this particular problem.

Mr. PERCY. I thank the Senator for his comments.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER OF BUSINESS

Mr. PERCY. Mr. President, I ask unanimous consent that I may be permitted to proceed for a period of not to exceed 6 minutes on a subject somewhat related to the current bill but which I would consider to be, in the strictest sense, nongermane.

The PRESIDING OFFICER. Without objection, it is so ordered.

## MEANINGFUL NEGOTIATIONS ON INDOCHINA

Mr. PERCY. Mr. President, as I commented earlier, as we proceed in the debate on the military procurement authorization bill, there is a great deal of concern about the level of spending for military purposes, about the heavy costs of new weapons systems recommended by the Department of Defense, and about the relative requirements for both defense and domestic needs.

Fundamental to the problem of gigantic appropriations for defense is the immense cost of the Indochina war and the high cost of maintaining our military contribution to the North Atlantic Treaty Organization.

For several years I have contended that the nations of Western Europe should share the burden of America's huge military commitment to NATO. Now, 25 years after the end of World War II, 300,000 American troops are still stationed in Europe, 220,000 of them in West Germany alone. In addition, there are 242,000 American dependents and 14,000 American civilian employees in Europe. The total cost to the American taxpayer is \$14 billion a year, and there is a balance-of-payments deficit of \$1.5 billion a year.

Fortunately, it now appears that the nations of Western Europe have agreed in principle to make budgetary contributions in support of American forces stationed on the Continent. The terms are to be worked out and implemented by July 1, 1971, I believe as a start the United States should receive reimbursement of about \$1½ billion annually—the balance-of-payments deficit we now sustain.

The other major consumer of defense money is the Vietnam war, the cost of which has gone as high as \$30 billion in a single year. Since the advent of the Nixon administration, this cost has declined, thanks to troop reductions. But the war still costs nearly \$20 billion a year. The war drains our Treasury, distorts our national priorities, alienates our youth, divides the Nation. Most important of all, it costs more American lives every day and it delays the repatriation of the American men held captive in North Vietnam.

The United States has already lost nearly 50,000 killed and suffered a half million wounded in 9 years of fighting. The people of Vietnam have suffered many times more casualties.

In view of this tremendous cost in lives and treasure, and at a time when the war is accelerating throughout Indo-



china, I believe we need a bold move to stop the fighting and to start meaningful negotiating. Since every war ends by surrender or negotiation and, since there will be no surrender in Indochina, I urge that we initiate real negotiation now, rather than thousands of casualties later.

Therefore, I suggest that the United States should now propose the appointment of a United Nations representative to meet with all parties to the Indochina war in an effort to arrange a 90-day truce and to reach an agreement on the form of an international peace conference. In making this suggestion, I am drawing on the example of President Nixon's Middle East peace proposals by emphasizing truce and negotiation with United Nations help. Whatever the ultimate result of the administration's Middle East proposals, I believe that the President and Secretary of State Rogers deserve immense credit for seeking to arrest the deterioration of conditions in the Middle East at a very dangerous time. Every day it appears that the wisdom of these proposals is going to be borne out by the overwhelmingly responsive they have received.

During a truce in Indochina, it would have to be understood that the belligerents would not take advantage of the cease-fire to improve their military positions. I would expect, too, that in this period all prisoners of war, both Vietnamese and American, could be repatriated.

I firmly believe that a political settlement in Indochina is vastly preferable to a legislated, fixed-time withdrawal, because it would end the war, not just end American participation in the war.

I have been deeply committed to the accomplishment of a negotiated solution of the war since mid-1966 when I proposed an all-Asian peace conference on the problem of Vietnam.

In the past, North Vietnam has rejected peace initiatives emanating from the United Nations. But this is a different situation since the initiative I propose would not come from the United Nations. It would come from the United States. United Nations involvement would be as an instrumentality assisting the belligerents to find the basis for ending the conflict.

Should the North Vietnamese find any United Nations role unacceptable, the proposal could be altered to provide for representatives of the International Control Commission—from India, Canada, and Poland—to make the initial overtures toward arranging the truce and the form for an international conference.

At an international conference on Indochina, the United States could propose that all foreign troops, including American and North Vietnamese, should be withdrawn from South Vietnam on a fixed schedule starting as soon as agreement could be reached on mutual withdrawals. Similarly, it could be proposed that foreign forces be withdrawn from Cambodia and Laos under the same conditions. The International Control Commission or the United Nations could

supervise and substantiate the withdrawals. Hopefully, it could be agreed that withdrawals would be completed within 6 months.

I have no preconceived notions about the form an international conference on Indochina should take, although an all-Asian conference or a reconvened Geneva Conference would have to be considered. A U.N. representative, or ICC representatives, in consultation with Asian non-Communist and Communist leaders, and with England, France, the United States, and the Soviet Union, would be able to determine what type of conference might be generally acceptable.

Recently, President Nixon made an excellent move in appointing Ambassador David K. E. Bruce to the U.S. chief negotiator in Paris. Ambassador Bruce is known for his intelligence, tact, understanding, and diplomatic skill, characteristics which should be immensely helpful in dealing with the North Vietnamese and the National Liberation Front. In making my proposal for an enlarged international conference on Indochina, I in no way mean to cast doubt on his ability to make the Paris talks more substantive and meaningful. In fact, I would assume that Ambassador Bruce would represent the United States in such a conference. However, the Paris talks now bear the burden of 2 years of failure and it is possible that a new forum with broader participation would have a better chance for success. Moreover, an enlarged conference would be better equipped to achieve a solution for the whole of Indochina.

Before concluding, let me reiterate the substance of my proposal today. I am recommending that the United States should propose the appointment of a United Nations representative to meet with all parties to the Indochina war in an effort to arrange a 90-day truce and to reach an agreement on the form of an international conference.

I invite the consideration of this proposal by my colleagues, by the administration, and from opinion leaders in the country. I would welcome other suggestions and proposals as well, so that new thinking may be brought to bear on the question of how to end the war in Indochina.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PERCY. Mr. President, I ask unanimous consent to have 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. I might add, Mr. President, in accordance with a custom I have always tried to follow in any matter affecting our foreign policy or military posture, I discussed this matter with the administration. I first discussed it with Ambassador Habib in Paris several weeks ago, and then, some week or 10 days ago, I wrote a letter directly to Secretary Rogers on this matter. I have every indication from the administration that they do not object to my making this proposal at this time.

## ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, let the RECORD show that had I been present, I would have objected to the request of the able Senator from Illinois to transact routine morning business, because it violated the Pastore rule concerning germaneness.

Mr. PERCY. Mr. President, may I reply to the distinguished acting majority leader?

Mr. BYRD of West Virginia. I yield.

Mr. PERCY. Mr. President, in the interest of facilitating the work of the Senate today, I do want to indicate that there was an indication that my remarks were not germane. I spoke to the Senator from Mississippi (Mr. STENNIS) earlier and I spoke to the Senator from Wisconsin (Mr. PROXMIER) as to their advice in the matter. They indicated that apparently there were no more speeches to be made on the pending bill, and that they were sending for the Senator from New York (Mr. JAVITS), and that it was customary, under those conditions, to request unanimous consent. We could not locate the majority leader; therefore, to facilitate the work of the Senate, we asked unanimous consent and got it. But I understand the reason for the germaneness rule.

Mr. BYRD of West Virginia. I thank the able Senator. I was not aware that all other Senators had made their speeches and that no other Senator wanted to speak today on the pending business. On that basis, I would not have objected, but would have asked that the pending business be temporarily laid aside. I merely make this statement so that the RECORD may be clear. I again thank the Senator.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that there be a period for the transaction of routine morning business, with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR ADJOURNMENT UNTIL TOMORROW AT 10 A.M.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

# ORDER FOR CONSIDERATION OF CONFERENCE REPORT ON EDUCA- TION APPROPRIATION BILL TO- MORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, at the close of morning business on tomorrow, the conference report on the education appropriation bill be laid before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Without objection, it is so ordered.

## S. 4127—INTRODUCTION OF THE PROPOSED EMERGENCY LOAN GUARANTY ACT OF 1970

Mr. JAVITS. Mr. President, a short while ago the financial markets of this Nation and the world were rocked by the bankruptcy of Penn Central, one of the largest corporations in the world. This bankruptcy has been preceded by widespread reports of financial difficulties being faced by leading corporations in the aerospace field, by major automobile manufacturers, and by various brokerage houses. These developments, having already received widespread publicity, are but the tip of an iceberg which is the "liquidity crisis."

We see press reports that there is a frantic maneuvering for short-term money at Lockheed, that McDonnell Douglas has deferred a \$100 million public offering of 4-year notes, because of high interest rates; that American Airlines cut to \$47.9 million from \$79 million a public offering of 18-year certificates and had to pay 11-percent interest—a tremendous tax on the airline and the people who fly the airlines; and that Pittsburgh-Fort Wayne omitted a dividend because of the uncertainty of rental payments from Penn Central. Analysts for Salomon Brothers and Hutzler have described the market for medium and lower-rated securities as "quite thin"; Business Week reports that "newcomers to the market now have trouble floating their issues"; and Newsweek wonders after "Penn Central, Who Next?"

