

being hired, retained, and promoted under the affirmative action program.

As several of my constituents, who may soon be victims of this Government-imposed hiring and promotion policy, have eloquently written me:

We are seeing hundreds and thousands of regular employees laid off from aerospace work in your own Orange County area, while at the same time blacks and Mexican Americans are being brought in as fast as they can be found. This is stirring up more racial hatred than a casual observer could ever see on the surface.

The original idea was to "color blind" and non-discriminatory. Now the government has done a complete about-face and is forcing contractors to hire unqualified persons and to lay off employees who have been with the companies for years and years. Supervisors who do not load their departments with enough minorities are told they will "no longer be supervisors." This is grossly unfair. People who had devoted their lives to a company, planning to retire there, are being put out on the street. They are told it is "morally right."

Everyone is afraid to complain. Speaking of government control of industry—this comes near to Fascism itself.

They ask me to speak out for them, and I intend to do so—not only in this newsletter, but subsequently at any opportunity which might be favorable to their cause. Even those who believe minority group preference to be justified in hiring for new jobs would be hard put to defend the firing of present, competent employees and replacing them with less experienced and less competent minority group members. I doubt that this policy can stand exposure, given the inherent sense of fairness in the American people.

#### PRESIDENT'S EFFORTS TO FEED THE POOR ARE SUCCESSFUL

### HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1970

Mr. GERALD R. FORD. Mr. Speaker, I am always amazed at how easy it is for politicians ambitious for higher office to find and become indignant over issues they have ignored for years.

Take the issue of hunger. All of a sudden there is a flurry of baseless charges aimed at the President of the United States by pseudo-experts in the field. Some have even written books critical of the President and his aides. I say "books" lightly; they are really political tracts, aimed not at helping the hungry but only at advancing those hungry for power.

Fortunately, their irresponsible claims are refuted by the real experts.

For instance, those who claim that the President has failed to help the hungry have only to listen to Jean Mayer, the Harvard nutrition professor who heads the White House Conference on Food, Nutrition, and Health. He has said publicly that "one of the most spectacular successes of the Nixon administration has been its efforts to feed the poor."

Of course, it is not politic for ambitious Democrats to admit that a Republican President has been a spectacular success at anything. But it would be a lot more honest.

## SENATE—Friday, November 20, 1970

The Senate met at 10 a.m. and was called to order by Hon. MIKE GRAVEL, a Senator from the State of Alaska.

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

O God our Father without whom we can do nothing great or good, but with whom all things are possible, may the miracle of Thy grace be sufficient for all our need. To Thee we commit ourselves and our Nation. We lay before Thee the moral chaos, the spiritual fatigue, the blurred idealism, the personal and corporate degeneration, the dark forebodings and the rebellious yet wistful spirit of our age. Cover our sins with Thy forgiveness. Overrule our mistakes by Thy higher wisdom. Work in us and in all peoples the cleansing and renewing grace that shall redeem and transform our broken world. Grant us strength of will to keep Thy commandments and to walk in Thy ways.

We pray in the name of Him who took the way of the cross and made it redemptive. Amen.

#### DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

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

U.S. SENATE,  
PRESIDENT PRO TEMPORE,

Washington, D.C., November 20, 1970.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. MIKE GRAVEL, a Senator from the State of Alaska, to perform the duties of the Chair during my absence.

RICHARD B. RUSSELL,  
President pro tempore.

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

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 10634) to amend the Interstate Commerce Act and the Federal Aviation Act of 1958 in order to exempt certain wages and salaries of employees from withholding for income tax purposes under the laws of States or subdivisions thereof other than the State or subdivision of the employee's residence; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STAGGERS, Mr. FRIEDEL, Mr. DINGELL, Mr. DEVINE, and Mr. KUYKENDALL were appointed managers on the part of the House of the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 17923) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1971, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WHITTEN, Mr. NATCHER, Mr. HULL, Mr. SHIPLEY, Mr. EVANS of Colorado, Mr. MAHON, Mr. LANGEN, Mr. MICHEL, Mr. ANDREWS of North Dakota, and Mr. Bow were appointed managers on the part of the House at the conference.

The message further announced that the House had passed a bill (H.R. 18970) to amend the tariff and trade laws of the United States, and for other purposes, in which it requested the concurrence of the Senate.

#### HOUSE BILL REFERRED

The bill (H.R. 18970) to amend the tariff and trade laws of the United

States, and for other purposes, was read twice by its title and referred to the Committee on Finance.

#### THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, November 19, 1970, be dispensed with.

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

#### TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent to limit statements to 3 minutes during the period for the transaction of routine morning business today.

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

#### EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

#### AMBASSADOR

The assistant legislative clerk read the nomination of Melvin L. Manfull, of Utah, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Central African Republic.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

#### U.S. ADVISORY COMMISSION ON INTERNATIONAL EDUCATIONAL AND CULTURAL AFFAIRS

The assistant legislative clerk proceeded to read the nominations of Dr. Homer Daniels Babbidge, Jr., of Connecticut and Dr. Martha B. Lucas Pate, of Connecticut to be members of the U.S. Advisory Commission on International Educational and Cultural Affairs.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

#### UNESCO REPRESENTATIVE

The assistant legislative clerk read the nomination of Louise Gore, U.S. member of the Executive Board of the United Nations Educational, Scientific, and Cultural Organization, to serve on the Executive Board with the rank of Ambassador.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

#### U.S. ARMY

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

#### U.S. NAVY

The assistant legislative clerk read the nomination of Rear Adm. George E. Moore II, Supply Corps, U.S. Navy, having been designated, under the provisions of title 10, United States Code, section 5231, for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade of vice admiral while so serving.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

#### NOMINATIONS PLACED ON THE SECRETARY'S DESK—IN THE COAST GUARD, IN THE DIPLOMATIC AND FOREIGN SERVICE, IN THE ARMY, IN THE NAVY, AND IN THE MARINE CORPS

The assistant legislative clerk proceeded to read sundry nominations in the Coast Guard, the Diplomatic and Foreign Service, the Army, the Navy, and

the Marine Corps, which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

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

#### LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

#### THANKSGIVING RECESS, 1970

Mr. SCOTT. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I am delighted to yield to the Senator from Pennsylvania.

Mr. SCOTT. I should like to ask the distinguished majority leader if I understand correctly that the recess for Thanksgiving will be made a brief one on account of the urgency of our pending business and that it is the intention of the joint leadership, as I understand it, to recess as of the close of business on Wednesday, November 25, 1970, and return on Monday, November 30, 1970, at such hour as the distinguished majority leader designates.

Mr. MANSFIELD. The Senator is correct.

Mr. SCOTT. I thank the distinguished majority leader.

#### TENTATIVE DATE OF CONVENING THE 92D CONGRESS

Mr. SCOTT. On a further matter, while it has not yet been determined, it is my understanding that consultation has been had with the joint leadership of the House of Representatives and with the Members of both parties in the Senate, as to the convening date of the next Congress.

Suggestions have come from the other body that perhaps the date might be Wednesday, January 20, 1971. There has also been discussion of the 18th or the 19th, but Wednesday the 20th seems to be the preferred date.

Is that the understanding of the distinguished majority leader, pending approval of the other body?

Mr. MANSFIELD. On that basis, yes.

Mr. SCOTT. I thank the distinguished majority leader.

#### MONTANA TECH'S GREAT FOOTBALL TEAM

Mr. MANSFIELD. Mr. President, there are three factors in my life to which I always consider I owe a great debt of gratitude. One is my wife, who insisted that I become better educated than I was at the time I met her; the second is the

people of Montana, who have given me the opportunity to serve them; and the third is the Montana School of Mines, now known as Montana Tech, which gave me the initial impetus in acquiring an education at that institution and at the University of Montana in Missoula later.

I recall, when I went to the School of Mines, as it was then called, we had a student body of 125. That year, girls were admitted for the first time to the school, which had and still has a tremendous scholastic and practical reputation in the fields of mineralogy, mining, petroleum engineering, and geology.

Since then the school has grown to a student body of approximately 1,000.

Mr. President, my reason for taking the floor of the Senate today is to give credit to the football team of Montana Tech which, in the first bowl game of the season last Sunday, defeated Yankton College of Yankton, S. Dak., by a score of 21 to 8.

Montana Tech's victory is very significant, because for the first time it has won the Frontier Conference title made up of the smaller colleges in the State of Montana and, for the first time, has participated in a bowl game known as the Copper Bowl, which was held at Butte, Mont., on Sunday last.

I recall, several years ago, going to a homecoming game in which the Orediggers were playing Northern Montana College. Montana Tech had achieved quite a reputation because it had lost 44 games straight. That homecoming game they won. It was then that the coach's troubles began, because while he was losing no one expected anything, but once he won a game and the string of losses had been broken, he was expected to win a lot more from then on.

Well, it took a little time, but this year, with a nine and one record, the Orediggers of Montana Tech, have established themselves as a team to be reckoned with. Their well-earned victory over Yankton College at the Copper Bowl by a score of 21 to 8 was well deserved. So this year as the Sport historians Chronicle the record of the great bowl games—The Rose, the Cotton, the Sugar, the Orange, the Tangerine and the Liberty, let them record the first champion of the 1970 football season, Montana Tech in the Copper Bowl.

Mr. President, I am very proud of this particular school. It is an outstanding institution in its own right, especially in the fields which I have mentioned. May I say that, in my opinion, it is "the" outstanding school in the field of mining, mineralogy, petroleum engineering, and geology, and that no school in the world exceeds it in those areas.

Mr. President, I ask unanimous consent, in view of this overwhelming victory against an excellent team, that certain newsstories carried in the Montana Standard of Butte, Mont., under date of November 15, 1970, be printed at this point in the RECORD so that the Senate can give due recognition to this school and its football team.

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

OREDIGGERS HALT YANTON, 21-8  
(By Hudson Willse)

Montana Tech stunned Yankton College with a pair of first quarter touchdowns, overcame a comeback attempt by the Greyhounds and clinched the first Cooper Bowl football game, 21-8, on tailback Don Heater's tackle-breaking 20-yard gallop in the last 6 minutes 23 seconds at Alumni Coliseum Saturday afternoon.

It was a bruising defensive battle all the way, despite Tech's first quarter outburst. A superlative effort by the Oredigger defenders proved decisive as they handcuffed Yankton's two fine running backs—Les "J. J." Goodman and Wendell Wilson—throughout the day.

A crowd of 4,800 watched the Orediggers limit Yankton to only 160 yards rushing and passing and stop Goodman in his tracks time and again. The 205-pound junior from Mount Sinai, N.Y., entered Saturday's game with a 197.3-yard-a-game average, but managed only 43 yards in 13 rushes against Tech's tenacious, pursuing defense.

Yankton's defense, which came here ranked second nationally against the rush (33.5 yards a game), turned in a creditable performance, but was unable to hold Tech in check like in previous opponents.

The Orediggers churned out 185 yards rushing and passed for 100 more for 285 total yards. And Don Heater, although held below his 167.4-yard-a-game average, gained 115 yards to overtake Goodman as the nation's leading NAIA rusher.

Heater has amassed 1,622 yards in 10 games against Goodman's 1,621. Heater's two touchdowns against Yankton increased his point-production to 106.

The victory enhanced Tech's chances to gain a berth in an NAIA national semifinal playoff game Thanksgiving Day. The Orediggers jumped from 14th to 11th in the most recent poll for Division II teams. Yankton stood sixth prior to the Copper Bowl game.

The victory increased Tech's record to 9-1 and was the ninth straight success for head coach Bob Riley's straitjacket outfit. Yankton stands 8-2 with virtually no chance to gain an invitation to a second post-season game.

A bad exchange between Yankton quarterback Doug Cummings and Goodman led to Tech's first touchdown. Defensive end Brad Gunderson, a tremendous performer the whole game, pounced on the fumble at the Greyhound 34.

A five-yard offside infraction set the Orediggers back to the 39, but two plays later quarterback Chris Showers connected with tight end Dan Plute for a 35-yard pass play that carried to the four.

Heater plunged for two yards, then went the same distance off left tackle for the touchdown. Plute drilled the extra point and Tech led, 7-0, with 7:18 left in the first quarter.

The Orediggers marched 54 yards in five plays toward the tailend of the first quarter after a 38-yard Yankton punt was downed at the Tech 46.

The score came on a 38-yard aerial strike from Showers to quicksilver flanker Dale Anderson, who cut across the middle to beat the Yankton defender. Plute's second conversion made it 14-0 with 51 seconds left in the period.

The Orediggers drove to about midfield twice in the second quarter, then stifled a pair of Yankton thrusts on Tech's 35 and 17-yard lines.

Coach Bill Bobzin's team drove 53 yards midway through the period from its own 12 to the Tech 35. But a third-down-and-10

reverse play backfired for the Greyhounds. Flanker Frank Niglio ran to the right sideline, but Gunderson had the hole plugged. Niglio swung around the other way, then pitched an errant lateral to Cummings and Tech's Kermit Behnke recovered.

Wilson plifered a Showers pass at the Yankton 35 and rambled to Tech's 46. A 12-yard Cummings-to-Roger Thompson pass carried to the 34.

Then Cummings tossed a screen pass to Willie Kloewer, who ran to the 15 only to fumble. Tech's Greg Sheridan recovered the loose ball at the 17 shortly before the half ended.

A bad snap to punter Tim Schruth set up Yankton's lone touchdown with only 2:39 gone in the third quarter. Schruth was tackled at the Tech 11.

Goodman skirted left end for eight yards, then Cummings hit Niglio with a three-yard scoring pass.

The Conversion was a dandy. Holder Niglio received a bad snap from center on a fake play, then passed to Kloewer and Kloewer—still behind the line of scrimmage—shoveled a second forward pass to end Ken Michaelsen for the two-pointer.

Tech mounted two threats in the third quarter, but a 15-yard penalty foiled the first penetration and Cliff Olmstead's missed 51-yard field goal attempt ended the second.

A 15-yard unsportsmanlike conduct penalty got Tech out of a hole in the last period when the Orediggers were pinned on their own 21 with a fourth down coming up.

The Orediggers drove to the 36 before punting. Then two plays later Behnke intercepted a pass on the Yankton 38. A personal foul moved the ball to the 23.

Obstar barreled for four yards, a Showers pass fell incomplete, then Heater broke three tackles on his 20-yard touchdown jaunt with 6:23 left in the game.

The 190-pound All-American candidate raced to his left, got good blocks at the corner from fullback Nick Obstar and pulling guards Frank Smith and Mike VanDaeve, then cut inside on the touchdown trek.

Plute's kick made it 21-8 and Tech had the Copper Bowl in the bag.

	Yankton	Tech
First downs.....	13	13
Rushing yardage.....	73	185
Passes.....	9-31-2	5-10-1
Passing yardage.....	87	100
Total yardage.....	160	285
Fumbles lost.....	3	1
Penalties.....	6-70	6-60
Punts.....	8-52.7	6-46.6

Yankton.....	0	0	8	0-8
Tech.....	14	0	7	21

Tech—Heater 2 run (Plute kick).  
Tech—Anderson 38 pass from Showers (Plute kick).  
Yankton—Niglio 3 pass from Cummings (Michaelsen pass from Kloewer pass from Niglio).  
Tech—Heater 20 run (Plute kick).

TECH CAN ONLY WAIT AND SEE

Montana Tech football coach Bob Riley left no doubt what team he thinks should represent this region in the Thanksgiving Day NAIA semifinal playoffs after the Orediggers' 21-8 Copper Bowl triumph over favored Yankton College at Alumni Coliseum Saturday afternoon.