It would be inaccurate and simplistic to blame this "liquidity crisis" solely on poor management, as some have attempted to do. Even as to the U.S. Government, did not a Treasury debt refinancing almost go down the drain in the midst of the Cambodian invasion, to be saved only by a massive rescue operation by the Federal Reserve? The Federal Government as well as private corporations can have problems rolling over indebtedness in the uncertainties of the present economic climate. Many basically sound corporations with good management are facing this problem, having

been caught in the squeeze of repressively tight money and costlier labor, raw materials and other operating costs at the very time when sales and profits are declining and taxes are increasing—because of the repeal of the investment tax credit. As a result of these factors—most of which are totally beyond the control of individual corporations—the credit standing of many corporations has deteriorated. Debt re-financing, in turn, has become increasingly difficult, particularly because—as Secretary Kennedy stated last Tuesday—corporate management has been relying on "less liquidity and more ability to borrow short-term funds."

Yet, because of a deteriorated credit availability—and despite the fact that the Federal Reserve under the wise leadership of Dr. Arthur Burns is pumping dollars into the banking system—many corporations cannot get the short-term credit they need at any price. They are suddenly considered to be credit risks. Smaller, less established corporations face a widening yield spread between the highly rated bonds being floated by large corporations, and lower rated bonds they are attempting to float. In other words, those corporations that are less able to borrow have to pay more for their money.

It is clear that the continued ability of certain large businesses to operate is very much in the national interest. It would have been tragic for our economy and for the national security of the United States if the Penn Central bankruptcy had seriously disrupted the essential commercial paper market—and paralyzed companies dependent on it for operations. We are fortunate that this did not happen, but what worries me is that it could have happened. What worries me more is that this Nation did not—and still does not—have an emergency economic "war power" to insure that steps can be taken to prevent the economically unthinkable from happening during a time of economic emergency.

It is also clear that continued essential operations of many small corporations is in the national interest and that widespread small business failures could have macroeconomic implications—that is, implications for the health of the entire economy.

My recent conversations with financial leaders have convinced me that the economy has just skirted the edges of economic disaster and that for some days it was a matter of touch and go. The immediate crises may well be behind us, although it is still too early to know for sure. We should now take the necessary legislative steps—to ensure it does not again descend upon us and again catch us unprepared either 3 months or 3 years from now. It would be most unwise to leave the Federal Government unarmed without the economic "war power" needed to combat a liquidity crisis. And, I am convinced that a full-blown liquidity crisis cannot be ruled out so long as the present unstable economic conditions remain in effect.

That this possibility is a clear and present danger was reinforced when Dr. Arthur Burns, Chairman of the Federal

Reserve System, felt it necessary to state publicly before the Joint Economic Committee only last Thursday that—

In the highly unlikely event that a liquidity scramble developed, the Federal Reserve would use all the authority at its command to ensure that unusual demands for liquidity were satisfied.

While Dr. Burns expressed confidence in the workings of the financial system, he stated:

Prudence requires that we consider what additional precautionary measures might be advisable.

He continued:

The Congress might also give consideration to the feasibility of establishing a Federal program to guarantee loans to necessary borrowers. This possibility should, of course, be explored very cautiously. It would be a disastrous mistake to use Federal monies to keep unsound firms from failing or to substitute public for private tests of creditworthiness, or to convey the impression that the Federal Government will bail out loosely managed or speculative enterprises. But there may be a role for Federal guarantees in helping basically sound firms that experience temporary financial distress to find access to funds, where the alternative might be a degree of financial dislocation inimical to the national interest.

I ask that we consider the implications of the fact that Penn Central could have brought down the commercial credit market like a house of cards and that the Federal Government lacked the necessary emergency powers to shore it up.

A snowballing liquidity crisis is a national concern. It could wreak havoc in Sioux City, Iowa, or Macon, Ga., as well as in the great financial centers of New York, Chicago, Atlanta, Dallas, and San Francisco. We must insure that it does not happen.

Mr. President, pursuant to this situation, and in view of the fact that we have no RFC now, as we did in the depression of the 1930's, I introduce a bill in the Senate which will provide the administration with the economic war power needed in times of economic emergency. I urge all Members of the Congress to consult with the administration and with the Federal Reserve on the need for such a bill. I urge them to talk to the businessmen—large and small—in their districts concerning the liquidity squeeze and the implications this squeeze can have for their constituents.

Basically, the bill would authorize the Secretary of the Treasury to guarantee loans made to certain businesses which are in necessitous circumstances, the continuance of whose operations is vital to the national interest. This guarantee authority would have a life of 1 year, by which time the Secretary must submit to Congress a report together with recommendations on the need for establishing a permanent Emergency Loan Guarantee Corporation. That Corporation, if recommended, and not vetoed by either House of Congress, would succeed to the Secretary's loan guarantee authority.

The Secretary cannot act indiscriminately under the provisions of the bill. He would be bound by a number of safeguards.

First, No guarantee could be made under my bill unless the Secretary certifies



in writing that the loan to be guaranteed is necessary, considering the purposes of the bill; that the loan cannot otherwise be obtained on reasonable terms and conditions; that there is reasonable assurance of repayment, and that failure to provide a guarantee would in effect shut down the business seeking the loan.

Mr. President, I believe this is critically important, because I believe in wringing the water out of corporations which have extended themselves, made unwise decisions, or had bad management, under bankruptcy or any other proceeding.

But, Mr. President, there are some companies—and Penn Central is one of them—where we cannot afford, as a nation, to allow them to stop operating. Yet that is exactly what Penn Central faced, with a \$20 million payroll coming due every week, and no means to meet it when the trustees in bankruptcy stepped in.

The Secretary would also be required to certify that the purposes of the loan to be guaranteed must further the economic health and welfare of the Nation or a region thereof, and that the business of the enterprise to be assisted is of a nature which makes assistance appropriate in furtherance of the purposes of this bill. What these two conditions mean is that the business must be imbued with the public interest, and one whose failure would seriously affect the economy of our country or the well-being of a particular area such as a city or a populous county; it could conceivably be a business undergoing reorganization under the Bankruptcy Act, so long as all the necessary conditions are met. They further mean that the purposes to which the guaranteed loan would be put must be carefully scrutinized before any guarantee is made; that these purposes must be productive and must be such as to help restore or maintain the economy of the Nation or the region.

Second. Before making a guarantee the Secretary would consult with the chairman and the ranking minority members of the Committees on Banking and Currency of the Senate and the House of Representatives. An appropriate analogy here is the consultations which the Federal Reserve Board carries on with the FDIC and the Federal Home Loan Bank Board before making changes in interest ceilings under regulation Q.

Third. The Secretary would be subject to ceilings on the amount he can guarantee. He must justify to Congress any guarantees—or series of guarantees to one borrower—which exceed \$20 million in any 1 year, and such guarantees are subject to congressional veto; also, the maximum aggregate amount outstanding of guaranteed loans cannot exceed \$5 billion.

Fourth. The Secretary could impose any conditions on the borrower he deems to be appropriate. This safeguard is intended to prevent the loan from merely enabling the borrower to siphon funds out of its productive enterprises for use in such activities as mergers and acquisitions, increased dividend payments, debt repayment, and so forth.

Fifth. The Secretary would be bound by the policy directives of a Loan Guarantee Policy Board, which also would be established by my bill. My intent in setting up this Board is to have some fully independent authority exercise overall supervision of the guarantee program. The Board would be directed in the bill to establish the general policies which shall govern who is eligible and who is ineligible for guarantees. These policies would be published and, of course, subject to public scrutiny. In particular, the Board would have to define the national or regional economic interest involved in granting or denying a guarantee. The membership of the Board would consist of a Chairman to be appointed by the President, the Chairman of the Federal Reserve Board, and the Secretary of the Treasury.

Sixth. The Secretary of the Treasury is given visitation powers sufficient for him to insure that any guaranteed loan was being used for the purposes for which it was made.

To summarize, the bill contains two guarantee authorities: the first, in the Secretary of the Treasury, would start immediately upon passage of the bill and last for 1 year. The second, if sent to the Congress by the Secretary, would permanently reside in the loan guarantee corporation. The circumstances I have described require an immediate guarantee authority, with appropriate safeguards, and this is why this authority is temporarily vested in the Secretary of the Treasury. I believe that the question of whether we need a permanent guarantee authority is one that can be deferred for the present time. It needs more study, and even if a permanent authority is called for, the details of the permanent guarantee corporation would require some months of planning. This is the reason for the 1-year period given the Secretary to come up with his report and recommendations.

While the safeguards which surround the Secretary's guarantee authority certainly suggest some of the details which he must specify in recommending a permanent emergency loan guarantee corporation, the bill purposefully does not bind the Secretary to any particular design in setting up this corporation. Obviously, the Secretary's work in this regard would get careful scrutiny, since Congress will have veto power over a proposal to establish a corporation. Also, I would expect the Secretary to consult with appropriate Members of Congress as his work on the corporation proceeds.

Considering the urgent and present need, the bill is, I believe, a modest one. It is, in effect, a limited liability program, and contains safeguards sufficient to prevent the guarantee authority from becoming a giveaway. It would act to supplement the many guarantee programs already on the books in such a way as to restore confidence at the time of a severe liquidity crisis.

In effect, Mr. President, this is an RFC in a modern sense, for today's conditions, and should deal adequately with the problem of an absence of liquidity, where the continued operation of individual en-

terprises is essential in the national interest.

Mr. President, there was great fear in the financial community, and justifiably so, of a chain reaction which would be set in motion by the inability of even the best corporation to get the necessary short-term funds with which to operate, and there was a great slow-down in payments of accounts receivable, which indicated a hoarding by individual concerns of dollars which they needed in order to operate temporarily when they could not borrow, and hence could not pay their bills on time.

Such a chain reaction, Mr. President, can bring down the economy, solely because of an erosion of confidence, and because we do not know how to help ourselves. Hence this guarantee authority, Mr. President, is a very critically important standby facility to help tide us over such moments of the gravest peril to this country.