"We should be the team to represent our region," exclaimed Riley, "because I think we beat a real fine football team. I'm sure we played the next best team in our region."

The Orediggers, 9-1 for the season and 11th ranked in the most recent NAIA Division II poll, apparently must overtake unbeaten and fourth-ranked Minot (N.D.) State in next Friday's poll to receive an invitation to a national semifinal game.

Minot completed its season with an 8-0 record.

"I have no idea," replied Riley when asked about Tech's chances to get a playoff bid.

Riley preferred to discuss Saturday's victory... Kermit Behnke's key interception that led to Don Heater's game-clinching 20-yard touchdown run with 6:23 left in the game... fullback Nick Obstar's determined play despite a sprained ankle.

"The interception was a big play for us," Riley said. "Until then it was a touch-and-go ball game and I was leary of them because of their speed and because they were throwing the long ball."

"I think Obstar was the key to the offense," said Riley. "He did a good job running up the middle and blocking." The 215-pound Great Falls sophomore rushed for 34 timely yards on nine carries.

"Heater, in my mind, was a more spectacular runner than Goodman (Yankton's Les Goodman) and I think the stats prove it." Heater outrushed Goodman, 115 yards to 43 and took the national leadership away from the Yankton junior—1,622 yards to 1,621. Both ball-carriers have played 10 games, the NAIA maximum for statistical and team rating compilation.

Riley didn't hold back praise for Tech's defensive unit, which minimized Yankton's passing attack and stopped the Greyhounds' one-two running punch—Wendell Wilson (36 yards in 11 carries) and Goodman.

"It was the greatest defensive effort of any game this year," said Riley without reservation. "We did a super job of defense. They've got great backs."

"Gunderson (Brad) did a fantastic job," praised Riley. Other defenders singled out by Riley were linebackers Bob Moody and Dan Mahoney, middle guard Clay Olmstead, tackles Nick Schneider and Bobby Folsom and Dan McElroy, starting only his second game at defensive end after being a secondary regular.

"McElroy made some big plays and covered the screen very well," said Riley. Schneider and Folsom "played the greatest games I've seen them play," Riley offered. "And our secondary did a great job in support against the pass and the rush."

Riley also praised quarterback Chris Showers for doing "a good job calling the game" and the offensive line for "a tremendous job because we moved the ball against the second-leading defensive team in the nation."

"I can see why Yankton was ranked second," said Riley. "They shut us off on our option and our outside game. We had to go up the middle. We went to the middle, then we went to the outside before we established the middle. Our passing game... I think we could have completed more or at least thrown more to move the ball a little better."

GAME SIDELIGHTS

The Butte High School band performed before and during the game and at half-time.

Jim Archibald, game chairman, said some leftover tickets will be given away as souvenirs on a firstcome, first-served basis at the Montana Tech Business Office.

A friend and former teammate of Riley at Northern State College in Aberdeen, S.D., forewarned the Tech mentor Friday night about Yankton's skills.

Max Hawke, head coach of Yankton High School's state 11-man football champions, said according to Riley: "Yankton's a super defensive ball team. It's the best South Dakota team defensively in years."

Mr. SCOTT. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I am happy to yield to the distinguished minority leader.

Mr. SCOTT. Mr. President, may I have the brass to inquire as to what ore diggers do?

Mr. MANSFIELD. They dig for ore, as the designation indicates. There are a few shaft mines left in Butte. There is a large pit there which is rapidly expanding and changing the landscape.

When I went to the School of Mines, now Montana Tech, most of the students worked nights in the mines so that they could get practical as well as technical training.

Mr. SCOTT. I ask unanimous consent for 2 additional minutes in order to address a question to the majority leader.

Mr. MANSFIELD. The Senator means that he wants to leave this important subject?

Mr. SCOTT. With reluctance.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

**LEGISLATIVE PROGRAM—ORDER FOR ADJOURNMENT FROM TODAY TO MONDAY, NOVEMBER 23, 1970**

Mr. SCOTT. Mr. President, I ask the majority leader, after the action on the veto message on Monday on campaign expenditures, what he has in mind as to future legislative business.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, when the Senate adjourns today, it adjourn to noon on Monday next.

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

Mr. MANSFIELD. Mr. President, it is anticipated that the final vote on the HEW appropriations bill, if in order, will take place after the vote on the question of overriding the President's veto.

A few items on the legislative calendar will then be eligible for consideration. Possibly, though not definitely yet, the Senate could consider the so-called consumer class action bill, although I would anticipate that perhaps the transportation bill might come in ahead of that.

I will keep the distinguished Republican leader informed of all developments. I will not make the mistake again of not attending to that particular courtesy which is mutual between the two leaders.

Mr. SCOTT. The majority leader is always thoughtful and courteous.

I asked the question so that the Record would show, for the benefit of all Senators, what matters are likely to come up.

**LET US RECOGNIZE COMMUNIST CHINA—THE WORLD'S LARGEST NATION**

Mr. YOUNG of Ohio. Mr. President, during the past years on a number of occasions in the Senate I have urged that our Government open diplomatic relations with Communist China. I have said that we should offer to open a U.S. Embassy in Peking fully staffed and invite the Government of mainland China or Communist China to be represented in

Washington by an ambassador and an embassy staff.

Very definitely, Mr. President, we Americans should engage in commercial relations with Communist China. Our neighbor, Canada, has been selling hundreds of millions of bushels of wheat over recent years to this nation of 800 million people. Not only Canada but the United Kingdom, West Germany, and other European nations have maintained commercial and diplomatic relations with Communist China. Now Italy has also established diplomatic ties with Communist China.

Last year Canada exported 61,586,000 bushels of wheat for which Canadian wheatgrowers received \$119,776,000 in cash. In 1968, Canada sold and shipped to Communist China 78,893,000 bushels of wheat for which Canadian wheatgrowers received nearly \$158 million in gold—cash on the barrelhead. During this same period—1968 and 1969—the West German Republic had freighters going back and forth to ports in Communist China exporting \$335 million of West German products, receiving payment in gold. Also, during this same period the exports to West Germany from Communist China were but a fraction of this amount. So the West Germans profited while a shortsighted policy denied similar profitable trade to Americans. Other nations who are our friends and allies likewise profited by continuing export and import trade with Communist China. For example, during this same 2-year period the United Kingdom exported to Communist China products for which the Chinese Government paid in gold more than \$200 million.

Over the years since the end of World War II, we Americans have been at a disadvantage because we have withheld diplomatic relations with Communist China. Furthermore, we have deprived ourselves of a listening post at Peking. We have been forced to observe what is going on in Communist China through our consul general at Hong Kong. There is no valid reason to continue this shortsighted policy.

The rulers of the Kremlin and the rulers of Peking have been denouncing each other for many months now. Yet, those lunatic fringe extremists in our country who desire to return to the witchhunting, Communist-fearing days of Joe McCarthy still send out utterly false propaganda of a monolithic international Communist conspiracy on the part of the two great Communist nations, China and the Soviet Union. Time and events have proven how wrong these witchhunters have been.

With those two huge Communist nations on the outs we have much to gain and nothing to lose by maintaining regular diplomatic and commercial relations with China. The wheatgrowers of rural America in the Midwest and in the wheatlands of the West would greatly profit by selling and shipping millions of bushels of wheat to Chinese ports. In return all Americans would profit as the handicraft products from China would be shipped into this country, as well as

their raw silks, hides, skins, feathers, textiles, and light manufactured goods.

It has been apparent to officials in all of the capitals of the world that for many months now there have been warlike confrontations between the armed forces of the Soviet Union and Communist China along that 6,500-mile common border separating these two great Communist nations. It is well known that sporadic fighting has occurred along the common border in many places and that the Soviet Union has in recent months withdrawn from Eastern Europe many divisions of its armed forces.

Presently, 45 divisions of Soviet soldiers have been brought to the east and are deployed along the Chinese border. That is a total of nine armies of Soviet soldiers—infantry, cavalry, artillery, and air forces—along the 6,500-mile common border where fighting has been going on for months and many Chinese and Russians have been killed and wounded.

Mr. President, there can be no valid argument against opening regular diplomatic relations with Communist China and initiating commercial relations which will bring in hundreds of million of dollars in gold for American wheat and other products of our farms and factories and further enriching our country with the import of handicraft, furs, and other products from the Chinese. This would also be another small step forward toward permanent peace.

Mr. President, the establishment of a workable relationship with the Government of mainland China is one of the most important problems facing our Nation today. The facts are that from late 1965 to this good hour I have advocated that the United States follow the example of the United Kingdom, France, Canada, Italy, and other nations, and recognize the Government of Communist China, instead of relying on Hong Kong as a listening post and observatory into the vast area of mainland China which has nearly one-fourth of the world's population. Following recognition, we should invite that nation to open an Embassy in Washington and we then open and maintain an Embassy in Peking. The time for such diplomatic exchange is long past due.

Just recently, after nearly 2 years of secret negotiations, Italy and China recognized each other and agreed to establish diplomatic relations. Only 3 weeks earlier, Peking had reached a similar agreement with Canada. Italy was the seventh of NATO's 15 members to recognize Peking, the others being Britain, France, Canada, the Netherlands, Denmark, and Norway. This places half of Washington's closest allies in direct opposition to U.S. policy on China. Belgium, another NATO member, is expected to recognize the Peking regime shortly, as are Austria and Chile. All together, 49 countries now recognize the Peking regime as China's legitimate Government. I ask unanimous consent that the complete list be printed in the Record at this point as a part of my remarks.

There being no objection, the list was

ordered to be printed in the RECORD, as follows:

LIST OF COUNTRIES WHICH RECOGNIZE  
COMMUNIST CHINA

U.N. MEMBERS

Afghanistan, Albania, Algeria, Bulgaria, Burma, Cambodia, Ceylon, Congo (Brazzaville), Cuba, Czechoslovakia, Denmark, Finland, Canada, Equatorial Guinea, and Italy. France, Guinea, Hungary, India, Iraq, Kenya, Laos, Mali, Mauritania, Mongolia, Morocco, Nepal, U.S.S.R., Yemen, and Yugoslavia. Netherlands, Norway, Pakistan, Poland, Romania, Somalia, Southern Yemen, Sudan, Sweden, Syria, Tanzania, Uganda, United Arab Republic, United Kingdom, and Zambia.

NON-U.N. MEMBERS

East Germany, North Korea, North Vietnam, and Switzerland.

Mr. YOUNG of Ohio. Our Embassy in the Soviet Union provided a valuable listening post and furnished us with much information during the Stalin regime when Russia was a closed society. Yet there were, and are, stupid rightwing extremists including members of the John Birch Society or "Birchsaps," who all along denounced our recognition of the Soviet Union.

With Red China exploding crude nuclear weapons and engaging in serious border fighting with the Soviet Union along their 6,500-mile common border, a U.S. Embassy in Red China would undoubtedly be of great value to us. If the administration is seriously interested in normalizing relations with China—and I believe the administration is seriously interested—it should take steps toward entering into meaningful diplomatic and economic relations with the Peking government. Should the arrogant Communist dictators of China rebuff that effort, their refusal would result in a propaganda victory for the United States.

The Peking government has been the duly constituted and permanent Government of mainland China for more than 20 years. It has governing authority over some 800 million men, women, and children—nearly one-fourth of the world's population. Red China unquestionably exists and just as unquestionably will continue to exist, immensely more powerful, 5 years from now. In spite of this fact, we continue to pretend that Red China is not there and that perchance some miracle will happen to solve this perplexing problem.

Furthermore, it is folly to believe that mainland China is ever going to be conquered by Chiang Kai-shek's little army of many generals and no combat experience, in virtual exile on Formosa, protected by our airpower and 7th Fleet. I have been in Taiwan, and I know the facts there. We have for 19 years been supporting that corrupt and boastful old warlord, Chiang Kai-shek. When he was driven from the Chinese mainland in the civil war, he sought a haven in Formosa for himself and his beaten army. Almost immediately his army massacred some 17,000 unarmed Formosans. With our help he then established himself in power. His government is a puppet government of the United States.

Despite the boasts in the mid-1950's of

Secretary of State John Foster Dulles and those in the China lobby about unleashing Chiang Kai-shek to reconquer the mainland, it has been and is our 7th Fleet and airpower and more than \$20 billion of American taxpayers' money that has maintained this Nationalist Chinese Government, so-called, on the island of Taiwan.

Leaders of Communist China have in the past expressed disinterest in joining the United Nations. However, the United States should urge the chiefs of state of those nations which have heretofore recognized Red China and are presently enjoying lucrative trade with that huge nation to join with us in offering it a place in the United Nations. We have been too myopic in completely disregarding Communist China or in treating this huge country as an outlaw.

Ambassador Edwin Reischauer, former Ambassador to Japan and one of our great Asiatic experts, has been proposing for some years that our Government accord recognition to Communist China and sponsor its admission to the United Nations.

American producers and consumers suffer due to our failure to trade with Communist China. Why stand alone in refusing to recognize a stable government which has existed for more than 20 years and rules one-quarter of the people of the world?

Mainland China is a great nation of 800 million people. It is my understanding today that the United Nations is giving consideration to the admission of Red China. It would be a good thing for the entire world if mainland China were admitted to the United Nations.

CONGRESS SHOULD REJECT SECRETARY LAIRD'S REQUEST FOR A HIGHER MILITARY BUDGET NEXT YEAR

Mr. PROXMIER. Mr. President, Secretary Laird said Tuesday night in a speech to the Economics Club of New York that the administration would be seeking an increase in the Defense budget next year. Pentagon officials have said that the Pentagon would be asking for a budget somewhere between \$74.5 and \$77 billion.

But unless the world situation changes dramatically, there will be no excuse for an increased military budget in the coming year. The Secretary's request is excessive. It will meet stiff resistance in Congress and from the American people. It should be rejected.

DEFENSE BUDGET SHOULD COME DOWN

Instead of going up, our defense budgets should be coming down. I expect to do all I can as a Senator to cut military spending sharply in the coming year. Here's why the Pentagon budget should come down.

Over the last 5 years, the United States has spent about \$385 billion or an average of \$77 billion a year on defense. The incremental costs of the Vietnam war have averaged in the neighborhood of about \$17 billion a year during the same period. We, therefore, have spent an average of \$60 billion a year or a total of

\$300 billion for non-Vietnam strategic and general purpose forces.

Meantime the Soviet Union, according to the best estimates of the Institute of Strategic Studies in London, has spent in comparable dollars about \$40 billion a year on defense. In other words, not even counting Vietnam, the United States spends \$20 billion a year or 50 percent more on defense than does the Soviet Union. In the 5 fiscal years from 1966 through 1971, the United States has spent \$300 billion for its non-Vietnam forces while the Soviet Union has spent only \$200 billion. If the costs of the Vietnam war are counted, we have spent almost twice as much per year over the past 5 years as has the Soviet Union for defense.

If in these circumstances, given the great lead in military power we had at the beginning of the period, the Soviet Union is now said to be a greater military threat to us than it has been in the past, then either one of two things is true.

EXAGGERATED SOVIET MILITARY POWER

The first possibility is that the military has greatly exaggerated the Soviet threat. This is very possible. They constantly use "scare techniques." They continually tell us that the Soviets are 10 feet tall. Their propaganda machine is always leaking alleged secret information giving the Soviet Union a lead in this category or that category, usually by some date far into the future. In their competition for more money or for their favorite weapon, the individual services vie with one another in exaggerated claims of Soviet superiority. On the whole, I believe this is what has happened. Seldom do we see a balanced view of the overall comparative military strength of the Soviet Union and the United States. Instead the individual services press selected panic buttons to justify their bloated budgets or to get more money.