Mr. President, I am very much honored that the Chairman of the Federal Reserve Board, for whom I, and I know many other Senators have the greatest respect, has endorsed this approach, and I very much hope it may have early consideration, as an important element for strengthening the economic vertebrae of the United States, by the appropriate subcommittee of the Committee on Banking and Currency.

I send the bill to the desk and ask that the text of the bill be printed in the Record in addition to my introductory remarks which also explain the terms of the bill.

**THE PRESIDING OFFICER (Mr. DOLE).** The bill will be received and appropriately referred, and, without objection, the bill and the explanation will be printed in the Record, in accordance with the Senator's request.

The bill (S. 4127) to provide emergency authority for the guarantee of loans to aid business enterprises to meet temporary and urgent financial needs, introduced by Mr. JAVITS, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the Record, as follows:

S. 4127

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

#### FINDINGS AND PURPOSE

##### SECTION 1. (a) The Congress finds—

(1) that the liquidity necessary to keep the nation's economic system operating and productive continues to grow rapidly and that the effective functioning of the capital markets is a prerequisite to meeting these liquidity needs;

(2) that the capital markets have been unable to satisfy such needs on reasonable terms and this inability leads in given cases to severe regional or national economic disruption and liquidity crises; and

(3) that the existence of a loan guarantee authority in the Government is necessary to the national interest to stabilize capital markets during those times when, like the present, urgent and temporary financing cannot generally be acquired on reasonable terms.

(b) It is the purpose of this Act to provide authority for emergency financial assistance in the form of loan guarantees to

aid business enterprises to meet temporary and urgent financial requirements which, if not met, might seriously impair the ability of such enterprises to produce goods and services, and might seriously affect the economy of the nation or a region thereof.

#### EMERGENCY LOAN GUARANTEE AUTHORITY

SEC. 2. (a) In furtherance of the purpose of this Act, the Secretary of the Treasury (hereinafter in this Act referred to as the "Secretary") is authorized upon terms and conditions prescribed by him, and after consulting with the chairmen and ranking minority members of the Committees on Banking and Currency of the Senate and the House of Representatives, respectively, to make commitments to guarantee and to guarantee any financing institution against loss of principal or interest on any loan to a business enterprise for the purpose of assisting that enterprise to meet temporary and urgent financial needs which if not met (1) could seriously impair the ability of the enterprise to produce goods or services for the public, and (2) could adversely and seriously affect the economy of the nation or a region thereof.

(b) No guarantee of a loan shall be made under this section unless the Secretary finds and appropriately certifies that—

(1) the loan is necessary to carry out the purposes of this Act;

(2) the loan is not otherwise available on reasonable terms and conditions;

(3) there is reasonable assurance of repayment of the loan;

(4) a failure to provide a guarantee of the loan under the authority of this section would seriously impair the ability to produce the goods and services of the enterprise in behalf of which the guarantee is to be made;

(5) the business of the enterprise to be assisted is of a nature which makes assistance under this section appropriate in furtherance of the purposes of this Act; and

(6) the loan to be guaranteed will be applied to productive purposes which are necessary to the economic health and welfare of the nation or a region thereof.

(c) The Secretary shall require such security for guarantees and such agreements regarding management of the components of the enterprise to be assisted as he may deem appropriate. An enterprise in reorganization pursuant to the Bankruptcy Act is not ineligible to receive a loan guaranteed under this section if the Secretary makes the findings and certifications required by subsection (b).

(d) The Secretary shall consult, as necessary, with any business enterprise which has received a loan guaranteed under this section concerning any matter which may bear upon the ability of such enterprise to repay the loan within the time fixed therefore and reasonable protection to the United States; and otherwise to assure that the purpose of this Act is being carried out.

(e) (1) The maximum obligation of the Secretary under any loan or loans made to any one borrower within any one year which is guaranteed under this section shall not exceed \$20,000,000 unless—

(A) prior to making such guarantee the Secretary submits to the Congress a full and detailed report of the circumstances requiring the guarantee in the case of the particular enterprise and the justification therefor in furtherance of the purposes of this Act; and

(B) a period of thirty calendar days of continuous session of the Congress following the date on which such report is submitted to the Congress elapses, and during such period there is not passed by either the Senate or the House of Representatives a resolution stating in substance that the

Senate or the House of Representatives, as the case may be, does not approve the proposed guarantee.

For the purposes of paragraph (B), in the computation of the thirty-day period there shall be excluded the days on which either the Senate or the House of Representatives is not in session because of adjournment of more than three days to a day certain or an adjournment of the Congress sine die.

(2) The maximum obligation of the Secretary under all outstanding loans guaranteed under this section shall not exceed at any time \$5,000,000,000.

(f) (1) Payments required to be made as a consequence of any guarantee under this section shall be made by the Secretary from the loan guarantee fund established pursuant to subsection (f).

(2) In the event of any default on any loan guaranteed under this section and payment in accordance with the guarantee is made by the Secretary, the Attorney General shall take such action as may be appropriate to recover the amount paid by the Secretary, with interest, from the defaulting borrower or other persons liable therefor.

(3) The Secretary shall prescribe and collect a guarantee fee in connection with each loan guaranteed under this Act. Sums realized from such fees shall be deposited in the loan guarantee fund established pursuant to subsection (f).

(g) (1) There is established in the Treasury a loan guarantee fund to be administered by the Secretary. The fund shall be used only for the purpose of the guarantee program authorized by this section, including the payment of administrative expenses. All fees paid in connection with such program shall be credited to the fund. Moneys in the fund not needed for current operations may be invested in bonds or other obligations of, or guaranteed by, the United States.

(2) There are authorized to be appropriated to the loan guarantee fund such amounts as may be necessary to provide requisite capital. In the event there are insufficient moneys in the fund to meet obligations of the fund, the Secretary shall transfer to the fund such sums as may be necessary to fulfill such obligations. The Secretary may use, for the purpose of making any such transfer, the proceeds from the sale of any securities issued under the Second Liberty Bond Act are extended to include such transfers to the fund. There are authorized to be appropriated to the Secretary of the Treasury such sums as may be necessary to repay such transfers. Interest on sums so transferred shall be paid from time to time, at a rate determined by the Secretary, from fees credited to the fund.

(h) There is created a Loan Guarantee Policy Board which shall consist of a chairman appointed by the President, with the advice and consent of the Senate, and the Chairman of the Federal Reserve Board and the Secretary of the Treasury as members. The Board shall establish general policies (particularly with respect to the national or regional economic interest involved in the granting or denial of applications for guarantees under this section and with respect to the coordination of the functions of the Secretary under this section with other activities and policies of the Government) which shall govern the granting or denial of applications for guarantees under this section.

(i) Any Federal Reserve Bank is authorized to act as fiscal agent of the Secretary in the making of contracts of guarantee under this section and in otherwise carrying out the purposes of this section. All funds necessary to enable any such fiscal agent to carry out any guarantee made by it on behalf of the Secretary shall be supplied and disbursed by or under authority from the Secretary. No such fiscal agent shall have

any responsibility or accountability except as agent in taking any action pursuant to or under authority of the provisions of this section. Each such fiscal agent shall be reimbursed by the Secretary for all expenses and losses incurred by it in acting as agent on behalf of the Secretary, including (without being limited to) the expenses of litigation.

(j) (1) Except as provided in paragraph (2) and (3) of this subsection, this section and all authority conferred thereunder shall terminate upon the expiration of one year after the date of enactment of this Act, or upon the establishment of an Emergency Loan Guarantee Corporation pursuant to section 3, whichever is the earlier.

(2) If, at the expiration of one year after the date of enactment of this Act action on the Emergency Loan Guarantee Corporation is still pending before the Congress, the authority conferred under this section shall continue until such action is completed or upon the establishment of the Corporation, whichever is the earlier.

(3) The termination of this section and the authority conferred thereunder shall not affect the disbursement of funds under, or the carrying out of, any contract, guarantee, commitment, or other obligation entered into pursuant to this section prior to such termination, or the taking of any action necessary to preserve or protect the interests of the United States in any amounts advanced or paid out pursuant to this section.

#### REPORT; ESTABLISHMENT OF EMERGENCY LOAN GUARANTEE CORPORATION

SEC. 3. Not later than one year after the date of enactment of this Act, the Secretary shall submit to the Congress a full and complete report of his operations under section 2, together with his recommendations with respect to the need for the establishment of an Emergency Loan Guarantee to provide for the continuation of a loan guarantee assistance program comparable to that authorized under section 2. If the Secretary recommends the establishment of such corporation, he shall, at the time of submitting such report or at anytime thereafter but prior to the expiration of one year after the date of enactment of this Act, submit to the Congress a charter for the organization of such corporation. Such charter shall take effect, and the Emergency Loan Guarantee Corporation shall become a body corporate with the powers stated in such charter, upon the expiration of the first period of sixty calendar days of continuous session of the Congress following the date on which the charter is transmitted to the Congress, if between the date of transmittal and the expiration of such sixty-day period there has not been passed by either the Senate or the House of Representatives a resolution stating in substance that it does not approve the proposed charter or the establishment of the proposed corporation. For the purpose of the foregoing, there shall be excluded, in the computation of such sixty-day period, the days on which either the Senate or the House of Representatives is not in session because of adjournment of more than three days to a day certain or an adjournment of the Congress sine die.