INCREASED NOT JUSTIFIED ON SECOND GROUNDS

The other possibility is that there is such vast waste and inefficiency in the Pentagon that the Soviet Union buys twice as much defense for an equivalent dollar as we do, or that we buy half as much defense for an equivalent dollar as they do. If after spending almost \$400 billion for defense over the last 5 years, compared with \$200 billion for the Soviet Union, they now threaten us in a way they have never threatened us before, then some heads should roll in the Pentagon. If that is true, and I emphasize "if," the service chiefs should be retired, the procurement officials should be cashiered, and a few high ranking officials court martialed for misfeasance, malfeasance, and dereliction of duty. Of course it is not true and these drastic actions need not be taken. While there is vast waste and inefficiency in the Pentagon, I do not believe nor have I ever charged, that it was so vast and so extensive that the Pentagon has squandered all of the \$200 billion we have spent in the last 5 years in excess of the amount the Soviet Union has put into their military budgets.

Thus, while procurement must be reformed, and waste at the Pentagon eliminated, I do not accept the argument that the Pentagon has wasted \$40 billion a year. I have never made such a charge. But unless one does accept that unacceptable proposition, the Pentagon cannot justify an increase in next year's military budget.

#### WHY NO SAVINGS FROM CUTS?

A second reason we should cut back on the military budget next year involves Pentagon credibility. We have had reams of Pentagon press releases telling us that the military budget is going down. Announcements are made that ships have been mothballed, troops have been cut, contracts have been canceled, and civilians at the Pentagon laid off. The Vietnam war has been deescalated. We have shifted from a 2½ war contingency to a 1½ war contingency. All of this should bring very large cuts in the military budget.

But instead now we are told that next year the defense budget will go up by \$1 to \$3.5 billion. It is time the public and the taxpayer got actual cash savings instead of public relations cuts in defense spending.

#### WHERE CUTS CAN BE MADE

Where can the cuts in next year's budget come?

After making reasonable allowances for increase in the pay of both civilian and military personnel, allowances for inflationary increases in the costs of what the Pentagon buys, the heavy cost of a continuing technological arms race, and for a reasonable modernization program of Navy ships, next year's military budget should be significantly less than this year's military budget. The costs of the Vietnam war have declined. The President has announced a continuing reduction in our Vietnam commitment. This should save \$6 to \$7 billion in the coming year even if a residual level of U.S. combat should continue in Vietnam in fiscal 1972.

The American taxpayer has a right to some of the savings from Vietnam.

#### NATO COMMITMENT

Another area which should bring a reduction in military expenditures is the cost of our NATO commitment. While providing the nuclear umbrella and the major sea power component for the defense of Europe, the United States should significantly reduce its manpower on the continent of Europe and insist that our NATO allies absorb some greater share of this obligation. Over a reasonable period of time we should reduce our manpower from 300,000 to 100,000 men in NATO. They should be brought home and discharged. While not all of the savings can occur immediately, some progress toward this goal should be made this year. The cost of our NATO commitment should go down, not up, in fiscal year 1972. A modest withdrawal of 20 to 25 percent of our troops from Europe could save an additional \$2 billion.

#### RETURN TO PRE-VIETNAM FORCE LEVELS

We now have 3 million men under arms. Before Vietnam we had only 2.5 million in the services.

We should insist that the pre-Vietnam

level be reached as soon as possible. For every 100,000 men actually discharged, a \$1 billion savings takes place. Here is fertile ground for military cuts. Further manpower reductions of half a million could save another \$5 billion. There is no reason why we should not return to the pre-Vietnam manpower level of 2.5 million.

There are many other areas of potential savings, but the savings I have suggested would be \$13 to \$14 billion. Recognizing the inflationary burden our military must meet, and the heavy cost of a continuing technological arms race, it would be impractical to expect all of this savings to be realized, but certainly it should be possible to continue to have the supreme military force in the world with a military budget of \$60 to \$65 billion instead of \$70 to \$75 billion in the coming year.

#### OTHER AREAS

There are other areas where savings could be made. Procurement, by the admission of Secretary Packard, is in a mess. Reforms are long overdue there. We have over 400 major and almost 3,000 minor bases scattered in 30 countries throughout the world. These should be pared.

We should cut back on duplicate weapons systems, such as is found in the tank program. Some weapons for which the military is pushing are redundant. The B-1 bomber, the AWACS program, and the attack carriers are examples.

The time has come when the Pentagon should substitute performance for promise in reducing the military budget. An increase in military spending is outrageous. A big cut is an absolute necessity.

#### INTERNATIONAL COOPERATION REQUIRED AGAINST GENOCIDE

Mr. PROXMIER. Mr. President, just 2 days ago I spoke of the need for greater international cooperation. Since my statement, the world has witnessed the cooperation of nations of various ideologies that contributed food and medical aid to the country of East Pakistan. This natural disaster of mammoth proportion has caused all of us to put aside our differences and rush to the aid of this country.

I think it is important that we do this, but it is unfortunate that it takes a crisis of this proportion to cause the nations of this world to act together for a common cause.

History has shown that this is far too often the case. For example, it was the crisis produced by the acts of genocide by Nazi Germany that resulted in the creation of the Genocide Convention.

It is far better to act now, in a time when a crisis is not at hand, than to wait until we are in the midst of another catastrophic situation.

It is obvious to me that all the nations of the world can cooperate, as we have seen by the events of the past week. We now have the opportunity to show our willingness to extend this cooperation by ratification of the Genocide Convention in the near future. I do not think that we need events similar to World War II to prod us into action. I urge the Senate

Foreign Relations Committee to bring the Genocide Convention to the floor of the Senate for consideration.

#### THE VIRTUE OF HOPE

Mr. BROOKE. Mr. President, even in the darkest hours of winter there is always the knowledge that spring's arrival is inevitable. Thus it must be for the families of American prisoners of war held in North Vietnam.

The hours and months and years of their waiting have been bleak and dark. Yet each of these families has clung to the expectation that someday the clouds of worry and concern will be cleared away by a final breakthrough that will bring them welcome news of their loved ones.

Efforts are being made at Paris and elsewhere in the world to bring a ray of rationality into the problem of American prisoners now held. The occasional apparent softening of the Communist position, the indication of promise which is as quickly dashed, shows that we must do more than hope and wait; we must work constantly to build world opinion, and to bring that opinion to bear upon the inhumane leadership of North Vietnam. Through such a course, slow though it may be, we can see chances of success and chances for a final reunion between the men and their families.

And in the meantime, every day they further delay a humane resolution of the problem, the leaders of North Vietnam show themselves to the world for the conscienceless creatures they are.

#### INTERNATIONAL RELIEF ESTABLISHMENT

Mr. KENNEDY. Mr. President, for several days journalists and photographers have been dispatching to an uncomprehending world the cold, appalling facts of the awesome calamity in East Pakistan: a rising death rate in the tens of thousands, some estimates go as high as more than a half million; at least a million survivors, the bulk of them homeless; hunger and disease, ruined fields and severed communications; and urgent appeals for help by the Pakistani Government which have brought a high level of international handwringing, but a relief effort which has hardly scratched the surface of need.

Admittedly the situation is difficult. Some contradictory information is coming out of the area on the scope of relief needs. Regrettably the facts are not all in.

But I think the record is clear enough on at least a couple of items.

First of all, Mr. President, the effort to bring emergency aid to the people of East Pakistan so savagely caught in the recent cyclone and tidal wave is another link in the chain of badly managed international relief efforts. I do not say this in criticism of the Red Cross and other international agencies which are traditionally identified with international relief efforts. Reports indicate that those agencies currently involved in Pakistani relief are doing the best they can. But

the fact remains that there is no broadly based impartial and continuing mechanism—under international auspices—to render massive emergency assistance to populations ravaged by natural disaster, let alone armed conflict. The agencies which do exist—such as the Red Cross—are too often hampered by mandates, tradition, political or regional associations, and limited capabilities.

What is sorely needed today in the world community is a viable international humanitarian alliance along the lines I proposed early in 1969—a United Nations Emergency Relief Service. I am happy to report that the proposal has a great deal of support, and, in fact, the Secretariat of U.N. now has an office to begin work in this area of concern. But as the Pakistani disaster so graphically underscores, this office does not have the full capability to carry out its mission. Just a few days ago, for example, it was reported to me that no funds are available to operate the office. Perhaps the Pakistani situation will produce these funds.

The second item on which the record is clear, Mr. President, is the simple fact that our own Government—in responding to the vast human need in Pakistan—has once again engaged in grandstanding and tokenism.

One would think that after the fiasco in American relief efforts in various parts of the world, most recently in Peru, steps would have been taken so that we could more effectively respond to human need.

Why is it that we have the time and energy to draw up contingency plans for the shipping of whole armies from one continent to another—for the dispatching of military air support anywhere in a matter of hours—and we do not have the time and energy to draw up plans to meet the vast needs of people struck by natural disaster?

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. KENNEDY. I ask unanimous consent that I may proceed for 5 additional minutes.

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

Mr. KENNEDY. Why is it that when our real or alleged security is threatened, we can consult governments and send our representatives all over the world to gain support, but when a people in need cries out for our help we suddenly find ourselves incapacitated?

Why is it that when we have thousands of helicopters all over Southeast Asia, and, really, only a few miles from the disaster area in East Pakistan, only two helicopters from Nepal have been committed to the relief effort?

Inevitably, Mr. President, on the policy level, all this raises anew the question of the priority which our Government attaches to humanitarian problems. We freely use our influence and power in many ways and for many ends. But the power to heal, to salvage and rehabilitate the victims of natural disaster—and war—is not being exercised in a measure commensurate with other uses of our power or the needs of today.

And on the practical level it points anew to the lack of a focal point in our Government's bureaucracy for the handling of humanitarian questions. This is why just a year ago the judiciary subcommittee on refugees, which I serve as chairman, recommended the creation of a bureau of social and humanitarian services within the Department of State—and why I wrote a letter to President Nixon on September 17, submitting a detailed proposal to accomplish this objective.

Mr. President, like so many massive human tragedies in recent times—in Peru, Iran, Tunisia, Yugoslavia, and elsewhere—the devastation in East Pakistan today was brought about by the forces of nature, and not political conflict or civil war. Again the problem is simply one of people in need.

Perhaps the calamity is too extensive to meet every need this week or next.

But I share the feeling of many Americans—and people throughout the world who care about their fellowmen—that the effort must be made. Hopefully, it will be.

And let the United Nations and individual governments, including our own, speedily move ahead with those long-term constructive efforts already underway, so as to help reduce the human suffering and death brought by the forces of nature, which will surely strike elsewhere in the time to come.

#### FREE TRIP TO EUROPE ON UNCLE SAM

Mr. YOUNG of Ohio. Mr. President, recently the wife of an army captain stationed in Ettlingen, Germany, wrote expressing complete agreement that most of 300,000 U.S. forces stationed in Europe should be returned home or sent to Southeast Asia. Also, most of the 20,000 American civilian employees. She writes:

While personally delighted to be stationed in Europe, the presence of dependents totaling hundreds of thousands is a disgusting waste of tax dollars . . . Most of the dependents in this area remain abroad for approximately 18 months. The cost of transportation, housing, educating the children and in other ways providing for the dependents is staggering.

To cite but one example she wrote:

There are 10 physicians in our area and eight of these medical men work exclusively devoting practically all of their time treating dependents of American officers and men of our armed forces. Add to the salaries of the doctors the secretarial and nursing care and the physical plants to maintain all of these medical men and their staffs, this adds up to a huge sum in millions of dollars for medical care alone.

This lady concludes her letter with the statement:

Our country has many pressing fiscal needs and should eliminate what is termed "the free trip to Europe on Uncle Sam."

If there is any threat of sudden Soviet aggression, then definitely, our draftees should be sent to Europe for 13 months duty, no dependents. Then send our career soldiers home or to Southeast Asia; and, of course, send all the

dependents home and out of Europe without further delay.

#### LOBBYISTS FROM THE WHITE HOUSE

Mr. YOUNG of Ohio. Mr. President, President Nixon and White House staffers are engaging in a large-scale lobbying effort to boost the annual pension for ex-Presidents from \$25,000 to \$60,000 and to increase the pensions of the widows of former Presidents, all of whom are in affluent circumstances. This is an intensive, but a hush-hush, lobbying action.

It has been so effective that the Congress without much, if any, debate, may give in.

I intend to be extremely watchful on this subject, but it is physically impossible for me to be on the floor of the Senate at all times, and I am calling attention to that pending bill, hoping that if it should pass the other body, it will be stopped here.

Mr. President, 8 percent of the salary of every Member of Congress—Senator and Representative—is deducted for retirement. No deductions have ever been made from the presidential salary, now \$200,000 per annum.

Incidentally, that salary was increased 100 percent by this Congress, and I am glad to say that I voted for the amendment which would have increased President Nixon's salary from \$100,000 to \$150,000. That was defeated.

No Ohio constituent has ever written me objecting to that 100 percent increase for President Nixon's salary, but constituents have written finding fault with the fact that Senators and Representatives received an increase in their salaries at a time of ever-expanding and seemingly uncontrollable inflation.

The ACTING PRESIDENT pro tempore. The Senator's 3 minutes have expired.

Mr. YOUNG of Ohio. I ask unanimous consent to proceed for an additional 5 minutes.

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

Mr. YOUNG of Ohio. No deductions have ever been made from President Nixon's salary. Therefore, there is no question that this is an out-and-out \$60,000 yearly pension that is sought.

White House lobbyists claim that both President Nixon and former President Johnson really do not need this additional money. They say they urge this because they are so sorry that former President Harry Truman really needs it.

President Truman is in modest financial circumstances, but he says that he and Mrs. Truman are happy and enjoying life. He says they are getting along just fine. He could care less about this White House proposal. Someone seems greedy for more money every year as a pension; and it is not Harry S. Truman.

#### THE DOUBLE WOUNDS OF WAR

Mr. YOUNG of Ohio. Mr. President, a column appeared in the New York Times of October 19, 1970, entitled "The Double

Wounds of War," written by Herbert Mitgang. The column addressed itself to the plight of the men of our Armed Forces wounded in a war in Southeast Asia in countries 10,000 miles or more distant from our shores. This is an undeclared, immoral, unpopular war recently expanded and escalated under direction of President Nixon without any authorization or declaration of war by the Congress.

In any war, killing and death are commonplace. Our unpopular war in Southeast Asia has been costly in the loss of priceless lives of young Americans and at an expenditure of billions of dollars every month. This tremendous sum of money should have been applied to urgent needs at home and to end hunger in America. That so many seriously wounded GI's have survived is in large part due to the tremendous advance of medical science and scientific knowledge and skills during the past 20 years. The fact is that more than 320,000 of our finest young men have been wounded, many of whom have been maimed for life. In World War I, 204,000 soldiers were wounded. In the World War II, 670,000 were wounded.

In the Korean conflict 103,000 were wounded. In this tragic and immoral war in Southeast Asia many of our GI's are saved from certain death due to prompt evacuation by helicopter and to the tremendous advances of medical science during the past 20 years. These air ambulances speed our wounded soldiers to excellent medical facilities in the rear and from thence to U.S. military hospitals in Okinawa, Clark Air Base near Manila, in Guam, or to military hospitals in the continental United States. This is as it should be. In fact, the prospect of survival from battlefield wounds is very much greater now than were the prospects for survival of American fighting men in any previous wars. However, the wounds being suffered are indeed grave due to the advanced weapons and guerrilla tactics being employed.