#### PROCEDURE WITH RESPECT TO DISAPPROVAL RESOLUTIONS

SEC. 4. The provisions of sections 910-913 of title 5, United States Code, shall be applicable with respect to the procedure to be followed in the Senate and House of Representatives in the exercise of their respective responsibilities under sections 2 (d) and (3) of this Act; except that references in such provisions to a "resolution with respect to a reorganization plan" shall be deemed for the purposes of this section to refer to a resolution of disapproval under sections 2 (d) and 3.



Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial published in the New York Times of yesterday, similarly approving the concept with respect to the loan guarantee bill.

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

#### FAILING COMPANIES

The nation is facing a problem that it has not confronted to a comparable degree since the Great Depression: what should the Federal Government do about private enterprises that are failing?

This issue has emerged dramatically with the bankruptcy of the Penn Central Railroad, the threat to the financial solvency of the Lockheed Aircraft Corporation, and the liquidation or merger of a number of failing stock-brokerage firms.

These three cases have greater differences than similarities. Admittedly the threat to railroad companies, aircraft producers and stockbrokers—as well as to companies in other fields—was intensified by the prolonged economic slowdown and liquidity squeeze. Although that threat is not yet over, there is reason to believe that the greater flow of money and credit to the economy will in the months ahead prevent a widening wave of business failures. The country is almost certainly not on the brink of anything resembling the universal disaster of the Great Depression of the 1930's.

In the actual circumstances, it would be most unwise for the Government to launch a massive and indiscriminate policy of bailing out private companies that are in trouble. A genuine question arises when an industry is providing an essential public service, viz., the railroads; but even here, as in the specific case of the Penn Central, we do not feel the Government should be called on to provide the hundreds of millions of dollars that would have been needed to save it from bankruptcy. The railroad can continue to operate under its court-appointed trustees.

But the most able trustees in the world will not be able to solve the problem of the Penn Central if existing Government regulations or the structure of the transportation market bars the way to an effective managerial and technological solution. Regulations barring the company from setting competitive rates appropriate to the cost of the services provided or from the trying new approaches to combine rail with other modes of transportation have to be relaxed.

The Penn Central case can be used as a crucial experiment in determining whether a more viable solution to national transportation problems can be found. If the experiment fails, then there may have to be full nationalization of this railroad—and perhaps of others as well.

The Lockheed case is quite different. Lockheed has been involved in a risky business; its customers are not only the United States Government but many domestic and foreign airlines. Government has a job to do in easing the transition problems for the workers affected, but in the long run there is no basic public interest in preserving a competitive market.

The failure of stockbrokers is still another type of case. Here the problem is more analogous to that of commercial or savings banks, which are holding other people's money. The Federal Government should certainly help develop insurance schemes (like the Federal Deposit Insurance Corporation for the banks) to protect individual investors from mismanagement by stockbrokers, but this need not involve propping up the individual stockbrokers.

Thus, different cases of impending failure or actual bankruptcy need to be handled dif-

ferently. Federal Reserve Chairman Arthur F. Burns and Senator Jacob Javits of New York have proposed a new Federal agency to guarantee loans to credit-worthy businesses that are having difficulty in borrowing money through normal banking channels. This proposed agency has been likened to the old Reconstruction Finance Corporation that was created during the Hoover Administration and heavily used by the New Deal to keep sinking corporations afloat in the Depression.

The loan guarantees of any such agency should be strictly limited to companies clearly essential to the national interest. Companies should not be bailed out just because they are big or because they produce a defense product—if other companies that are viable and better managed can produce it. The United States must not slide into a highly inefficient form of collectivism under the pretense of preserving a private enterprise economy.

#### FARM BILL SHENANIGANS

Mr. WILLIAMS of Delaware. Mr. President, in the July 23, 1970, issue of the Washington Daily News there appeared an excellent editorial entitled, "Farm Bill Shenanigans."

This article calls attention to the decision of the House Agriculture Committee and the Department of Agriculture to support a \$55,000 ceiling per crop under the new program.

Recently the Senate passed a \$20,000 ceiling per farm—on all crops—and this proposal is now in conference as a part of the Agriculture appropriation bill.

On previous occasions the House has likewise approved a \$20,000 limitation, and its acceptance as a part of the new agriculture program would result in an annual savings of at least \$250 million per year more than would be saved under the committee action.

There could be no possible justification for increasing this limit, particularly at a time when our Government can only pay these subsidies with borrowed money; and should this legislative proposal come before the Senate a determined effort will be made to reduce the ceiling to not exceeding the \$20,000 limitation per individual or corporate type farmer.

I ask unanimous consent that the editorial referred to be printed at this point in the RECORD.

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

#### FARM BILL SHENANIGANS

Two weeks ago the Senate decided to clamp a \$20,000-a-year lid on the amount any farmer could get from the government for taking part in the federal crop control program. It was a good idea, calculated to save the taxpayers \$300 million to \$400 million a year.

But now the bill is in the House of Representatives—and some rather strange (if predictable) things are happening.

Instead of a \$20,000 lid, the House Agriculture Committee has recommended a \$55,000 lid of the next three years. And instead of \$20,000 per farmer, the lid would be \$55,000 per crop.

Thus, a farmer—theoretically at least—could get \$55,000 for not raising wheat, \$55,000 for not raising cotton and another \$55,000 for not raising feed grains.

Save \$300 million? The latest estimate is \$58 million, and even that is doubtful if the

big corporate farmers find ways to divide their land and collect separate subsidies for each parcel.

Already exempted from the proposed lid by the House committee are the farms owned by states and municipalities. This means, for example, that Montana could continue to get \$640,000 a year from Uncle Sam for not planting crops on state-owned land.

There is always the chance, of course that the \$20,000 subsidy limit approved by the Senate will be accepted by the House, as it should be. In fact, the House has accepted (and the Senate rejected) a \$20,000 limit twice before.

But the chairman of the House Agriculture Committee, Rep. W. R. Poage, D-Tex., says the big guns of both parties favor the higher figure.

And Agriculture Secretary Clifford M. Hardin, who apparently speaks for the Administration, says he'll oppose any lid lower than \$55,000 per crop.

Even a \$55,000 ceiling is better than the present unlimited subsidy program, which permitted seven corporate farms to collect more than \$1 million apiece (one collected more than \$4 million) from the taxpayers last year.

But the shenanigans will continue as long as the federal government spends billions (\$3.7 billion last year) to jack up farm prices by keeping crops out of production.

At some point, Congress is going to have to phase out the subsidy program and let the farm markets find its own level. Then there won't be any need to build loopholes into the law.

#### MEDICARE AND MEDICAID ABUSES

Mr. WILLIAMS of Delaware. Mr. President, recently the Finance Committee has been holding extended hearings on abuses under the medicaid and medicare program. Recently, under date of July 23, the Comptroller General submitted to Congress a report on the operation of the medicaid program in the State of California. I shall ask that appropriate excerpts from this report be printed in the RECORD. It points out that in a series of nursing homes which were spot checked in that State they found there were many instances where the medicaid program was being charged for the care of patients after they had died and been buried, and in other cases charges were continued after the patients had been discharged and moved back to their homes.

There were other instances of duplicate payments under medicaid and medicare for the same services.

I ask unanimous consent that pages 16, 17, 18, and 19 of the report to the Congress on problems in approving and paying for nursing home care under the medicaid program in California by the Comptroller General of the United States be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

#### APPROVAL OF CARE AFTER PATIENTS' DEATH OR DISCHARGE

We noted that, in some cases, Medi-Cal Consultants (or other county representatives) approved requests for additional nursing home care even though the patient had died or had been discharged from the nursing home.

As noted earlier (see p. 10), nursing home operators are required to notify the Consultant within 48 hours of the death or dis-

charge of Medi-Cal recipients. Such notice was to be given through the use of form MC 171. Although information on the termination of care to patients was being provided to the Consultants within the specified 48 hours, we noted instances where the information relating to the death or discharge of patients was apparently not being used by Consultants in acting upon subsequent requests for the approval of nursing home care. Consequently, Medi-Cal Consultants approved some requests for nursing home care even though the patient had died or had been discharged from the nursing home. Following are several examples of nursing home care approved after the patient's death or discharge for future periods of time.

Medi-Cal patient	Date of death or discharge	Date additional nursing home care was approved	Number of days elapsed between date of death or discharge and date of approval
A.....	Jan. 10, 1968	Apr. 23, 1968	104
B.....	Nov. 14, 1968	Mar. 24, 1969	130
C.....	Aug. 18, 1968	Sept. 17, 1968	30
D.....	Dec. 5, 1968	Jan. 8, 1969	33
E.....	Mar. 5, 1969	Mar. 26, 1969	21

<sup>1</sup> The nursing homes in these cases did not bill the Medi-Cal program for services beyond the date of death or discharge of the patient.

We recognize that it seems improbable to have a nursing home, on one hand, notify the Consultant of the death or discharge of

a patient and to have that same nursing home, on the other hand, subsequently request and obtain the Consultant's approval for the continuation of nursing home care. Nevertheless, this situation occurred and further illustrates, in our opinion, the ineffectiveness of the present system of controls in approving nursing home care under the program.

#### PAYMENTS AFTER PATIENTS' DEATH OR DISCHARGE

Our review revealed that nursing homes claimed, and were paid under the Medi-Cal program for, nursing home care after the patients had died or had been discharged from the nursing home. This condition, in our opinion, was caused in part, by the failure of the Department of Health Care Services to adequately assure itself that the fiscal agent had established adequate controls to preclude such payments.

Of 260 Medi-Cal recipients who had received nursing home care, we found 22 cases in which nursing home operators were paid for periods of time after the recipients' death or discharge. Our selection of the cases reviewed was made of all recipients for whom services were recently terminated and for whom records were available in the 10 nursing homes at the time we made our visits. The number of days of care for which these nursing homes were paid after services had been terminated ranged from 1 to 21 days, and the amount of payments ranged from \$11 to \$289. In total, 123 excess days claimed resulted in excess payments of \$1,577. The following schedule presents this information for each county.

County	Nursing homes visited	Number of patient cases examined	Number of cases in which payments were made for periods after death or discharge	Excess Days claimed	Amount paid
Alameda.....	2	53	4	24	\$330
Fresno.....	2	21	1	16	188
Los Angeles.....	4	128	9	30	354
Santa Clara.....	2	58	8	53	705
Total.....	10	260	22	123	1,577

In 20 of the above 22 cases, neither the nursing home nor the fiscal agent was aware of the overpayments, and in two cases, the nursing home—upon discovery of the error—had initiated action to offset the excess amounts paid against subsequent claims. Officials of the fiscal agent advised us that they would make the necessary adjustments for the excess amounts paid in the cases we identified. The following schedule shows the range of excess days.

Number of excess days paid:	Number of recipients
1.....	12
2 to 10.....	5
11 to 20.....	4
21.....	1
Total.....	22

HEW has not issued any specific guidance to the States on the payment policy to be followed in paying for care on the date of admission or the date of discharge. Department of Health Care Services officials advised us that, from the beginning of the Medi-Cal program, it had been their policy to pay nursing homes for the date of admittance but not for the date of death or discharge of the patient. Although this policy had not been included in the Medi-Cal regulations, these officials advised us that the fiscal agents had been informed of this policy on several occasions since the inception of the program in March 1966. In November 1966, Hospital Service in Southern California advised the

nursing home operators located in its geographical area that payment would not be made for the last day of nursing home care. Hospital Service of California officials, on the other hand, advised us that they had not issued such a statement to the nursing homes operators in its area. Hospital Service of California officials stated, however, that their claims examiners were instructed to disallow claims for the last day of care. These officials added that they were aware that this policy had not been consistently applied by their claims examiners.

In discussing the cases of overpayment with the various nursing home officials, we were told that the excess claims were generally caused by errors made by their clerical staff and the fiscal agents' inconsistency in paying claims. Fiscal agent officials advised us that they had processed these claims because they had no way of knowing that a patient had died or had been discharged and that the claims were submitted on an approved form MC 170.

Under existing procedures, the fiscal agents must rely solely upon the nursing home operators to submit accurate information relating to the period of time for which nursing home care is provided to the program recipient. Such information is not submitted to the fiscal agent from any other source (such as the county social worker or Medi-Cal Consultant), nor are any periodic examinations performed by the fiscal agent for the purpose of ascertaining when service to a recipient was discontinued.

Mr. WILLIAMS of Delaware. In addition, Mr. President, I am referring this report to the Attorney General with the suggestion that this appears to be a clear indication of fraud and that appropriate steps be taken.

Also I call attention to the laxity of administration under both medicaid and medicare which did not detect these dual billings and the overcharges until after the General Accounting auditors called it to their attention.

There is no excuse for this loose management on the part of the Government agencies.

#### HOW TO WIN AND STILL LOSE

Mr. HANSEN. Mr. President, the business and finance section of yesterday's New York Times contained a lead article about this country's oil industry.

It proves to be highly interesting reading and serves as an excellent summary of where this vital industry finds itself today.

The article, by William D. Smith, deals with oil imports, tanker rates, and the tragic possibility of a natural gas shortage in this country.

Because the above subjects are ones on which I have spoken on the floor of the Senate, because of their importance to the State of Wyoming in particular and to the viability of the oil industry in general, the article has more than passing interest for a number of us.

All in all, Mr. President, the New York Times article is an important one and serves to point up the situation in which we find ourselves. It is vital, I believe, that more persons within the Congress and elsewhere fully understand the consequences of possible executive and legislative actions.

I ask unanimous consent that the article by Mr. Smith be printed at this point in the Record.

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

#### U.S. OIL INDUSTRY REGRETS IT WAS RIGHT

(By William D. Smith)

If an industry could have a facial expression, the United States oil industry would be wearing a bitter-sweet smile.

The smile would be a result of having seen recent events prove some of its serious forecasts and urgent warnings correct.

The pleasure, however, is mitigated by the pain that the industry is nonetheless suffering from having seen its predictions come true.

Throughout the long and heated political controversy over oil imports, the industry has maintained that foreign sources of petroleum were relatively un dependable and that their lower-than domestic price levels could be quite ephemeral. For this thesis oilmen were raked over the political coals. The price of Middle East crude oil is now at least 75 cents a barrel more than domestic.

For more than a decade oil and gas producers have warned that Federally set "low" natural gas prices would dampen the incentive to look for gas and thus produce a future shortage. Again this was treated as a totally self-serving ploy. "There is a shortage of natural gas today," Secretary of the Interior Walter Hickel reportedly explained.

John Emerson, energy economist of the Chase Manhattan Bank recently went even further, "Never before in this century have



we faced such serious and widespread shortages of energy. These shortages are upon us now."

The industry warned that rushing into low-sulphur anti-pollution legislation and regulations might produce supply problems.—There appears a very good chance that there will be a shortage of low-sulphur residual fuel oil this winter, forcing cities and corporations to choose between lack of heat and power and the present practicality of recent anti-pollution laws.

Being correct, at least on the surface level, gives the industry no reason to gloat. In each instance it is costing the oil companies money. If they pass on the cost, as they probably will have to, it cuts into what little affection the public has left for the industry.

"No one will remember that Senator Kennedy or Senator Muskie and other so-called consumer representatives have advocated policies that have often ultimately resulted in higher costs. They will only blame us for raising the price of gasoline or heating oil," a vice president and counsel for a major company commented last week.

The executive's statement is probably too one-sided. The present situations are the result of many complex forces; some alterable, some not.

Nonetheless, some politicians and academicians, past and present, may have been guilty of thinking that a big desk and pet theories were a substitute for the hard facts of industrial life.

There is a very good chance that by fall the American consumer may be paying more for gasoline, natural gas and residual fuel. This means that the cost of running his car, his home and his factory will cost more.

These major impacts on the battle with inflation have not gone unnoticed in Washington although it appears that no major constructive actions have as yet occurred.

The leap in the price of overseas crude oil is a result of soaring tanker costs. Few analysts expect these costs to go down in the very near future.

But if tankers are the central reason, the Arab-Israeli war is the underlying cause.

On May 3 in Syria, the Trans Arabian Pipeline was knocked out of commission by an errant or deliberately aggressive bulldozer. The Syrian Government has not allowed its repair, preventing 500,000 barrels a day of Saudi Arabian crude from reaching the Mediterranean.

At the other end of the Mediterranean the Libyan Government cut back oil production by 15 per cent, or 500,000 barrels a day.

The loss of almost 1 million barrels a day of oil west of Suez and close to world markets has strained tanker capacity. Replacement of this oil with oil from the Persian Gulf around South Africa takes six to eight times the tanker capacity.

#### CHARTER RATES RISE

Spot charter rates have risen to their highest level since the 1956 Suez crisis and are more than 50 per cent higher than during the 1967 Arab-Israeli war.

Persian Gulf oil is now coming into the United States at about \$4.50 a barrel compared with Louisiana crude delivered to East Coast refineries at \$3.75.

There is no chance of a shortage, however, because Texas and Louisiana will increase their production to meet the need. There is a very real chance of consumer price increases.

The Oil and Gas Journal, a trade publication, reports that Professors Phillip Areeda and James McKie, two of the chief advocates of sharply increased oil imports, have now backed off considerably from that position.

#### F.P.C. REGULATION UPHELD

The natural gas supply and demand controversy is a far older argument. In 1954 the Supreme Court ruled that natural-gas producers were subject to Power Commis-

sion. In 1960 the regulatory agency began fixing well-head prices for all gas sold interstate. The Supreme Court upheld this right again in 1965 despite vigorous cries of outrage from producers, who said it would kill incentive to drill.

Time has proven the oilmen right. Wildcat drilling dropped 40 percent between 1956 and 1968. Geophysical activity fell 56 percent.

Some of the drop off may have been artificial; just to show the Government. Nonetheless the results are uncontested. In 1969 the United States proved reserves of natural gas fell 12,241 trillion cubic feet, the largest in the nation's history.

The previous record drop was in 1968, when they fell 5,548 trillion cubic feet. These are the only declines in the history of the industry.

#### POSITIONS CHANGED

The F.P.C. is now trying to rectify the situation by raising prices. Some of the people who supported the lower prices several years ago are now in the forefront of those pushing higher prices.

The Interior Department is trying to speed up lease sales of suspected gas fields, but is running into opposition from Conservationists. But even if this opposition is overcome, it will take from three to seven years for these areas to begin producing.

In the meantime Canadian sources of gas can be tapped although Canadian-American relations on energy matters are at an all-time low. Liquefied natural gas quite possibly will reach this country from Algeria, Nigeria or Venezuela. Contracts have already been signed to import Algerian L.N.G., but the Algerian Government's recent nationalization of American oil company properties puts this source of L.N.G. in a very questionable position.

#### SUPPLY OUTLOOK TIGHT

The supply outlook for this winter is tight. Industry sources say that there will be enough to heat homes, but that the industrial market, which accounts for about 50 percent of total sales, may be in bad shape. Many distributors already have been forced to impose severe limitations on new industrial loads, and there is a real possibility that deliveries to existing customers may have to be curtailed, according to J. W. Heiney, president of the American Gas Association.