Mr. President, the percentage of disability from the impairment of sense organs is the highest ever incurred—14.27 percent. Likewise, the percentage of disabilities leading to the amputation of an arm or a leg is the highest ever incurred—28.34 percent.

One would expect these wounded soldiers to receive the same level of medical care once back in the United States. However, this is not the case. The fact is, President Nixon recently vetoed needed funds, specifically \$105 million, appropriated for Veterans' Administration hospitals. Second, and more important, hospital conditions and facilities are totally inadequate. The hospitals are overburdened and lacking in adequate trained nurses. Mr. Mitgang cites one hospital having only one night nurse for 90 paraplegics. A disgraceful situation.

It is hypocritical to send our draftees to fight in a faraway country to allegedly protect our national interests, but find it not in our national interest to give our wounded GI's the excellent medical treatment they have earned and rightly deserve. The President has callously made our brave wounded soldiers politi-

cal sacrifices to his problems with the economy.

Mr. President, I ask unanimous consent that the splendid column by Mr. Herbert Mitgang to which I have referred be printed in the RECORD at this point.

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

#### THE DOUBLE WOUNDS OF WAR

(By Herbert Mitgang)

In another autumn of war without fanfare in Vietnam, the chances of an American soldier getting wounded, and surviving with a broken body, still remain very high. Despite an encouraging drop in battlefield deaths, Vietnam by its very nature continues to be a dangerous, bloody war. The dimensions of America's own "body count" cannot be buried by Vietnamization or optimistic rhetoric.

In the week in which the President made his latest peace proposals, 666 Americans were wounded in action. The usual listing of American deaths stresses that the killed-in-action ratio is dropping. That, fortunately, is true; but it still leaves about fifty deaths reported in an average "good" week. And that does not include about 200 South Vietnamese and 1,200 North Vietnamese and Vietcong who die weekly, much less the civilians who are maimed without statistics.

The wounded are a telltale of the steady toll exacted by guerrilla tactics. In general, about seven times as many American soldiers are wounded as are killed. The figures show that the brunt of the casualties—killed and wounded—are taken by draftees rather than Army regulars. They are up front.

Recently, most of the wounded have been put out of action in the contested northern provinces of South Vietnam. Heavy patrolling even without major operations has meant more wounded caused by the twin perils of mines and booby traps. Sniper and mortar fire by small enemy forces against distant base camps can be kept up indefinitely, adding to the wounds of surprise.

The continuing perils in total casualty terms are reflected in comparative figures for this and other twentieth-century wars. In the First World War 53,400 Americans were killed and 204,000 wounded; in the Second, 291,500 were killed and 670,000 wounded; in Korea, 33,600 were killed and 103,000 wounded; in Vietnam, 43,800 have been killed and over 290,300 wounded—so far.

For the wounded, chances of rescue from the battlefield are greater by some 10 per cent over previous wars; that is the Pentagon way of looking at the wounded. The unofficial way is sadder in human terms. For example, percentage disabilities for impairment of sense organs were 5.60 in World War II, 10.81 in Korea and 14.27 in Vietnam. Wounded Army personnel separated for disability as a result of amputations of arms and legs were 18.02 per cent in World War II, 21.64 in Korea and 28.34 in Vietnam.

Saved, but at a terrible and continuing cost.

Ironically, while the demands of war are endless for the youth called upon to risk their necks and limbs there, the wounded are not assured of receiving the utmost in medical care once back in the United States. The most severe blow was struck two months ago, not on the battlefield but by the White House, when President Nixon vetoed a Senate-House effort to appropriate an additional \$105 million specifically for Veterans Administration hospitals.

"The war against inflation must not be fought in the wards and clinics of our veterans hospitals," says Senator Alan Cranston of California, chairman of the Veterans Affairs subcommittee. He and Representative

Olin Teague of Texas, chairman of the House Veterans Affairs committee, have been exposing the sorry conditions that have resulted in inadequate medical care because of shortages in funds and personnel. They still hope that Congress will persist for the sake of the wounded Vietnam veterans.

The hospitals are overburdened because neither President Johnson nor President Nixon anticipated the human price of the war. Helicopter rescue and evacuation and support hospitals backing up field doctors have enabled many men half-dead to live to tell their tales. But it is another story on this end, especially for those needing long and careful rehabilitation. Going through Kingsbridge Veterans Hospital in the Bronx, Representative Lester Wolf of New York found only one night nurse to cover ninety paraplegics.

No matter how one feels about the Vietnam war, its victims deserve the respect of superior medical care. Of course, the conditions for the wounded cannot be detached now and in the future from the war itself. That is why Senator George McGovern of South Dakota, trying to fix a timetable to end the casualty lists, made an impassioned plea to his colleagues and countrymen:

"Every Senator here is partly responsible for that human wreckage at Walter Reed and Bethesda Naval and all across our land— young men without legs, or arms, or genitals, or faces, or hopes. There are not very many of these blasted and broken boys who think this war is a glorious venture."

And he ended with an admonition for today by Edmund Burke: "A conscientious man would be cautious how he dealt in blood."

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative 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 (Mr. EAGLETON). Without objection, it is so ordered.

#### REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. SCHWEIKER, from the Committee on Armed Services, without amendment:

H.R. 15216. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the World Jamboree of Boy Scouts to be held in Japan in 1971, and for other purposes (Rept. No. 91-1350).

#### BILLS INTRODUCED

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

By Mr. YARBOROUGH:  
S. 4524. A bill to prohibit brokered deposits in banks and other financial institutions, to prohibit the use of so called giveaways in the solicitation of deposits, and to prohibit lenders from acquiring equity participations in connection with loans, and for other purposes; to the Committee on Banking and Currency.

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

By Mr. HOLLAND:

S. 4525. A bill to amend the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, so as to authorize certain grapefruit marketing orders which provide for an assessment against handlers for the purpose of financing a marketing promotion program to also provide for a credit against such assessment in the case of handlers who expend directly for marketing promotion; to the Committee on Agriculture and Forestry.

By Mr. SCHWEIKER:

S. 4526. A bill for the relief of Dinh Son Vu (Peter Vu) and Thi Thuy Vu (Maria Vu); to the Committee on the Judiciary.

By Mr. HART:

S. 4527. A bill for the relief of Tomas Espinoza Luz; to the Committee on the Judiciary.

**SENATE RESOLUTION 485—SUBMISSION OF A RESOLUTION AUTHORIZING PRINTING OF A REPORT ENTITLED "A UNIVERSITY VIEW OF THE FOREST SERVICE" AS A SENATE DOCUMENT**

Mr. METCALF submitted the following resolution (S. Res. 485); which was referred to the Committee on Rules and Administration:

*Resolved*, That there be printed with illustrations as a Senate document a report, "A University View of the Forest Service," prepared at the request of Senator Lee Metcalf by a Select Committee of the University of Montana, together with related materials, and that there be printed ten thousand additional copies of such document for the use of the Committee on Interior and Insular Affairs.

**NOTICE OF CHANGE OF DATE FOR LEAD-BASED PAINT HEARINGS**

Mr. YARBOROUGH. Mr. President, I would like to announce that the hearings originally announced on lead-based paint elimination for next Tuesday, November 24, 1970, will be held one day earlier, on next Monday, November 23, 1970.

The hearings will still be at 10:15 a.m. in room 4232 New Senate Office Building and will concern themselves with H.R. 19172 and S. 3216.

**BIG THICKET NATIONAL PARK AND GULF ISLANDS NATIONAL SEASHORE—NOTICE OF HEARINGS**

Mr. BIBLE. Mr. President, on behalf of the Subcommittee on Parks and Recreation of the Senate Interior Committee, I announce that public hearings have been scheduled for Tuesday, November 24, 1970, on S. 4, a bill to establish the Big Thicket National Park in Texas and S. 4149, the bill to provide for the establishment of the Gulf Islands National Seashore.

The hearings will be held in the Committee on Interior and Insular Affairs room 3110 New Senate Office Building, and the Big Thicket hearing will begin promptly at 10 a.m., with the hearing on the Gulf Islands National Seashore beginning at 11 a.m. It is requested that interested Members of Congress or the public who wish to be heard on S. 4 and S. 4149 please contact the Interior Committee staff.

**ADDITIONAL STATEMENTS OF SENATORS**

**WITHOUT THE RULE OF LAW, FREEDOM IS IMPOSSIBLE**

Mr. MANSFIELD. Mr. President, over the past month or so, our friend and neighbor to the north, Canada, has been undergoing a grave crisis.

It is fortunate, indeed, that Canada has as its guiding force in these troubled times a man of integrity, patriotism, and dedication in the person of Pierre Elliott Trudeau. He has faced up to his responsibilities with vigor and realism; and, as he stated:

Those who gain power through terror rule through terror.

Mr. President, I ask unanimous consent that the text of Prime Minister Trudeau's televised address to the people of Canada on October 16, 1970, as published in the *Albertan*, of Calgary, Alberta, on October 19, 1970, be printed in the *RECORD*.

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

**WITHOUT THE RULE OF LAW, FREEDOM IS IMPOSSIBLE**

I am speaking to you at a moment of grave crisis, when violent and fanatical men are attempting to destroy the unity and the freedom of Canada. One aspect of that crisis is the threat which has been made on the lives of two innocent men. These are matters of the utmost gravity and I want to tell you what the government is doing to deal with them.

What has taken place in Montreal in the past two weeks is not unprecedented. It has happened elsewhere in the world on several recent occasions; it could happen elsewhere within Canada. But Canadians have always assumed that it could not happen here and as a result we are doubly shocked that it has.

Our assumption may have been naive, but it was understandable; understandable because democracy flourishes in Canada; understandable because individual liberty is cherished in Canada.

Notwithstanding these conditions—partly because of them—it has been demonstrated now to us by a few misguided persons just how fragile a democratic society can be, if democracy is not prepared to defend itself, and just how vulnerable to blackmail are tolerant, compassionate people.

Because the kidnappings and the blackmail are most familiar to you, I shall deal with them first.

The governments of Canada and Quebec have been told by groups of self-styled revolutionaries that they intend to murder in cold blood two innocent men unless their demands are met. The kidnappers claim they act as they do in order to draw attention to instances of social injustice.

But I ask them whose attention are they seeking to attract? The government of Canada? The government of Quebec?

Every government in this country is well aware of the existence of deep and important social problems. And every government to the limit of its resources and ability is deeply committed to their solution. But not by kidnappings and bombings. By hard work.

And if any doubt exists about the good faith or the ability of any government, there are opposition parties ready and willing to be given an opportunity to govern. In short, there is available everywhere in Canada an effective mechanism to change governments by peaceful means. It has been employed by disenfranchised voters again and again.

Who are the kidnap victims? To the victims' families they are husbands and fathers. To the kidnappers their identity is immaterial. The kidnappers' purposes would be served equally well by having in their grip you or me, or perhaps some child.

Their purpose is to exploit the normal, human feelings of Canadians and to bend those feelings of sympathy into instruments for their own violent and revolutionary ends.

What are the kidnappers demanding in return for the lives of these men? Several things. For one, they want their grievances aired by force in public on the assumption, no doubt, that all right-thinking persons would be persuaded that the problems of the world can be solved by shouting slogans and insults.

They want more. They want the police to offer up as a sacrificial lamb a person whom they assume assisted in the lawful arrest and proper conviction of certain of their criminal friends.

They also want money. Ransom money. They want still more. They demand the release from prison of 17 criminals, and the dropping of charges against six other men, all of whom they refer to as "political prisoners."

Who are these men who are held out as "latter-day patriots and martyrs" let me describe them to you.

Three are convicted murderers; five others were jailed for manslaughter; one is serving a life imprisonment after having pleaded guilty to numerous charges related to bombings; another has been convicted of 17 armed robberies; two were once paroled but are now back in jail awaiting trial on charges of robberies.

Yet we are being asked to believe that these persons have been unjustly dealt with, that they have been imprisoned as a result of their political opinions, and that they deserve to be freed immediately, without recourse to due process of law.

The responsibility of deciding whether to release one or another of these criminals is that of the federal government. It is a responsibility that the government will discharge according to law.

To bow to the pressures of these kidnappers who demand that the prisoners be released would be not only an abdication of responsibility, it would lead to an increase in terrorist activities in Quebec.

It would be as well an invitation to terrorism and kidnapping across the country. We might well find ourselves facing an endless series of demands for the release of criminals from jails, from coast to coast, and we would find that the hostages could be innocent members of your family or of your neighborhood.

At the moment the FLQ is holding hostage two men in the Montreal area, one a British diplomat, the other a Quebec cabinet minister. They are threatened with murder.

Should governments give in to this crude blackmail we would be facing the breakdown of the legal system and its replacement by the law of the jungle. The government's decision to prevent this from happening is not taken just to defend an important principle.

It is taken to protect the lives of Canadians from dangers of the sort I have mentioned. Freedom and personal security are safeguarded by laws; those laws must be respected in order to be effective.

If it is the responsibility of government to deny the demands of the kidnappers, the safety of the hostages is without question the responsibility of the kidnappers. Only the most twisted form of logic could conclude otherwise.

Nothing that either the government of Canada or the government of Quebec has done or failed to do now or in the future,

could possibly excuse any injury to either of these two innocent men.

The guns pointed at their heads have FLQ fingers on the triggers. Should any injury result, there is no explanation that could condone the acts. Should there be harm done to these men, the government promises unceasing pursuit of those responsible.

During the past 12 days, the governments of Canada and Quebec have been engaged in constant consultations. The course followed in this matter had the full support of both governments, and of the Montreal municipal authorities. In order to save the lives of Mr. Cross and Mr. Laporte, we have engaged in indirect communications with the kidnappers.

The offer of the federal government to the kidnappers of safe conduct out of Canada to a country of their choice, in return for the delivery of the hostages, has not yet been taken up, neither has the offer of the government of Quebec to recommend parole for the five prisoners eligible for parole.

This offer of safe conduct was made only because Mr. Cross and Mr. Laporte might be able to identify their kidnappers and to assist in their prosecution. By offering the kidnappers safe exit from Canada, we removed from them any possible motivation for murdering their hostages.

Let me turn now to the broader implications of the threat represented by the FLQ and similar organizations.

If a democratic society is to continue to exist, it must be able to root out the cancer of an armed, revolutionary movement that is bent on destroying the very basis of our freedom. For that reason the government, following an analysis of the facts, including requests of the government of Quebec and the city of Montreal for urgent action, decided to proclaim the War Measures Act.

It did so at 4 a.m. this morning, in order to permit the full weight of government to be brought quickly to bear on all those persons advocating or practising violence as a means of achieving political ends.

The War Measures Act gives sweeping powers to the government. It also suspends the operation of the Canadian Bill of Rights. I can assure you that the government is most reluctant to seek such powers, and did so only when it became crystal clear that the situation could not be controlled unless some extraordinary assistance was made available on an urgent basis.

The authority contained in the act will permit governments to deal effectively with the nebulous yet dangerous challenge to society represented by terrorist organizations. The criminal law as it stands is simply not adequate to deal with systematic terrorism.

The police have therefore been given certain extraordinary powers necessary for the effective detection and elimination of conspiratorial organizations which advocate the use of violence. These organizations, and membership in them, have been declared illegal.

The powers include the right to search and arrest without warrant, to detain suspected persons without the necessity of laying specific charges immediately, and to detain persons without bail.

These are strong powers and I find them as distasteful as I am sure you do. They are necessary, however, to permit the police to deal with persons who advocate or promote the violent overthrow of our democratic system.

In short, I assure you that the government recognizes its grave responsibilities in interfering in certain cases with civil liberties, and that it remains answerable to the people of Canada for its actions.

The government will revoke this proclamation as soon as possible.

As I said in the House of Commons this morning, the government will allow sufficient time to pass to give it the necessary

experience to assess the type of statute which may be required in the present circumstances.

It is my firm intention to discuss then with the leaders of the opposition parties the desirability of introducing legislation of a less comprehensive nature. In this respect I earnestly solicited from the leaders and from all honorable members constructive suggestions for the amendment of the regulations.

Such suggestions will be given careful consideration for possible inclusion in any new statute.

I recognize, as I hope do others, that this extreme position into which governments have been forced is in some respects a trap. It is a well-known technique of revolutionary groups, who attempt to destroy society by unjustified violence, to goad the authorities into inflexible attitudes. The revolutionaries then employ this evidence of alleged authoritarianism as justification for the need to use violence in their renewed attacks on the social structure.

I appeal to all Canadians not to become so obsessed by what the government has done today in response to terrorism that they forget the opening play in this vicious game. That play was taken by the revolutionaries; they chose to use bombing, murder and kidnapping.

The threat posed by the FLQ terrorists and their supporters is out of all proportion to their numbers. This follows from the fact that they act stealthily and because they are known to have in their possession a considerable amount of dynamite.

To guard against the very real possibility of bombings directed at public buildings or utilities in the immediate future, the government of Quebec has requested the assistance of the Canadian Armed Forces to support the police in several places in the province of Quebec. These forces took up their positions yesterday.

Violence, unhappily, is no stranger to this decade. The speech from the throne, opening the current session of Parliament a few years ago, said that "we live in a period of tenseness and unease." We must not overlook the fact, moreover, that violence is often a symptom of deep social unrest.

This government has pledged that it will introduce legislation which deals not only with symptoms but with the social causes which often underlie or serve as an excuse for crime and disorder.

It was in that context that I stated in the House of Commons a year ago that there was no need anywhere in Canada for misguided or misinformed zealots to resort to acts of violence in the belief that only in this fashion could they accomplish change.

There may be some places in the world where the law is so inflexible and so insensitive as to prompt such beliefs.

But Canada is not such a place. I said then, and I repeat now, that those who would defy the law and ignore the opportunities available to them to right their wrongs and satisfy their claims will receive no hearing from this government.

We shall ensure that the laws passed by Parliament are worthy of respect. We shall also ensure that those laws are respected.

We have seen in many parts of Canada all too much evidence of violence in the name of revolution in the past 12 months. We are now able to see some of the consequences of violence.

Persons who invoke violence are raising deliberately the level of hate in Canada. They do so at a time when the country must eliminate hate, and must exhibit tolerance and compassion in order to create the kind of society which we all desire.

Yet those who disrespect legal processes create a danger that law-abiding elements of the community, out of anger and out of fear, will harden their attitudes and refuse to

accommodate any change or remedy any shortcomings. They refuse because fear deprives persons of their normal sense of compassion and their normal sense of justice.

This government is not acting out of fear. It is acting to prevent fear from spreading. It is acting to maintain the rule of law without which freedom is impossible.

It is acting to make clear to kidnappers, revolutionaries and assassins that in this country laws are made and changed by the elected representatives of all Canadians—not by a handful of self-selected dictators. Those who gain power through terror rule through terror. The government is acting, therefore, to protect your life and your liberty.

The government is acting as well to ensure the safe return of Mr. James Cross and Mr. Pierre Laporte. I speak for millions of Canadians when I say to their courageous wives and families how much we sympathize with them for the nightmare to which they have been subjected, and how much we all hope and pray that it will soon conclude.

Canada remains one of the most wholesome and humane lands on this earth. If we stand firm this current situation will soon pass. We will be able to say proudly, as we have for decades, that within Canada there is ample room for opposition and dissent, but none for intimidation and terror.

There are very few times in the history of any country when all persons must take a stand on critical issues. This is one of those times; this is one of those issues.

I am confident that those persons who unleashed this tragic sequence of events with the aim of destroying our society and dividing our country will find that the opposite will occur. The result of their acts will be a stronger society in a unified country. Those who would have divided us will have united us.

I sense the unease which grips many Canadians today. Some of you are upset, and this is understandable. I want to reassure you that the authorities have the situation well in hand.

Everything that needs to be done is being done. Every level of government in this country is well prepared to act in your interests.

#### THE RURAL-URBAN BALANCE

Mr. TALMADGE. Mr. President, one of the few bright spots in the Senate acceptance of the conference report on the farm bill was the provision of the conference report which commits the Congress to achieve a sound rural-urban balance. This provision, title IX of the general farm bill was an amendment offered by the Senator from Kansas (Mr. DOLE) and myself during the Senate Agriculture Committee's deliberations on the farm legislation.

I believe that the final congressional approval of the rural development title is quite a significant event. For the first time, the Congress has committed itself to achieve a sound rural and urban balance. Moreover, the rural development title states:

The Congress considers this balance so essential to the peace, prosperity and welfare of all our citizens, that the highest priority must be given to the revitalization and development of rural areas.

Of equal importance with the congressional commitment and statement of priority are the reporting requirements written into the act. Executive departments and the President are required to submit reports to Congress in five specific

areas. Hopefully, these reports will give Congress the information that it must have to fulfill its commitment—its commitment to achieve a sound rural-urban balance.

I would particularly like to call attention to three reports which will be due on December 1 of this year. I realize that the agencies will not have very long to prepare these reports. However, the reporting requirements were included in the Agricultural Act reported out of the Senate Agriculture Committee on September 4, and in the conference report which was printed on October 9. Since the administration assumed that both Houses of Congress would approve the conference report, I would think it would already be working to provide the information required.

Certainly, the administration cannot claim ignorance of this reporting requirement, because it fought my rural development title tooth and nail in the agricultural conference. Mr. Weinberger of the Office of Management and Budget stated that our reporting requirements would be to burdensome. I responded that my office is burdened with hundreds of unnecessary and worthless Government reports every year and I did not feel that it would be too much to ask that the administration give Congress some information which would be helpful to the legislative process. Fortunately, my view prevailed in the conference committee. Three reports are due on December 1, 1970.

The first report that is due is a report by the Secretary of Housing and Urban Development and the Secretary of Agriculture with regard to their efforts over the past year to provide assistance to States planning for the development of rural multicounty areas. Under the terms of the Housing and Urban Development Act of 1968, the two Secretaries are required to work together to assist States in developing multicounty areas for the purpose of economic development, and I feel that the Congress should know whether any progress is being made.

Another report which is required on December 1, 1970, is a report on the efforts of the Secretary of Agriculture to provide rural development information and technical assistance to the leaders of small towns and communities. Unfortunately, many small towns and communities do not have the resources and trained leadership that are needed to pull themselves out of their economic doldrums. The resources of land-grant colleges and universities, the Extension Service, and the thousands of personnel in the Department of Agriculture should be used for comprehensive rural development. The Congress is entitled to know what efforts have been made in this regard and I am sure we will want to consider ways to maximize future efforts.

The third report that is due on December 1, 1970, is a report on the availability of Government and Government-assisted services to rural areas. We will never be able to stem the tide of rural out-migration until we have adequate services in our rural areas. We must have services which will provide an acceptable quality of life to our rural residents. Therefore, the President is re-

quired to submit to the Congress a report on the availability of telephone, electricity, water, sewer, medical, educational, and other Government or Government-assisted services to rural areas. In addition, the President is required to outline efforts of the executive branch to improve these services during the immediately preceding fiscal year.

All of the reports I have mentioned will be annual reports. All of these reports will be due on a yearly basis. However, I felt it urgent that the Congress have information in these three areas as quickly as possible. Therefore, the first reports are due on December 1. This will enable us to begin legislative action early in the 92d Congress.

I will be anxiously awaiting these reports, and I intend to carefully scrutinize the information contained in the reports. Should the administration fail to provide the information the Congress needs, it may expect to hear from me.

Hopefully the annual reporting requirements will enable interested Members of Congress to establish a continuing dialog with the administration on the problem, causes and solutions of rural out-migration. Hopefully, too, this information will enable us to work together to achieve rural-urban balance.

Mr. President, over the years there has been no greater advocate of rural development than Orville L. Freeman, Secretary of Agriculture during the Kennedy and Johnson administration. Unfortunately, Secretary Freeman often found himself crying in the wilderness on this issue. During Secretary Freeman's service in the Department of Agriculture, the Nation had not yet awakened to the necessity of achieving sound rural-urban balance. We were not yet fully impressed with the magnitude of the problems of crime, pollution, and congestion in our urban areas. Unfortunately, many leaders are not aware of the necessity to disperse our population even yet.

However, interest is growing. People are beginning to realize that pouring additional millions of dollars in some of our unlivable and ungovernable cities is like pouring money down a rat hole. More and more people realize that many citizens will never have an acceptable quality of life in our overcrowded super-cities.

The October Futurist magazine is addressed to the question of achieving rural-urban balance, and a balanced growth. One of the most interesting articles in this publication is entitled, "Total Rural-Urban Balance" and was written by Orville L. Freeman. I commend this article to the attention of the Senate and I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

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

#### TOWARD A RURAL-URBAN BALANCE

(By Orville L. Freeman)

(The urgent problems of the city may eventually be solved in the country, suggests a distinguished U.S. leader. A better balance between rural and urban development could halt or even reverse the detrimental popu-

lation movement that has jammed America's cities and depopulated its countryside. Future communities could combine the best of rural and urban life.)

Since the end of World War II, we in the United States have experienced the greatest population migration within one nation that mankind has ever known. This tremendous human wave has resulted in the concentration of more and more people on less and less land. Today 70% of the American people live on 2% of our land.

We have been collecting ourselves into four major areas. One megalopolis reaches from Boston to Washington; another runs along the foot of the Great Lakes; a third stretches from Santa Barbara to San Diego; a fourth is developing on the east coast of Florida.

The prospects are that if we don't do something, we will continue to pile more and more people into these megalopolises, and I believe it is time to ask ourselves whether we really want to do it. If we decide it is good, we need do nothing but let nature take its course, because that's what we have done so far. If, on the other hand, we decide that it is undesirable, we ought to ask how it happened and what we can do about it.

Let me state the proposition as I see it: I think that this increasing concentration of people has produced or aggravated many of our problems, including transportation jams, pollution, housing shortages, crime, and disturbed communities. The cities have had to cope with an enormous influx from the countryside, and they have never recovered. The migrants to the cities now live in overcrowded disorder, and their country cousins are left in areas of lonely decline.

The need for nationwide action to correct these detrimental trends in domestic population distribution became dramatically clear when I was Secretary of Agriculture. When the 1960s began, few Americans, in or out of government, showed an understanding or capacity to anticipate the impact of gross population movements. As a nation we failed to grasp the implications of the unprecedented technological forces and resulting population shifts that we were unleashing.

As a result of the technological revolution that is still sweeping through agriculture, three million farms have disappeared. More than 20 million people have abandoned farms and small towns for the city. These people were victims of forces far beyond their control: to cite just one example, technological advances in one six-year period reduced the need for harvest farm labor in the Mississippi Delta from 750,000 man-days down to 95,000. In our generation alone, some five million people left the South, most of them for just six states, California, Illinois, Michigan, New York, Ohio, and Pennsylvania.

The migrants to the cities have forced the cities to expand, and each successive pulse of growth puts yet another ring of concrete and steel between those already there and the open country beyond. Land prices rise and open spaces disappear. Man becomes increasingly estranged from the natural environment.

Although we have known that our society is changing, we as a nation have never recognized what this pell-mell change means in terms of stresses on our schools, governments, churches, homes, neighborhoods, and ourselves. We failed to develop the institutions and attitudes that would shape the technological revolution to serve human needs.

#### MIGRATION HARMS BOTH CITY AND COUNTRY

The migrants from rural America to the metropolis have been primarily the best equipped and the least equipped in terms of ability and training. The departure of the best equipped stripped the countryside of vital human resources. The arrival of the least equipped compounded the problems of the cities.

This unbalanced growth is evident in the decay in the countryside where communities have lost the economic base to support good schools, doctors, and social services. But the imbalance is equally evident in the congestion, pollution, civic disorder and proliferating ghettos of the metropolis, and in the spread of suburbia, which paved over the countryside and choked the inner city.

If present trends continue for the next 30 years, we may have 100 million more Americans stacked onto the 140 million already living in our cities and suburbs. The result could be catastrophic.

But the exodus to megalopolis that has taken place in the last 50 years is not inevitable for the future. The first step is to recognize that rural-urban balance is a nationwide challenge. We must not concentrate on city, suburb, or countryside alone, but move on all three at once. We cannot use space properly if, in our planning, our space is constrained by the city limits, the county line, or the state border.

We need a national settlement policy on the geographic distribution of economic opportunity, jobs and people. Without such a policy, the problems of city and countryside will remain insoluble. Only a common national policy providing guidelines for planning and development efforts in city, suburbs, and countryside can restore balance in America.

#### NEW KNOW-HOW ALLOWS BETTER PLANNING

The people are now ready for leadership and action. They recognize intuitively that we cannot continue our unplanned, undirected, helter-skelter course without abusing our limited natural resources and failing to meet the minimum needs of millions of Americans. And they know, too, that we have more wealth and know-how than ever before. Growth in the social sciences, management techniques, data retrieval, computer science, automation—all these combined with unprecedented wealth—make it possible to accomplish what was impossible a few years ago.

Action will come as we destroy the myths of the "meg-alopolitan mentality":

**Myth One:** Americans want to live in cities. Although there has been, oddly enough, very little research on the question, a 1968 Gallup poll indicated that when people are given a choice, 56% prefer a rural setting; 25% suburban, and 18% the city. We've also seen evidence that people will return to rural communities when they can get a job there. Perhaps the most convincing evidence against this myth is the fact that the overwhelming majority of metropolitan area Americans live in suburbs, which represent an attempt to create the amenities, peace, and security of the small town within the city, where the jobs are. Many center city and suburban families would gladly live in a small town or open country community if there were jobs, basic services, and good schools.

**Myth Two:** Small towns are dying. Tiny towns and crossroads villages may be in eclipse, but larger nodal centers are healthier than ever. The critical base population seems to be a population of 5,000 or more. In recent years, the fastest growing population centers in the nation were towns in the range of 10,000 to 25,000 outside the standard metropolitan areas.

**Myth Three:** Concentration of 80 to 90% of all our people in a few major urban regions can be accomplished without major damage to the fabric of our society. We simply do not know what strains such a fantastic development will place on our institutions, our minds, our hearts. For instance, our leading economists predict that per capita income in the United States will at least double over the next 30 years. The impact of that happening, combined with an

increased population concentrated in our already overcrowded cities, will likely be geometric in dimension and devastating in results.

**Myth Four:** There is nothing we can do to stop the aggregation of people in megalopolis. The fact is that there are many ways to check or reverse the trend to megalopolis. Jobs can be created through rural industrialization, stimulated by tax incentives and other means. The federal government can adopt a policy of preferentially locating its facilities in areas of lower density population. Education and other vital services in rural areas can be improved, so as to encourage settlement.