It would seem almost certain that consumer prices will have to go up, and possibly sharply.

The crude oil reserve situation is not much better, according to the American Petroleum Institute. Last year crude oil reserves dropped to 29.632 billion barrels, the lowest level in 15 years.

The A.P.I. explained the situation simply by saying that lack of incentives had led to a long and steady decline in exploratory drilling during a period of mushrooming production and consumption.

The oil industry in recent weeks seems to have won a lot of points, but through no fault of its own, it well may be losing the game.

#### MANY BACK TRADE BILL

Mr. HANSEN. Mr. President, yesterday in the business and finance section of the Washington Post, appeared a most illuminating article entitled, "Many Liberals Back Trade Bill."

The measure, H.R. 16920, introduced by Chairman WILBUR MILLS and 225 other Representatives is designed to provide for orderly trade and, as Stanley Ruttenberg points out, many of the bill's supporters believe that passage of this important legislation is not inconsistent with advocacy of a liberal trade policy.

As the article notes—

In short, supporters of the Mills bill who believe in liberalized trade perceive some very real and urgent problems that require attention. Opponents of the Mills bill simply refuse to recognize that the period of reconstruction following World War II has long since passed, that this is now 1970, and that the economies of our major trading partners have been rebuilt and are flourishing; and that, despite such changed circumstances, these nations retain a variety of barriers to trade which the critics of the Mills bill tend to brush aside as if they were inconsequential.

Mr. President, I commend to my colleagues this article which exposes many of the myths concerning world trade today, and I ask unanimous consent that the article be printed in the RECORD.

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

[From the Washington Post, July 26, 1970]

#### MANY LIBERALS BACK TRADE BILL

(The author of this article, former assistant secretary of Labor, is now a manpower consultant in Washington. One of his clients is the Amalgamated Clothing Workers of America, which supports textile quota legislation.)

(By Stanley Ruttenberg)

It is perhaps a sign of the times that many organizations and individuals normally aligned with advocates of liberal trade policies now find themselves charged with protectionism. They are the target of criticism by erstwhile allies because of their support for H.R. 16920, the bill introduced by Chairman Wilbur Mills of the Ways and Means Committee and 255 other congressmen designed to provide for orderly trade in textile, apparel and leather footwear.

Among analysts and observers who have, for any length of time, been close to the trade scene, none of this should have come as a surprise—not the Mills bill; not the support that it has evoked among those who are truly committed to expanding world trade and certainly not the attacks that have been leveled at both by those who regard themselves as the only true defenders of the faith.

This latter group may reject the idea, but the plain and simple fact is that many of those who have been supporting H.R. 16920 believe as I do that such a posture is not at all inconsistent with advocacy of a liberal trade policy.

The bill that was introduced by Chairman Mills—himself a long-time free trade advocate—is considered by its supporters to be the best way to assure continued expansion of trade between nations. Strangely enough—and to the dismay of the critics who have from the outset viewed the bill as the potential opening salvo of an all-out trade war—liberal trade advocates have lent support to H.R. 16920 in order to forestall the wave of protectionism and the resulting trade war that they feel would be certain to materialize if the ideological rigidity of the critics is permitted to prevail.

In short, supporters of the Mills bill who believe in liberalized trade perceive some very real and urgent problems that require attention.

Opponents of the Mills bill simply refuse to recognize that the period of reconstruction following World War II has long since passed, that this is now 1970, and that the economies of our major trading partners have been rebuilt and are flourishing; and that, despite such changed circumstances, these nations retain a variety of barriers to trade which the critics of the Mills bill tend to brush aside as if they were inconsequential.

For example, the value added tax prevalent in countries of the European Economic Community has the effect of raising prices on imports and reducing prices on exports; Japan

not only restricts the free flow of capital, but also maintains import quotas on scores of key commodities; the United Kingdom restricts coal imports; the variable levy and price-support arrangement employed by the EEC for agriculture is its adaptation of the American Selling Price principle; the EEC and the United Kingdom have agreements with textile-producing Asian countries effectively controlling the flow of textiles. And this does not even begin to exhaust the list of "exceptions" to the principles upon which free trade and reciprocity are based.

It is not enough to offer as the rationale for policy, as do the critics of the Mills bill, that the United States should do what is right regardless of the behavior of others. The possible adverse consequences of such a policy—on jobs and income, and in the almost-certain trade war that can ensue—are too great.

The upsurge in textile and apparel imports over the past decade has been tremendous, particularly with respect to products of man-made fiber and especially during the latter part of the decade. By the end of the decade of the 1960s, U.S. imports of textile and apparel products were in excess of \$2.1 billion per year—more than double their level in the early part of the decade. So far as products of man-made fiber are concerned, import volume—measured in square yards—rose by more than 200 per cent between 1965 and 1969 alone, while the apparel portion of that import volume grew by 500 per cent.

If the critics of the Mills bill are accurate, this uncontrolled flood of textile and apparel imports should have rebounded to the benefit of American consumers by holding down prices. The available evidence points in the apparel direction.

Price increases of apparel items were responsible for more of the total increase in the Consumer Price Index during the latter part of the decade—when the volume of imports was ballooning—than during the first part of the decade.

It stands to reason that the domestic apparel industry, in which average hourly earnings in 1969 were \$2.31, cannot be expected to compete successfully with imports produced by labor which is paid as little as the U.S. equivalent of 26 cents per hour (as in Hong Kong) or 39 cents per hour (as in Japan). American producers in this labor-intensive industry simply do not have a countervailing advantage in technology with which to overcome the advantage in labor costs that these kind of wage rates give to foreign competitors.

Critics of the Mills bill have been inclined to reject any suggestion of job losses due to the growth of textile and apparel imports, but they ignore the hundreds of thousands of jobs—more than 200,000 in apparel alone during the 1960s—which would have been created in the absence of the imports.

Without adequate safeguards, imports will continue to grow at an excessively rapid rate, undercutting both jobs and labor standards without necessarily benefitting the consumers. To delay recognition of this reality—and the development of a thoughtful remedy—will not eliminate the problem. Rather, it will assure that the eventual response and reaction—and there will be one—will be that much more explosive.

#### A GROWING DANGER

Mr. HANSEN. Mr. President, the Arizona Republic recently printed an editorial entitled "Will Young America Destroy Its Heritage?" which has a great deal of food for thought.

The editorial, dealing with America's youth and the way some of them have protested in recent months, carries an important statement.

I commend it to the attention of my colleagues and all of those who have an opportunity to read the RECORD, and I ask unanimous consent that the editorial be printed in the RECORD at this point.

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

#### WILL YOUNG AMERICA DESTROY ITS HERITAGE?

Although less than 10 per cent of American youth has been participating in the violent, senseless protests about their own colleges and universities, there is a growing danger that the noisy, militant leaders of America's young revolutionaries will lure more and more students to their cause.

The vast majority of students are serious-minded young people striving to get an education. They have, so far, refused to enter into the "gory glee" of hell-raising on the campuses. But no leadership among the silent majority of students has arisen to challenge the revolutionaries.

The president of the student body at a large university was elected by a vote of 1,000 to 300. Only 1,300 out of 23,000 students voted in that election. They simply weren't interested in the militant program of the radical leaders. However, the student who was elected president claims that he represents the entire student body, and demands a voice in the Board of Regents' meetings, in spite of the fact that 90 per cent of the students wanted no part of his program.

Unless the students who believe they go to college to get an education rather than to start a revolution begin very shortly to organize and challenge the revolutionaries on the campus, they may find they have sat silent while their precious heritage of freedom and opportunity goes down the drain in a blazing, destructive, senseless revolution led by leaders who don't know what they want or what they would do with it if all their demands were granted. They want a noisy voice in everything, but beyond that they know not what they are shouting about.

A sober observation about America's youth recently came from England, where the editor of the London Daily Telegraph declared that no generation of young people ever had so great a heritage of freedom and opportunity as today's American youth.

Under the caption "Revolt of the Pampered," the editor of the London Daily Telegraph wrote:

"America is the victim of its national myth. It entered history proclaiming the rights of man; its Constitution is aimed at fostering freedom at all costs. Its young have been brought up largely on an educational theory which attaches supreme importance to self-expression. Is it odd that it should lead the world in rebellion or that its volunteer forces should sometimes lack the virtue of unrelenting discipline? Yet one marvel does defy explanation. Why should America's pampered and idolized student youth, living in a country that enjoys freedom and prosperity in unprecedented degrees, turn all its righteous anger, not against the despots that rule most of the rest of the world, but against America itself?"

#### FAMILY PLANNING AND POPULATION RESEARCH ACT

Mr. JAVITS. Mr. President, I make reference to the passage of S. 2108, the family planning and population research bill, through the Senate, which was passed on July 14, on the Consent Calendar.

I invite attention to the problems which were inherent in the bill, which went through the Committee on Labor and Public Welfare, of which I am the ranking minority member, and to the

resolution we made of a very difficult difference of opinion on a center for population and family planning as contrasted with a particular official in the Department of Health, Education, and Welfare who would be in charge of this activity.

I commend to my colleagues another significant provision of the bill which made it very clear that family planning services shall be provided only on a voluntary basis, shall not be a prerequisite or impediment to eligibility for or the receipt of other benefits or participation in any other programs of financial or medical assistance of the United States.

Mr. President, I feel that this is a model example of voluntarism to deal with any feeling of restraint or inhibition which any person might have because of religion or other belief.