The case against continued movement of people into megalopolis was strengthened recently by the President's Task Force on Rural Development. The Task Force's report, *A New Life for the Country*, states that there are four plagues of compaction:

1. Pollution. I thought the situation was put rather dramatically when it was reported that the Apollo 10 astronauts could see Los Angeles as a cancerous smudge from 20,000 miles in space. Airline pilots say there is a whisky-brown masma over almost every major U.S. city, including remote towns like Missoula in Montana's Big Sky country. What most Americans now breathe is closer to ambient filth than it is to air. Large cities simply overload the capacity of the air to clean itself.

2. Transportation. It's ironic to note that at the turn of the century you could average about 11 miles an hour going through New York City with a horse and buggy. Today, with 350 horses, you're lucky if you can average six miles an hour.

3. Housing. The slums and the ghettos shock our sensitivities and cause much of the tension that we see all around us.

4. Crime. Manhattan with two million people has more murders than all of England and Wales with 49 million. How much of this is a product of our failure to plan and invest properly when people are so impacted? How much is due to the fact that people just don't like to live that close together, piled one upon another, and react accordingly? No one really knows. Some research on this is needed, but I suggest that the crowded, depersonalized lives in congested cities may have something to do with the crime rate.

We can certainly see the diseconomies of having so many people piled up and the political problems that are created. There are also power failures: As matters now stand, the Consolidated Edison Company of New York can't find the sites it needs for new power plants. Garbage disposal becomes increasingly difficult as the concentration of people increases. Water shortages threaten.

Attempts have been made to quantify these diseconomies of scale. According to one study, police protection costs \$4.60 per capita in cities with 100,000 to 300,000 people, and \$18.40 per capita—almost five times as much—in cities of 500,000 to 1,000,000. In New York City, the cost is \$39.80 per capita—almost nine times as much as in a city of 100,000 to 300,000. Similar cost rises are found for hospitals and other services.

When a New Yorker moves to the suburbs, he costs the city \$21,000 in capital outlay to provide facilities so he can drive to and from work in the city every day. In Washington, D.C., the cost for every added commuter is even higher—\$23,000. Contrast that with the \$487,000 street department budget for an entire year in Fargo, North Dakota, a city of 50,000.

As Mayor Davis of Kansas City has said, "A city can get too big simply because the cost of providing services increases all out of proportion to total population growth. This becomes perfectly clear when put on a per capita basis, which is about \$120 a year in

Kansas City. In a city twice this size, per capita costs would rise to more than \$200 a person."

The concentration of people in large cities has come about because the U.S. has not had a policy regarding the relationship between land and people. During the last 25 years, while agriculture was increasing its productivity per capita three times as fast as industry, we paid virtually no attention to the people who lost their jobs in consequence. In the absence of a policy, economic forces pushed people out of rural areas, and welfare and housing programs pulled them into metropolitan areas.

I would like to make clear that I am not urging a "back to the farm" movement. For quite some time, anyone who talked about checking or reversing the movement of population into the cities was likely to be ridiculed. There was a kind of vindictiveness among city people because rural interests seemed to dominate the legislature and the congress, and programs that cities wanted weren't forthcoming. At one point there was an editorial that suggested that I was trying to hold back the tides. I was a King Canute. Obviously, I am not urging the reversal of forces that cannot be turned around, but rather trying to channel those forces constructively in a new direction.

#### MANY SMALL TOWNS ARE NOW GROWING

I would like to call your attention to what are called "growth centers." What's happening is that through the action of natural economic forces, and new transportation and communication, there is a tendency for our rural areas to polarize around small towns of, say, 10,000 to 100,000 people. There are some 300 of these towns that are gaining—not losing—population. People in an area of about 50 miles in diameter drive into these towns for medical services, recreation, and employment.

The development of these growth centers ought to be encouraged in every way possible through governmental resources and planning. The Government should help to make it economic for an industry to start or to locate or to expand in such a locale. Tax or depreciation advantages could be offered. At the same time, the Government might preferentially locate its facilities in such growth centers.

Industry has naturally moved where it could make a profit. Until recently, that has been—for no good reason—into the big city areas. But it's now becoming counter-productive. Very few manufacturing facilities are built today in the heart of a big city, but they can and should be located on a planned basis around the nation.

#### BIGGEST IS NOT ALWAYS BEST

Hopefully, the cities would cooperate. Many are still on the merry-go-round of equating bigness with goodness, of measuring progress in terms of numbers of people. The unsoundness of this method of evaluation is, I think, becoming increasingly clear. Over the last 20 years, the population of London has decreased as part of a plan which enforced open spaces and called for the development of new towns. The British decided that if they can't have a city of quality, they certainly don't want a bigger one.

The ills of the city cannot be cured in the city alone. Action is required in both rural and urban areas. If we in America had recognized the twin problem of rural depopulation and urban impaction a generation ago, and taken timely action, both our cities and rural areas would be much better than they are now. But we can still check and reverse the flow of population to metropolitan centers, and in so doing help big cities conquer the urban improvement job by easing the pressures exerted by a constantly expanding population.

I believe that small towns and farming areas offer enormous potential for humane solution to today's problems. Modern technology has made possible a modern town-country community. The new technology of transportation ties the different parts together. The technology of communication makes administration practical. The technology of modern industry requires space for new plants with continuous-flow, straight-line production operations. The developing technology of training makes it possible to create skilled workers out of rural people.

I see an American landscape dotted with communities, each including a blend of small cities, new towns, and growing villages with open country in between. Each of these extended town-country communities would have its own jobs and industries, its own college or university, its own medical center, its own cultural, entertainment, and recreational centers.

With several hundred of these extended town-country communities, it would be possible for 300 million Americans to live in less congestion than 200 million do today. Urban centers could become free of smog, blight, and overcrowding.

And let me emphasize that this is not merely a dream. This kind of community is, in fact, already evolving in many parts of the United States, and we have the means to make it evolve faster.

In these new town-country communities, Americans are discovering a pleasing blend of urban opportunity and rural heritage. In such communities, people can enjoy the advantages that in an earlier age were associated exclusively with the big city, and yet find elbow room and retain their identities as individuals—identities that only too often are lost amid compacted urban populations.

I believe that the American people will decide that such communities are worth the money, effort, and work that their building will require.

#### ANACONDA CO. MOVES TO CLEAN OUR AIR AND WATER

Mr. METCALF. Mr. President, I was pleased to learn just a few minutes ago that one of the world's major mining companies is taking a long step toward cleaning up our air and water.

Today, Mr. Martin Hannifan, general manager of Montana operations of the Anaconda Co., appeared before the Montana State Board of Health. He announced that the company plans additional substantial investment next year in in-plant facilities vital to the health and safety of the men who work in Anaconda operations in Great Falls, East Helena, and Anaconda, Mont. He said that the company plans an investment next year of \$10 million in additional facilities to reduce concentration of dust and gases.

Although the current efforts are in-plant, Mr. Hannifan said that "efforts to limit out-plant emissions cannot be divorced from in-plant cleanup, and therefore both aspects of control have been integrated into our environmental planning."

Mr. President, officials of the Anaconda Co., are aware of the problems they face, both inside and outside their installations. They are moving to solve those problems. I hope they will continue to do so. I ask unanimous consent that Mr. Hannifan's statement be printed in the RECORD.

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

STATEMENT OF MARTIN K. HANNIFAN, FRIDAY, NOVEMBER 20, 1970 TO THE MONTANA BOARD OF HEALTH

My name is Martin K. Hannifan and I am General Manager of Montana Operations of the Anaconda Company. I appreciate the opportunity to discuss with you some of the environmental problems we encounter in our smelting and refining operations in Montana and to tell you of our plans to solve them. We are present today because of your interest in the existing in-plant environmental conditions in Great Falls, East Helena, and Anaconda, and also for the purpose of discussing the results of recent industrial hygiene surveys conducted by members of your staff in cooperation with the U.S. Public Health Service. As you know, the official reports of these surveys do not indicate any impairment of worker health. However, because we are dealing with materials which may adversely affect the health of employees if threshold limit values are exceeded. We intend to continue and even expand our program of bio-medical evaluation of those persons who might be exposed to air-borne dust. The nature of this expanded bio-medical testing program will be specifically determined in consultation with and guidance by the U.S. Public Health Service, although we do contemplate utilization of blood and urine sampling procedures at Anaconda, East Helena and Great Falls. We also will welcome the assistance of the Montana State Board of Health in this area, and we shall be glad to split our samples with both agencies if this be desired. Anaconda has for many years devoted attention to industrial hygiene problems associated with the operation of metal beneficiating plants which were built long before control technology existed.

Over the years Anaconda has developed an expanding environmental program and has made many plant improvements as technology became feasible. It has spent many millions of dollars in Montana for these purposes. For example, in 1970, construction of a new reverberatory flue system was commenced in Anaconda. This facility, which will cost more than \$7 million, is designed to reduce in-plant concentrations of dust and gases in the reverberatory furnace building, thereby contributing greatly to comfort. You will be interested to know that in 1971 Anaconda intends to spend in excess of \$10 million here in Montana by way of engineering controls and plant additions for further environmental improvement. This investment, which is allocated for engineering control and plant additions, is but a part of a continuing program to correct in-plant problems, advance worker comfort and convenience, and generally enhance the environment at our plant locations. While environmental control programs are planned for all Montana locations, my review will be limited to those plants visited recently by Public Health personnel, but at Anaconda a major addition will be the installation of a 600 ton acid plant on the copper roasting system. Work on this project is scheduled to commence in 1971. Operation of this facility will require substantial changes in the roaster building which will place the roasters under negative pressure and thereby minimize in-plant SO<sub>2</sub> and particulate emissions. Hooding and flue changes are planned in the converter building to assist in reducing SO<sub>2</sub> and particulate emissions there, both in-plant and at the roof line. These roof line emissions often migrate to other working places and their reduction will generally enhance

conditions in the reverberatory furnace and converter areas.

Changes in transport and conveying systems for better material handling in the roaster and reverberatory area will include installation of new dust collection equipment. The remodeling program will also aid materially in our effort to achieve compliance with present Board of Health emission regulations. However efforts to limit out-plant emissions cannot be divorced from in-plant cleanup, and therefore both aspects of control have been integrated into our environmental planning.

Also a new design, high efficiency, mobile vacuum system is being purchased and will be utilized to cope with our housekeeping challenges. The remodeling work will include dust collection in many areas.

Because of equipment delivery lag and installation time requirements, some of this work may not be completed until 1972. At the refinery in Great Falls a new dust collection, transport and retention system will be installed in 1971 in the gross drum area of the zinc casting building. In addition, the exhaust ventilation system at the zinc casting furnace will be upgraded. At East Helena we are making an in-depth study to evaluate current technology regarding SO<sub>2</sub> emissions at the bag house, and to determine whether or not a feasible control method exists as an alternate to building a stack. This study will include an evaluation of the furnace charging area with respect to industrial hygiene and possible correction procedures. A filtered air system will be installed in the crane cab at the furnace charging area to afford worker protection.

Mining smelting and refining operations are definitely heavy industry with all of its attendant problems. Equipment failure does occur and housekeeping is forever a challenge. Consequently, industrial hygiene departments are maintained at the Anaconda and Great Falls plants, to monitor in-plant conditions and direct control efforts. Our Environmental Engineering Department conducts a continuous evaluation of worker exposure to contaminants at Anaconda, Great Falls, and East Helena. Anaconda also cooperates in studies such as those recently conducted by the Board of Health and the U.S. Public Health Service, to evaluate atmospheric conditions at these plants and to collect urine and blood samples from the workers for analysis.

In summary, I want to emphasize that the plant improvement program for 1971 just described involves a large capital investment and has not been hastily adopted, but rather follows many months of engineering and feasibility studies. These investigations were conducted not only by Anaconda, but also by independent engineering consulting firms to ascertain among other things, whether technology was available to accomplish the desired results, and, if so, whether it was economically feasible. This plan for 1971 is not an end, but instead, is a part of a continuing program to improve plant facilities as technology become available and feasible. This concludes my formal presentation, but I am accompanied today by members of my staff familiar with local plant conditions and we shall be pleased to discuss any questions which you wish to pose concerning our environmental situation.

#### "TRANSCENDENT VALUES" AND ROCKY MOUNTAIN COLLEGE

Mr. MANSFIELD. Mr. President, one of the outstanding educational institutions in Montana and the Northwest is Rocky Mountain College, located at Bill-

ings, Mont. Under the dedicated leadership of Dr. Lawrence F. Small, its president, it has made great strides and has contributed tremendously to the good educational climate which exists in my State.

What Rocky Mountain College is doing is of a constructive nature, is very worthwhile, and not only upholds but increases the integrity of the institution.

I applaud Dr. Small, the faculty, and the student body for their realization of what "transcendent values" mean to them. The "Wednesday Evening" conversations are an excellent example of the degree of interrelationship and cooperation which are so much needed today among faculty, students, and trustees.

I ask unanimous consent that a letter from Dr. Small addressed to President Nixon be printed in the RECORD. I urge Senators to read it carefully; it will be worth their while.

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

OCTOBER 24, 1970.

The Honorable RICHARD M. NIXON,  
President of the United States,  
The White House,  
Washington, D.C.

DEAR MR. PRESIDENT: I was pleased to see a copy of the letter you received, dated May 11, 1970, from President Miller Upton of Beloit College and to know that it is having wide circulation. He speaks a timely word and I trust that it will be received in the spirit in which it was offered by his colleagues and mine around the nation. Surely, there is much of a constructive nature that can be done on our campuses to uphold the integrity of our institutions and to seek to realize those "transcendent values" of which President Upton speaks.

One such effort, I believe, has taken place at Rocky Mountain College and will be renewed this next week. I would like to share it with you. In the spring of 1969, while more and more campuses were experiencing disruption and violence, "Wednesday Evening" conversations were initiated here involving students, faculty, and administration and looking for some way to explore community response to community concerns. The Board of Trustees of this independent college agreed to set aside one day of its two-day annual meeting in October as "Time-Out Day". On that occasion, and thanks to thorough planning, members of the governing board had the opportunity to visit in small groups with faculty, students, and administration and discuss problems and plans. Over 50 per cent of the student body attended and nearly all of the faculty and staff.

Much was gained in understanding that the college is first of all people, gathered in various relationships to live within and support a community for learning. Some changes resulted in our program, but basically there was a breakthrough in communication and acceptance. On Monday, October 26th, by the encouragement of our governing board, we shall again observe "Time-Out Day". Trustees, students, faculty and staff will discuss, argue, plan, eat, relate to one another.

I know that this sort of response is more feasible on our kind of campus than at the multiversities of our land. But I would hope that even at the large institutions the realization might deepen that a college or university is at heart people, living and working and relating within their various roles, respecting one another, constituting the most valuable resource their institution possesses

and the means of giving substance to its dreams.

Respectfully yours,  
LAWRENCE F. SMALL,  
President.

EXCHANGE OF REMARKS BETWEEN  
J. EDGAR HOOVER AND RAMSEY  
CLARK

Mr. THURMOND. Mr. President, the Washington Post this week has published exchange of remarks between FBI Director J. Edgar Hoover and former Attorney General Ramsey Clark. Mr. Clark, who has just written a book that he wants publicized, has gratuitously attacked one of America's most faithful public servants in an effort to undercut impartial law enforcement in the United States. Mr. Hoover needs no defense and, indeed, has capably turned Mr. Clark's remarks back upon the aggressor.

However, I should like to express my hearty agreement with the FBI Director's characterization of Mr. Clark as the worst Attorney General he ever encountered. Mr. Hoover was in a position to know the facts about the work of the Justice Department, and to compare that situation with the leadership of the Attorney General. I also had some contact with Mr. Clark in my role on the Judiciary Committee. From these encounters, I had long since formed the conclusion that he was one of the worst Attorney Generals of my experience. I believe that Mr. Hoover was merely articulating the opinions of many knowledgeable officials in Washington.

Mr. Clark's failure to take adequate measures against criminals and subversives resulted in a record crime wave. We have been saved from a collapse of law and order only because a highly capable Attorney General has taken over the reins.

Mr. President, I ask unanimous consent that the interview with J. Edgar Hoover, from the Washington Post, November 17, 1970, be printed in the RECORD at the conclusion of my remarks.

Mr. President, I also ask unanimous consent that Mr. Clark's response, as reported in the Washington Post, November 18, 1970, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.  
(See exhibits 1 and 2.)

Mr. THURMOND. Mr. President, I want to be absolutely fair to both sides in this exchange, since the Clark response is most interesting. In fact, it confirms Mr. Hoover's opinion.

Mr. President, readers of this article will note that Mr. Clark is speaking at a New York press conference for a new group called the Committee for Public Justice. This committee deserves close attention, as a result of Mr. Clark's remarks.

Among other things, Mr. Clark charges Mr. Hoover with being ideological. He says:

If an investigator has to be anything, he has to be a disenthralled observer, a hard, hard pursuer of facts. He cannot be ideological. For reasons that are unfortunate, in my judgment, the FBI became ideological

some time back. This has put scales over its eyes.

Mr. Clark continues this line of reasoning when he says that the pursuit of the Communist Party U.S.A. "is an illustration of the terribly wasteful use of resources," growing out of the FBI Director's belief in "the ideology of a different time."

If we read to the end of the article, we find out that the group for which Mr. Clark is the chief spokesman was organized by Playwright Lillian Hellman. If there is anyone in this country who might be said to represent the ideology of a different time, that one person would have to be Lillian Hellman. She is certainly listed among the champion supporters of Communist front organizations during the 1930's and 1940's. She slavishly perverted her literary talent to support every nuance of the Communist line of the period. In fact, there is sworn testimony before a congressional committee which indicates that she was known as a member of the Communist Party during this period. She refused to testify with regard to these sworn statements, claiming privilege under the fifth amendment, and asserting that she did not want to involve her friends of that period.

Mr. President, I have with me a memorandum which lists nearly 100 Communist and leftist front organizations with which Miss Hellman has publicly been associated, as cited in official documents of the U.S. Congress, and I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks. This list by no means exhausts Miss Hellman's connections.

The PRESIDING OFFICER. Without objection, it is so ordered.  
(See exhibit 3.)

Mr. THURMOND. Mr. President, in the light of Miss Hellman's overwhelming history of supporting Communist-front organizations, one has the right to ask whether her so-called Committee for Public Justice is not another Communist front. I find it incredible that a former Attorney General of the United States would lend his prestige to an organization organized by a woman who has publicly supported scores of groups listed on the Attorney General's official list of subversive organizations. Such a man is either naive or blind to the dangers threatening this country, and neither conclusion reflects well upon him. His present venture should thoroughly discredit him in the eyes of the American public.

Certainly it is not ideological to oppose those elements who seek to overthrow the U.S. Government by force, and who are backed by international resources to aid them in attaining their goal. On the other hand, it is ideological to promote a revolutionary Marxist-Leninist doctrine. Communist tactics may have changed since the thirties and forties, but the goal remains the same. It is Ramsey Clark who is indulging in the ideology of a different time; but at the same time we must recognize that the ideology of a different time has been brought up to date. Hellman-style committees of the

1930's are being formed in the 1970's, only now they boast as spokesman a man who once had the responsibility to protect the United States against internal subversion. It is no wonder that our internal security laws, as well as law and order in all fields, were seriously eroded during his tenure as Attorney General. It is plain that Ramsey Clark lacks a basic understanding of law and justice. He convicts himself out of his own mouth.

## EXHIBIT 1

[From the Washington Post, Nov. 17, 1970]  
FBI'S HOOVER SCORES RAMSEY CLARK, RFK—  
PRAISES MITCHELL AS "VERY HUMAN"

(By Ken W. Clawson)

J. Edgar Hoover yesterday called former Attorney General Ramsey Clark a "jellyfish" and the worst Attorney General he has encountered in 45 years as director of the Federal Bureau of Investigation.

Hoover said in an interview that Clark was "like a jellyfish . . . a softie," unlike his father, former Attorney General and Supreme Court Justice Tom Clark, whom Hoover described as a "good, strong man."

The FBI director said he would accept the judgment of the elder Clark on his stewardship of the FBI, but that Ramsey Clark was even a worse Attorney General than the late Robert F. Kennedy. Hoover said Kennedy was the first Attorney General with whom he had troublesome relations. In the last six months of Kennedy's tenure, Hoover said, he did not speak to Kennedy.

"If ever there was a worse Attorney General it was Ramsey Clark," he said. "You never knew which way he was going to flop on an issue.

"He was worse than Bobby (Kennedy). At least Kennedy stuck by his guns, even when he was wrong."

Hoover added, however, that "until Bobby Kennedy came along" he had never had trouble with Attorneys General.

He called Attorney General John N. Mitchell an "honest, sincere and very human man" and added, "There has never been an Attorney General for whom I've had higher regard."

The director's criticism of Clark was prompted by the Attorney General's book, "Crime in America," being published this week. In it Clark charges that Hoover's "self-centered concern for his own reputation" led the FBI into glory-seeking rather than effective crime control.

Clark charged that the FBI was tardy in moving against organized crime and that a conflict resulted between Hoover and Kennedy, who Clark said was the first Attorney General to have a "commitment to control organized crime."

Clark could not be reached for comment on Hoover's remarks.

In the interview, Hoover said there was never any trouble with Kennedy on the organized crime issue. He pointed out that the FBI did not have the federal laws to fight organized crime that have been passed in recent years.

"But there was trouble," Hoover said. "The trouble was that Kennedy wanted to loosen up our standards and qualifications; to discard the requirement that agents hold degrees in law or accounting. He even wanted to discard the bachelor's degree as a requirement.

"In short, he wanted more Negro agents." Hoover said he refused, and that Kennedy brought up the subject "half a dozen times."

"I told him, 'Now Bobby, I have no prejudices. The FBI has Negro agents, Indian agents, Chinese agents and all kinds of other agents. Any one who can meet the qualifications can have a job, and I'll have it no other way.'"

Hoover said he told Kennedy that if he

didn't like his position, "Why don't you get another director? You may not know it, but I can retire at full salary. Now, I give half of my salary in taxes, so it's costing me money out of pocket to continue."

The director said that "right afterwards" he went to the White House and told President Johnson about the confrontation.

## "STAND BY YOUR GUNS"

"The President said, 'Stand by your guns.' I didn't speak to Bobby Kennedy the last six months he was in office." That was in 1964.

The FBI has a total strength of 18,000, and will get an additional 1,000 agents under provisions of the 1970 Omnibus Crime Control Act. It has been widely believed that these additional agents will be used on college campuses, where the Bureau now has jurisdiction over bombings and arson to most buildings.

Hoover called this concept "absolutely untrue." He said the extra agents would be scattered through the Bureau for a variety of duties created by expanding federal jurisdiction in bombings of federally financed buildings as well as making certain types of gambling a federal offense inside a state's borders.

He said he recently wrote former Justice Abe Fortas a letter following a speech in which Fortas criticized using undercover FBI agents on campuses. Hoover said there are no undercover FBI agents on campuses, and that agents will only go on campus to investigate actual bombings.

Threats of bombings or arson, he said, would be turned over to campus police and local police to investigate.

Hoover blamed college administrators and faculty as much as a small group of students for the wave of campus disruptions.

"Some faculty are worse than the hippies," he said. "Ninety per cent of the students want an education and they are prevented by hippies who are encouraged by some of the faculty."

Campus disruptions would stop, he said, "if college presidents had the courage and guts to expel and make it stick." He praised S. I. Hayakawa for his handling of disruptions at San Francisco State College.

Most college administrators, Hoover said, are soft. "They come up through the academic process, and there is nothing worse than an intolerant intellectual. They're soft, and they never want to accept responsibility."

## NO CONCLUSIONS ON KENT

He added that the "people shouting the most are a minority that do not believe in tolerance."

It is true, he said, that students often haven't been able to make their views known to college administrators, trustees and other governing bodies. He said these lines of communications should be opened, and that students should work vigorously to make their views known, but without disruption and intolerance.

The director said he was disappointed to read in various publications that the FBI concluded various things about last spring's shootings at Kent State University in Ohio. "The FBI never makes recommendations or draws conclusions," he said. "We are a fact-finding agency."

It was the Justice Department, he said, that concluded that National Guardsmen fired into students in panic during a confrontation. But Hoover said he was glad the Defense Department will intensify National Guard training.

Professionalism under fire is insisted upon by the director. FBI agents are instructed, he said, not to be promiscuous with firearms, but to shoot to kill when they are threatened by an assailant with the means to kill. "A man never knows about himself until he is tested by battle," he said.

Hoover recalled that during the 1930s he

"always hated to sit behind a mahogany desk" when his men were in action in the field.

He said that on one raid, he noticed an agent who answered the command to advance by going in the opposite direction, panicking. "He was not yellow," Hoover said. "He was just not made of the stuff for an FBI agent. Of course, I got rid of him immediately."

Hoover, who will be 76 in January, was relaxed and hearty during a rare interview in his office that lasted about two hours. In referring to his age, he said that he no longer bothers to deny that he may retire. But he pointed out that like all agents he has undergone an annual physical examination since 1938.

"I was in better shape at my August, 1970, examination than I was in 1938," he said.

But he admitted that he has a tendency to put on weight and is constantly on a diet. At his favorite luncheon spot in the Mayflower Hotel, the director has been reduced to a grapefruit salad with cottage cheese and black coffee.

## ARREST RATIO HIGH

But Hoover seems to thrive on this kind of discipline. He repeated several times that law enforcement officials must adhere to strict standards, personally and professionally, to carry out their assignments.

And while he considers all law officials members of a close fraternity and is concerned with the increasing danger to their safety, he is opposed to a proposed bill making the killing of a policeman a federal offense.

Such a move would give the FBI jurisdiction in these cases.

He said the bill comes too close to making the FBI a national police force, something he said he has opposed since 1924 when he became the director.

In addition, FBI records show that in 96 per cent of police murders, arrests have followed within 30 days, usually by the police force to which the victim belonged.

"It's a matter of pride, too," Hoover said. "The FBI goes all out when an agent is killed; so do local or state police."

He said more policemen have been killed in the last two years than at any other time, with many deaths attributed to senseless, sniper slayings.

General crime, he said, has never been greater than now. "It has reached an apex." Hoover then listed three areas of combatting crime and made these observations:

Law enforcement—Better training and higher salaries have increased the professionalism of police on all levels and they are doing a better job than most people recognize.

Courts—On the federal level alone, 1,200 cases, some of them as old as two years, are still awaiting adjudication. Courts are uneven in their justice, often giving inadequate sentences and probation when they shouldn't. In the District of Columbia, one bank robber was released on his own recognizance and committed another bank robbery.

Sometimes, Hoover said, the criminal justice system just makes a mistake.

He said a classic example of this came during the early 1960s in a District Court trial when Teamsters leader James R. Hoffa was charged with trying to bribe a staff member of Sen. John McClellan (D-Ark.), who was then investigating labor racketeering.

Hoover said that at the trial Hoffa was identified as the man who gave the staff member money. It occurred in a taxi driven by an undercover FBI agent.

"In the middle of the trial," Hoover said, "Joe Louis, the former heavyweight champion, came into the courtroom and embraced Hoffa. The jury found him innocent."

Hoover said that McClellan's investigation and subsequent FBI work that eventually

put Hoffa in the federal prison at Lewisburg, Pa., led to the suspicion that there was great corruption in the American trade union movement.

Hoover called Hoffa's later conviction and imprisonment "good riddance to bad rubbish" but he said it was not representative of union groups.

"George Meany, for example, is one of the finest men I know. There are no Communists in the AFL-CIO and he doesn't tolerate corruption.

"He's a fine man and the AFL-CIO is a fine organization."

Prisons—They are the last place of concern for those who finance the criminal justice system. Rehabilitation services are negligible and should be greatly improved.

Hoover said he seemed always to be involved in controversy with "bleeding hearts" who accuse him of being opposed to parole and probation.

He said he has only been opposed to abuses of parole and probation. People just don't understand, he said, that on the state level, a life sentence means 21 years, with the prisoner eligible for parole in seven years. On the federal level, he said life is 45 years, with eligibility for parole in 15 years.

"I still believe that punishment is a deterrent. Where a serious crime has been committed, a substantial sentence should be imposed."

He said his contacts with prison inmates led him to believe the death penalty is also a deterrent and should be imposed in a few serious cases such as premeditated murder and kidnaping where the victim is harmed.

In Hoover's time, major crimes have shifted in style and type from the kidnapings of the 1930s through bank robberies, organized crime and radical political crimes.

Hoover said that despite the widespread belief that the FBI constantly wiretaps, there are now only about 40 wiretaps authorized by the Attorney General for national security cases. All other wiretaps are court-authorized and being used effectively, especially in gambling cases.

#### ASKED WIRETAP CURB

Hoover recalled that during the 1940s he was the only intelligence official in Washington who didn't have the authority to wiretap. He said he urged Tom Clark, who was then Attorney General, to ask President Truman to curtail wiretapping except upon approval of the Attorney General.

During this period, Hoover said the late columnist Drew Pearson accused him of tapping his telephone. Hoover, who said he did not personally like Pearson, denied the allegation but checked on it after Pearson left his office.

"I found that another agency indeed had tapped his telephone," Hoover said.

He added that it was a standing rule in the FBI not to tap the telephone of any newsman, senator or congressman.

Hoover has often been at odds with the Supreme Court, although he now sees some improvement with the addition of President Nixon's two court appointees.

He described Chief Justice Warren Burger as an "excellent chief justice" and said the appointment represented a "wise decision by the President."

Hoover said he didn't know Justice Harry Blackmun, but that he considered him a "very able judge."

After nearly a half-century of dealing with criminals, Hoover said that John Dillinger, Alvin Karpis and other notorious gangsters were really less dangerous than the current crop of new, less experienced criminals.

Hoover said that in early May, 1936, he was testifying before a congressional committee when agents located Karpis in New Orleans.

The director ordered a stakeout and flew to New Orleans to personally arrest Karpis.

Karpis was getting into a car with an accomplice when Hoover stuck a pistol in his ribs. The gangster turned and mildly said, "Well, you got me."

He had recognized Hoover from a newspaper photograph taken the year before when the director caught a sailfish off the Florida coast.

Hoover said he got into the back seat of a police car with Karpis, while an agent from Oklahoma drove and Karpis' mistress sat in the front. They were taking the prisoners to FBI headquarters in New Orleans for questioning when Hoover noticed they seemed to be traveling in circles.

"I discovered," said Hoover, "that neither I nor the agent—who was there just for the Karpis raid—knew where our office was. At that point, Karpis spoke up and asked us if it were in the old Post Office or the new one."

Hoover said he first told Karpis to keep quiet as befitted a prisoner, but then identified the old Post Office as the site.

"Karpis then guided us to our office. He said he had been planning to rob the old Post Office and knew its location."

Later, Hoover was escorting Karpis to Minneapolis to stand trial for kidnaping. When the plane landed in Kansas City to refuel, Hoover purchased a newspaper whose headline read, "Karpis robs Detroit bank."

Amused, Hoover got on the plane and showed the paper to Karpis, who smiled and said "This time I have a good alibi."