#### AUTHORIZATION FOR CERTAIN ACTION TO BE TAKEN DURING ADJOURNMENT OF THE SENATE TODAY

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to receive messages and duly enrolled bills from the House of Representatives, and that the Vice President, the President pro tempore, and the Acting President pro tempore be authorized to sign duly enrolled bills during the adjournment of the Senate until midnight tonight.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### CONCLUSION OF MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that morning business be closed and that the Senate proceed to the consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PROCUREMENT AND OTHER PURPOSES

The Senate continued with the consideration of the bill (H.R. 17123) to authorize appropriations during the fiscal year 1971 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes.

#### PROGRAM

Mr. BYRD of West Virginia. Mr. President, the Senate will shortly adjourn until 10 o'clock tomorrow morning.

There is a special order under which the Senator from Missouri (Mr. SYMINGTON) will address the Senate tomorrow for a period not to exceed 30 minutes, immediately after the disposition of the reading of the Journal, following which there will be a period for the transaction of routine morning business, and after



which the Senate will proceed to the consideration of the conference report on the education appropriation bill. I have discussed the matter with the able Senator from Washington (Mr. MAGNUSON), and it is hoped that we may get started on the education appropriation conference report by or before 11 a.m.

#### ADJOURNMENT UNTIL 10 A.M. TOMORROW

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 10 o'clock tomorrow morning.

The motion was agreed to; and (at 4 o'clock and 55 minutes p.m.) the Senate adjourned until tomorrow, Tuesday, July 28, 1970, at 10 a.m.

#### NOMINATIONS

Executive nominations received by the Senate July 27, 1970:

##### DIPLOMATIC AND FOREIGN SERVICE

The following-named persons for appointment as Foreign Service Information officers of class 2, consular officers, and secretaries in the Diplomatic Service of the United States of America:

John P. Clyne, of the District of Columbia.

Horace G. Dawson, Jr., of Louisiana.

Isa K. Sabbagh, of Maryland.

Theodore A. Wertime, of Pennsylvania.

Now Foreign Service officers of class 3 and Secretaries in the Diplomatic Service, to be also consular officers of the United States of America:

Larry W. Roeder, of California.

Orme Wilson, Jr., of the District of Columbia.

For appointment as Foreign Service information officers of class 3, consular officers, and Secretaries in the Diplomatic Service of the United States of America:

Robert W. Barr, of Illinois.

Fred Becchetti, of Arizona.

Brian Bell, of Nevada.

Donn M. Chown, of Michigan.

Vytautas A. Dambrava, of the District of Columbia.

Stuart Halpine, of Connecticut.

J. Frederick Hartley, of Florida.

Peter H. Jacoby, of Washington.

Miss Marilyn Johnson, of Massachusetts.

Boulos A. Malik, of the District of Columbia.

Edward H. Mattos, of California.

Arthur J. McTaggart, of Indiana.

R. Ellsworth Miller, of California.

Robert W. Mount, of Nevada.

E. V. Niemeyer, Jr., of Texas.

Melvin L. Rizzie, of Massachusetts.

Joseph J. Sandel, of the District of Columbia.

Sterlyn B. Steele, of California.

Joe B. Vogel, of Texas.

Richard A. von Glatz, of Illinois.

Stanley A. Zuckerman, of Texas.

For appointment as Foreign Service officers of class 4, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Ralph C. Melma, Jr., of Maryland.

Julian C. Nicholas, of the District of Columbia.

For appointment as Foreign Service information officers of class 4, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Bruce Ian Bertram, of Wisconsin.

Hugh L. Burleson, of Maryland.

Frank A. Chiancone, of New York.

John H. Corr, of Virginia.

Leland W. Cross, of Michigan.

Samuel P. Diell, of Michigan.

James H. Feldman, of Tennessee.

Forrest Fischer, of Illinois.

Frank P. Florey, of Colorado.

John P. Foster, of New Hampshire.

Jack W. Gallagher, of Pennsylvania.

Robert W. Garrity, of Massachusetts.

Philip F. Gould, of the District of Columbia.

David L. Gray, of Illinois.

Miss Elinor Green, of New York.

F. David James, of Virginia.

Thomas M. Martin, of New York.

William F. Miller, of Pennsylvania.

Herwald H. Morton, of Illinois.

Phelon D. Peters, of California.

Robert B. Sandin, of Massachusetts.

John C. Scafe, of Kansas.

Harrison L. Shaffer, Jr., of Colorado.

Earle W. Sherman, of California.

Conrad S. Spohnholz, of Indiana.

Miss Diane Stanley, of Vermont.

Phillip F. Thomas, of Tennessee.

John H. Trattner, of Virginia.

John J. Tuohy, of New Jersey.

David Wei-Tsi Wang, of New York.

For reappointment in the Foreign Service as a Foreign Service officer of class 5, a consular officer, and a secretary in the Diplomatic Service of the United States of America:

Edmund T. DeJarnette, of Virginia.

For promotion from Foreign Service officers of class 6 to class 5:

John A. Barcas, of New Jersey.

Miss Sheila-Kaye O'Connell, of Massachusetts.

Stephen H. Whilden, of California.

For appointment as Foreign Service information officers of class 5, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Bruce Albright, of California.

James F. Channing, of Virginia.

Vance C. Pace, of Utah.

For promotion from Foreign Service officers of class 7 to class 6:

Nicholas S. Baskey, Jr., of Ohio.

Taylor Edward Clear, of Louisiana.

William H. Dameron III, of Georgia.

James W. Elghmie, Jr., of the District of Columbia.

Thomas Howard Gewecke, of Illinois.

Edward W. Gnehm, Jr., of Georgia.

George A. Gowen III, of North Carolina.

Hugh G. Hamilton, Jr., of Kansas.

Daniel T. Hickey, of Pennsylvania.

Michael R. Jackson, of Washington.

John F. Keane, of New York.

Ira R. Kornbluth, of the District of Columbia.

Sherwin W. Liff, of Illinois.

Randolph I. Marcus, of New York.

Robert Bruce McMullen, of Illinois.

John P. Moddero, of Maryland.

Warren P. Nixon, of Iowa.

Michael P. Owens, of Texas.

David A. Ross, of New York.

Ints M. Silins, of the District of Columbia.

Harry L. Stein, of New Jersey.

Tain Pendleton Tompkins, of the District of Columbia.

Benjamin Tua, of the District of Columbia.

Daniel F. Waterman, of New York.

Thomas Gary Weston, of Michigan.

For promotion from Foreign Service information officers of class 7 to class 6:

John P. Harrod, of Ohio.

Edward W. Holland, Jr., of New Jersey.

David H. Lambert, of California.

Miss Susan E. Lowe, of Pennsylvania.

Robert Petersen, of Ohio.

Jonathan L. Silverman, of New Jersey.

Larry R. Taylor, of Washington.

Robert K. Thomas, of Oklahoma.

Miss Carol E. Wilder, of Georgia.

For appointment as Foreign Service information officers of class 6, consular officers,

and secretaries in the Diplomatic Service of the United States of America:

Miss Caroline Dunlop Millett, of California.

Ernesto Uribe, of Texas.

For promotion from Foreign Service officers of class 8 to class 7:

Ralph M. Buck, of Florida.

Miss Susan Jo Crane, of New York.

John Seabury Ford, of Ohio.

Christopher G. L. Jones, of the District of Columbia.

William A. Krug, Jr., of California.

David Jordan Mangan, Jr., of Wisconsin.

Luciano Mangiafico, of Connecticut.

Bennett A. Marsh, of New Jersey.

Miss Mary Helen Maughan, of Utah.

David Norman Miller, of Nebraska.

David J. Peashock, of Pennsylvania.

William H. Siefken, of Texas.

Earl Douglas Weniger, of New York.

Lyn F. Wheeler, of the District of Columbia.

Franklin Miller Zuttermeister, Jr., of Florida.

For promotion from Foreign Service information officers of class 8 to class 7:

C. Roy Fleming, Jr., of Tennessee.

Miss M. Kathleen Schloeder, of Virginia.

For appointment as Foreign Service officers of class 7, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Edward Gordon Abington, Jr., of Florida.

Robert Thomas Banqu , of California.

John S. Boardman, of Ohio.

John V. Brennan, of Oregon.

George A. Chester, Jr., of California.

Claude L. Clement, of New York.

Michael Congdon, of Virginia.

Roger L. Dankert, of Nebraska.

Miss Lynne Bray Foldessy, of Pennsylvania.

Edward F. Fugit, of Illinois.

John Michael Garner, of Texas.

Cameron R. Hume, of New York.

Gilbert Matthew Johnson, of Michigan.

Harvey Lampert, of California.

Paul V. Ray, Jr., of Wisconsin.

David E. Reuther, of Washington.

David Roger Telleen, of Michigan.

Arlen Ray Wilson, of Wyoming.

Richard H. Zorn II, of Illinois.

For appointment as Foreign Service information officers of class 7, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Miss Janet E. Collins, of Virginia.

Joseph S. Fazekas, of Maryland.

James W. Findley, of Virginia.

Robert B. Geyer, of Pennsylvania.

Robert F. Le Blanc, of Montana.

Miss Rosalind E. Leonard, of New York.

Donald J. Planty, of New York.

Stephan Strain, of New York.

John A. Swenson, of Wisconsin.

For appointment as a Foreign Service officer of class 8, a consular officer, and a secretary in the Diplomatic Service of the United States of America:

Theodore Eugene Strickler, of Pennsylvania.

For appointment as Foreign Service information officers of class 8, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Miss Betsy A. Fitzgerald, of Connecticut.

Gerald E. Huchel, of Illinois.

John R. Mankowski, of Wisconsin.

Foreign Service reserve officers to be consular officers of the United States of America:

Daniel Alhimook, of Maryland.

Edwin F. Atkins, of the District of Columbia.

James A. Higham, of Massachusetts.

Edwin J. Pechous, of Illinois.

Foreign Service reserve officers to be consular officers and secretaries in the Diplomatic Service of the United States of America:

Archie M. Andrews, of Virginia.

David V. Bernal, of Texas.

V. Harwood Blocker III, of Virginia.  
 Oliver B. Bongard, of Minnesota.  
 Robert E. Brown, of California.  
 Paul M. Byerly, of Virginia.  
 Paul J. Byrnes, of the District of Columbia.  
 George W. Cave, of New Jersey.  
 John E. Chere, of Virginia.  
 Miss Margaret Clapp, of Massachusetts.  
 Stephen L. Conn, of Maryland.  
 Gustaf Coontz, of Massachusetts.  
 Friedrich R. Crupe, of Maryland.  
 George W. Ford II, of Maryland.  
 Fritz H. Giesecke, of Virginia.  
 Hugh G. Haight, of Maryland.  
 John F. Hasey, of Virginia.  
 George T. Kalaris, of Maryland.  
 Donald K. Kanes, of Maryland.  
 Walter J. Kaufman, of Virginia.  
 Arthur W. Lewis, of Vermont.  
 Robert W. Magee, of Maryland.  
 Miss Mary E. Marchany, of the District of Columbia.

Samuel L. Martin, of New Jersey.  
 William E. McCarthy, of Virginia.  
 John W. Mertz, of Virginia.  
 George A. Naifeh, of Texas.  
 Harry L. Orr, of Michigan.  
 Peter D. Orr, of Washington.  
 Robert E. Owen, of Wisconsin.  
 Lawrence A. Penn, of New York.  
 Richard K. Pyle, of Rhode Island.  
 Howard E. Shetterly, of Ohio.  
 Miss Joan V. Smith, of the District of Columbia.

Gordon R. Sterner, of the District of Columbia.

Robert F. Thompson, of Virginia.  
 Robert E. Tierney, of Virginia.  
 Norman H. Tolman, of Massachusetts.  
 Kenneth F. Wesolik, of Maryland.  
 Robert H. White, of Virginia.  
 Foreign Service officer to be a secretary in the Diplomatic Service of the United States of America:

Robert C. Ames, of Pennsylvania.  
 Foreign Service staff officers to be consular officers of the United States of America:  
 Miss Elizabeth Ann Bowen, of North Carolina.  
 George D. Clee, Jr., of Connecticut.

Miss Margaret M. Cooney, of Rhode Island.  
 Miss Marilyn Crocker, of California.  
 William H. Deardorff, Jr., of Virginia.  
 Condit N. Eddy, Jr., of New York.  
 Joseph F. Fagan, of Pennsylvania.  
 Peter D. Guadagno, of Virginia.  
 Miss Ovsanna Harpootian, of Rhode Island.  
 Irvin Hicks, of Pennsylvania.  
 James S. Huffman, of California.  
 Richard B. Jackman, of Virginia.  
 Joseph A. Malpell, of Pennsylvania.  
 Edsel B. McCowan, of Alaska.  
 Miss Luby H. Miles, of Tennessee.  
 James W. Mitchell, of Virginia.  
 Miss H. Elizabeth Nussbaum, of Illinois.  
 Walter John O'Grady, of New York.  
 John D. Parker, of California.  
 Duane A. Rames, of South Dakota.  
 Miss Margaret E. Rea, of California.  
 Miss Eleanor M. Ridge, of Massachusetts.  
 Louis P. Russell, of the District of Columbia.

Robert L. Scott, of Oklahoma.  
 Paul Solomon, of California.  
 John H. Stein, of Rhode Island.  
 Dan J. Thal, of Virginia.  
 Malcolm L. Trevor, of Florida.  
 Elias K. Zughaib, of Maryland.

#### IN THE ARMY

To the Senate of the United States:  
 The U.S. Army Reserve officers named herein for promotion as Reserve commissioned officers of the Army, under provisions of title 10, United States Code, section 593(a) and 3384:

#### To be major general

Brig. Gen. Herbert R. Hackbarth, SSAN xxx-xx-xxxx  
 Brig. Gen. James M. Roberts, Jr., SSAN xxx-xx-xxxx  
 Brig. Gen. Leonard S. Woody, SSAN xxx-xx-xxxx

#### To be brigadier general

Col. Richard C. Allgood, Jr., SSAN xxx-xx-xxxx  
 Col. James W. Dunham, SSAN xxx-xx-xxxx  
 Col. Charles L. Easterday, SSAN xxx-xx-xxxx

Col. Rogers B. Finch, SSAN xxx-xx-xxxx  
 Quartermaster Corps.  
 Col. Orville K. Fletcher, SSAN xxx-xx-xxxx  
 xxx-xx-xxxx Infantry.  
 Col. Naiff H. Kelel, SSAN xxx-xx-xxxx  
 Military Police Corps.  
 Col. Robert D. Upp, SSAN xxx-xx-xxxx  
 Judge Advocate General Corps.

The Army National Guard of the U.S. officer named herein for promotion as a Reserve Commissioned officer of the Army, under the provisions of title 10, United States Code, section 593(a) and 3385:

#### To be brigadier general

Col. Wilbert A. Allen, SSAN xxx-xx-xxxx  
 Armor.

The Army National Guard of the U.S. officers named herein for appointment as Reserve Commissioned officers of the Army under the provisions of title 10, United States Code, section 593(a) and 3392:

#### To be major general

Brig. Gen. Jack W. Blair, SSAN xxx-xx-xxxx  
 Adjutant General's Corps.  
 Brig. Gen. Larry C. Dawson, SSAN xxx-xx-xxxx  
 xxx-xx-xxxx Adjutant General's Corps.  
 Brig. Gen. John N. Owens, SSAN xxx-xx-xxxx  
 xxx-xx-xxxx Adjutant General's Corps.  
 Brig. Gen. Alberto A. Pico, SSAN xxx-xx-xxxx  
 xxx-xx-xxxx Adjutant General's Corps.

#### To be brigadier general

Col. Ferd L. Davis, SSAN xxx-xx-xxxx  
 Infantry.  
 Col. Van Hixson, SSAN xxx-xx-xxxx  
 Field Artillery.  
 Col. Rafael Rodriguez-Ema, SSAN xxx-xx-xxxx  
 xxx-xx-xxxx Infantry.  
 Col. Theron F. Stimson, SSAN xxx-xx-xxxx  
 Field Artillery.  
 Col. Ronald R. Woodin, SSAN xxx-xx-xxxx  
 Signal Corps.

#### IN THE NAVY

Vice Adm. Ralph W. Cousins, U.S. Navy, for appointment as Vice Chief of Naval Operations in the Department of the Navy pursuant to Title 10, United States Code, section 5085.

## EXTENSIONS OF REMARKS

### SENATOR HUGH SCOTT'S RECORD ON EDUCATION LEGISLATION

#### HON. WINSTON L. PROUTY

OF VERMONT

IN THE SENATE OF THE UNITED STATES  
 Monday, July 27, 1970

Mr. PROUTY. Mr. President, in the decade of the sixties, Federal aid to education expanded vastly. While most communities now spend up to 70 or 80 cents of each local tax dollar on education, the role of the U.S. Government in education is very significant. The U.S. Office of Education provides leadership by fostering innovation and giving added basic support in many areas.

The Senator from Pennsylvania (Mr. Scott) has consistently supported increased Federal aid to education. He recognized the need to supplement State and local funds in order to provide the best possible education for our Nation's citizens, young and old. He also works to insure that Federal programs are responsive to local needs.

As the Republican leader, Senator Scott continues to support increased Federal aid to education. Because of his

efforts in the past, Pennsylvania now receives greater educational assistance than ever before. In the future, Senator Scott will continue his efforts to insure a quality education for all children.

As the ranking minority member of the Education Subcommittee, I have always been gratified by the leadership Senator Scott has demonstrated in the field of education. His record is a most impressive one.

I ask unanimous consent that Senator Scott's record on education be printed in the Extensions of Remarks.

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

#### SENATOR HUGH SCOTT'S RECORD ON EDUCATION LEGISLATION

##### 86TH CONGRESS

##### Legislation

S. 924—To establish for educational purposes, priority in award of television channels.

S. 1016—To provide for a 5-year program of assistance to school districts in meeting debt service on loans for construction of urgently needed elementary or secondary public school facilities.

##### Votes

Voted to authorize funds to pay principal and interest annually coming due on school

construction obligations in the aggregate principal of \$4 billion and allocating for each of the next 4 years \$1 billion for school purposes.

Voted to increase authorized appropriations to \$15 per school-age child.

Voted to authorize allocation of up to \$600 million for school construction in each of the next 5 fiscal years.

##### 87TH CONGRESS

##### Legislation

S. 3477—To provide program to assist States in general university extension education.

S.J. Res. 205—To propose amendment to U.S. Constitution permitting offering of prayer in public schools.

##### Votes

Voted to expand the utilization of television transmission facilities in our public schools and colleges, and in adult training programs.

Voted to withhold authorized funds from any State or school because of segregation.

Voted for the Mutual Education and Cultural Exchange Act of 1961.

##### 88TH CONGRESS

##### Legislation

S. 259—To allow income tax deduction for certain amounts spent in providing a higher education for self, wife, dependents.

S. 1316—To establish a National Council on the Arts and a National Arts Foundation.