"He had a sense of humor, a good sense of humor," Hoover said.

#### EXHIBIT 2

[From the Washington Post, Nov. 18, 1970]  
CLARK SCORES FBI OVER "IDEOLOGY," LACK OF DIVERSITY

(By Karl E. Meyer)

NEW YORK.—Former Attorney General Ramsey Clark, whom J. Edgar Hoover described as a "jellyfish" and a "softie," responded today with some criticism of his own about the FBI director.

Under Hoover, Clark said, the FBI has become "ideological" and has lacked internal diversity. Moreover, he told newsmen, Hoover erred in calling the Black Panthers the most dangerous group in America.

"That is patently absurd," Clark asserted. "I said it at the time and I'm still convinced of it. The FBI outnumbers the Black Panthers seven to one, and if they can't handle it, they should have stayed in bed."

Clark's remarks came during and after a press conference called here to announce the creation of a Committee for Public Justice to counter what it deems repressive tendencies in America.

Clark was asked to comment on Hoover's description of him as a "jellyfish" in an interview published in Tuesday's Washington Post. "He's entitled to his opinion," Clark replied. "He never said it while I was there."

In the interview, Hoover said that Clark, who was President Johnson's chief law enforcement official, was the worst attorney general that the FBI chief had worked under in 45 years. Hoover's criticism was prompted by a book just published by Clark, "Crime in America," which asserts that the FBI director's "self-centered concern for his own reputation" had hampered the bureau's crime-fighting.

Queried in Washington on Clark's comments, an FBI spokesman said, "Mr. Hoover has no comment to make as he does not desire to in any way advance the sale of his (Clark's) book."

Clark broadened his attack today, saying that while Hoover had made "some valuable contributions" by showing that a big agency can be effective, these were offset by "two grave shortcomings."

"If an investigator has to be anything, he has to be a disenthralled observer, a hard hard pursuer of facts," Clark continued. "He cannot be ideological. For reasons that are unfortunate, in my judgment, the FBI became ideological some time back. This has put scales over its eyes."

The other failure, he maintained, was the lack of diversity within the Bureau. Clark said there was an "intolerance of different viewpoints," and that the last man who dared question Hoover "has been gone for some time."

Clark said that the pursuit of the Communist Party of the U.S.A. "is an illustration of the terribly wasteful use of resources" growing out of the FBI director's belief in "the ideology of a different time."

Clark wondered "why it's so difficult for him (Hoover) to begin civil rights investigations" and said there was a question how good the FBI was in investigating "unlawful police conduct."

Clark is a member of the executive council of the new committee, which plans to investigate and publicize what it regards as political repression. Other council members include former assistant U.S. Attorney Generals Roger Wilkins and Bourke Marshall, and onetime Nuremberg war crimes prosecutor Telford Taylor.

Playwright Lillian Hellman, the principal organizer of the group, also spoke at today's news conference. She said she felt impelled to do something last spring because "some of us thought we heard the voice of Joe McCarthy coming from the grave."

#### EXHIBIT 3

LILLIAN HELLMAN

Playwright ("The Children's Hour," "Watch on the Rhine," "The Little Foxes," "Another Part of the Forest," adaptation of "Montserrat," "Autumn Garden"). Born in New Orleans; resides at Hardscrabble Farm, near Briarcliff, Westchester County, N.Y. Married to Arthur Kober, writer. Has been one of the most important figures in the Communist-front movement in the American theatre and literary world. Good friend of such as Dashiell Hammett, E. Y. Harburg, Herman Shumlin (producer of "The Little Foxes"), etc.

Reported as:

Allied Voters Against Coudert: Sponsor, "Stars for Democracy" Rally, Carnegie Hall, N.Y.C., 10/21/42. *App. 9*, p. 316.

American Committee for Democracy and Intellectual Freedom: Signer, Petition to Discontinue the Dies Committee. *App. 9*, p. 331.

American Committee to Save Refugees; Exiled Writers Committee of the League of American Writers; United American Spanish Aid Committee; Chairman, "Europe Today" Dinner Forum, Hotel Biltmore, N.Y.C., 10/9/41. *App. 9*, p. 357.

American Labor Party: Affiliated. HUAC, *Review*, etc., p. 22.

American League for Peace and Democracy: Sponsor, Refugee Scholarship and Peace Campaign, 8/3/39. *App. 9*, p. 410.

American League Against War and Fascism: Member, Advisory Board, United Citizens' Committee, 1936. HUAC, *Testimony of Walter S. Steele*, p. 29.

American Council on Soviet Relations: Affiliated. HUAC, *Review*, etc., p. 52.

American Round Table on India: Member. *App. 9*, p. 1772.

Amicus Curiae Brief for Lawson & Trumbo: Signer, Petition to U.S. Supreme Court to review the conviction of John Howard Lawson and Dalton Trumbo. *Alert*, 9/12/49.

Artists' Front to Win the War: Speaker, Meeting, Carnegie Hall, N.Y.C., 10/16/42. *App. 9*, p. 575.

Artists League of America: Sponsor, Dance, Penthouse, 13 Astor Place, N.Y.C., 3/25/44. *App. 9*, p. 1101.

- California Labor School: Affiliated. HUAC, *Review*, etc., p. 24.
- Citizens Committee for Harry Bridges: Member or Sponsor, 1941. *App. 9*, p. 599.
- Citizens United to Abolish the Wood-Rankin Committee: Supporter, *NY Times*, ad, 3/14/46, p. 18.
- Communist International; U.S.S.R.: Sponsor, Dinner Celebrating 25th Anniversary of the Red Army, auspices *Soviet Russia Today*. HUAC, *Review*, etc., p. 47.
- Supported by Soviet agencies, press or radio. HUAC, *Review*, etc., p. 48.
- Signer of declaration honoring Georgi Dimitrov (onetime Comintern head), Reichstag Fire Trial Anniversary Committee, ad, *NY Times*, 12/22/43, p. 40. *App. 9*, p. 1531.
- Other Support of Georgi Dimitrov. HUAC, *Review*, etc., p. 42.
- Her plays, "Watch on the Rhine" and "Little Foxes," performed in Moscow theatres. *Soviet Russia Today*, October 1945, p. 32.
- Sent greetings to Moscow Art Theatre on its 50th Anniversary. *Daily Worker*, 11/1/48, p. 13.
- Miscellaneous support given to Soviet Union. HUAC, *Review*, etc., p. 49.
- Communist Party USA: Supporter of individual Communist(s). HUAC, *Review*, etc., p. 40, 45.
- Supported by Communist Party. HUAC, *Review*, etc., p. 39.
- Signer, "Statement by American Progressives on the Moscow Trials." *Daily Worker*, 4/28/38, p. 4; *New Masses*, 5/3/38, p. 19; *App. 9*, p. 1617.
- Signer, "Statement in Defense of the Bill of Rights" (in support of the Communist Party), 12/14/39. *App. 9*, p. 1126.
- Congress of American Women: Supporter. HUAC, *Report on the Congress of American Women*, p. 105.
- Coordinating Committee to Lift the Embargo: A "Representative Individual." *App. 9*, p. 668.
- Equality*: Member, Editorial Council, 1939; also contributor. *App. 9*, pp. 695, 696, 698, 1449.
- Films for Democracy: Member, Advisory Board. *App. 9*, p. 729.
- Film Audiences for Democracy: Member, Advisory Board. *App. 9*, p. 730.
- Frontier Films: Member, Advisory Board. *Daily Worker*, 4/6/37, p. 9; *App. 9*, p. 732.
- Friends of the Abraham Lincoln Brigade: Sponsor. *App. 9*, pp. 756, 1120.
- Sponsor, Campaign to Aid Spain Veterans. *Daily Worker*, 6/11/38, p. 4; *App. 9*, p. 753.
- Sponsor, Rehabilitation Fund. *App. 9*, p. 753.
- Sponsor, Disabled Veterans Fund. *Daily Worker*, 3/22/39, p. 5; *App. 9*, p. 754.
- German American Emergency Conference, Inc.: Sponsor. *App. 9*, p. 1121.
- Harlem Women for Wallace: Speaker, 6/9/48. *Daily Worker*, 6/10/48, p. 6.
- History Today, Inc.: Member, Board of Directors. *App. 9*, p. 725.
- Independent Citizens Committee of the Arts, Sciences and Professions: Member, Board of Directors. Letterhead, 4/30/46.
- Contributing editor, *The Independent*, June 1945.
- Speaker. *The Independent*, 6/3/45, p. 13.
- Speaker, Theatre Panel, Conference of the Arts, Sciences and Professions, 6/22-23/45. *Daily Worker*, 6/10/45, p. 14.
- International Committee on African Affairs: Speaker, Mass meeting. *Daily Worker*, 4/10/42, p. 1, 3; *App. 9*, p. 671.
- Joint Anti-Fascist Refugee Committee: Sponsor, Dinner, 10/27/43, Hotel Astor, NYC. *App. 9*, p. 941.
- Sponsor, "Tribute to Guerrilla Fighters" Dinner. *App. 9*, p. 944.
- Principal speaker (she had just returned from 4 months travel in the U.S.S.R., where she had been the guest of VOKS, the Soviet Cultural Dept.), Dinner opening drive for \$750,000 (she contributed \$1,000), NYC, 3/22/45. U.S. Senate, *Hearings on S. 1832*, Part 2, p. 532.
- League of American Writers: Signer, Call to the 4th Congress of LAW, NYC, 6/6-8/41. *App. 9*, p. 974.
- Signer, Cable in support of Loyalist Spain, 3/19/38. *New Masses*, 3/29/38, p. 21; *App. 9*, p. 981.
- League of Women Shoppers, Inc.: A Vice-president. Letterhead, 7/7/41; *App. 9*, pp. 1007-1010.
- Sponsor also of New York, Hollywood and Los Angeles Branches of LWS, Inc. Letterhead, 7/3/41; *Un-Am. Act. in Cal.*, 1948, pp. 277, 278.
- Medical Aid to Russia: Affiliated. HUAC, *Review*, etc., p. 52.
- Medical Bureau and North American Committee to Aid Spanish Democracy: Affiliated. HUAC, *Review*, etc., p. 30.
- National Committee to Combat Anti-Semitism: Sponsor. *App. 9*, p. 1172.
- National Committee for People's Rights: Member. Leaflet, "This Organization Is Dedicated. . ."; *App. 9*, p. 1179.
- National Council of American-Soviet Friendship: Sponsor, 10th Anniversary of American-Soviet Relations Congress, Madison Square Garden, 11/8/43. *Daily Worker*, 9/29/43, p. 5; 10/25/43, p. 3; *App. 9*, pp. 481, 1202.
- Sponsor, Congress. *App. 9*, p. 1203.
- Speaker, American-Soviet Cultural Conference, Engineering Societies Bldg., NYC, 11/18/45. HUAC, *Testimony of Walter S. Steele*, p. 99.
- Speaker, Women's Committee Meeting, Soviet Consulate, NYC, 3/7/46. HUAC, *Report on Congress of American Women*, p. 90.
- Participant, Tea on International Women's Day, given by NCASF in honor of Soviet women, Soviet Consulate, N.Y.C., 3/8/46. *Daily Worker*.
- Sponsor. *Soviet Russia Today*, March 1947, p. 2; letterhead, 5/9/49.
- Signer, Greetings to Women of the Soviet Union in Celebration of International Women's Day, auspices Women's Committee of NCASF. *Daily Worker*, 3/9/48, p. 5.
- Supporter of NIKHAIL KALATOZOV, Soviet film representative. HUAC, *Review*, etc., p. 44.
- National Council of the Arts, Sciences and Professions: Vice-chairman. Letterhead, 6/7/48.
- Nominee for Office, Theatre Division Rally, Hotel Woodstock, NYC, 9/20/48. Handbill.
- Signer, ad, "We Are For Wallace," *NY Times*, 10/20/48.
- Signer, Statement calling for abolition of House Committee on Un-American Activities. *Daily Worker*, 12/29/48, p. 2.
- Attended and donated \$250, Meeting to Abolish House Committee on Un-American Activities, Hotel Commodore, NYC, 1/9/48. Special report.
- Signer, Invitation to Scientific and Cultural Conference for World Peace, NYC, 3/25-27/49. *Daily Worker*, 1/10/49, p. 11.
- Sponsor; Member of Program Committee; Member of Resolutions Committee; Helped present the resolutions, Scientific and Cultural Conference for World Peace. Program; Official Invitation; *Daily Worker*, 2/28/49, p. 9; U.S. Senate, *Hearings on S. 1832*, Part 2, pp. 548, 551.
- On dais; also a speaker, Welcoming Dinner for Scientific, etc. Conference, Waldorf-Astoria Hotel, 3/25/49. U.S. Senate, *Hearings on S. 1832*, Part 2, p. 544.
- National Emergency Conference for Democratic Rights: Signer, "Open Letter to the U.S. Senate." *App. 9*, p. 1212.
- National Institute of Arts and Letters: Signer, Letter denouncing the Thomas Committee of Congress. *Daily People's World*, 2/27/48. *Un-Am. Act. in Cal.*, 1948, p. 330.
- National Wallace for President Committee: Member. *Daily Worker*, 3/26/48, p. 7.
- New Masses*: Affiliated. HUAC, *Review*, etc., p. 56.
- "New Party" (Independent Progressive Party): Member, Platform Committee, 7/23/48. *Daily Worker*, 7/19/48, p. 5.
- North American Spanish Aid Committee: Sponsor, "Campaign to Aid International Volunteers. *App. 9*, p. 1610.
- Progressive Citizens of America: A Vice-chairman. *Un-Am. Act. in Cal.*, 1948, p. 354.
- Speaker, "Stop Anti-Labor Legislation" Meeting(s), NYC, 1947. HUAC, *Testimony of Walter S. Steele*, p. 149.
- Participant, "Conference on Cultural Freedom and Civil Liberties," Hotel Commodore, NYC, 10/25-26/47, auspices National Arts, Sciences and Professions Council of PCA. Official Call; *Daily Worker*, 10/27/47, p. 2.
- Progressive Committee to Rebuild the American Labor Party: Member, Executive Committee. *App. 9*, p. 1500.
- Progressive Party: Attended three-day conference. *Daily Worker*, 11/16/48, p. 5.
- Sponsor, Fund-raising Dinner in honor of Henry A. Wallace, Hotel Astor, NYC, 9/12/49. Official invitation.
- Russian War Relief, Inc.: Signer of appeal. *NY Times*, ad 10/10/41; *App. 9*, p. 475.
- Soviet Russia Today*: Signer, "Open Letter to American Liberals." *Soviet Russia Today*, March 1937, pp. 14-15; *App. 9*, p. 1379.
- Theatre Arts Committee: Member, Executive Board. Letterhead, 1/26/40; *App. 9*, pp. 1539, 1626.
- United Office and Professional Workers of Committee, 5th Annual Stenographers' Ball, Manhattan Center, NYC, 2/10/40 (to raise organizational and strike fund). Letterhead, 1/1/40.
- Voice of Freedom Committee: Affiliated. HUAC, *Review*, etc. p. 35.
- Writers for Wallace: Member, Initiating Committee. *Daily Worker*, 9/21/48, p. 7.
- Veterans of the Abraham Lincoln Brigade: Signer, Letter to Pres. Roosevelt and Atty. Gen. Jackson, protesting the attacks upon the Veterans of the Abraham Lincoln Brigade and "condemning the war hysteria now being whipped up by the Roosevelt administration." *Daily Worker*, 2/21/40; *App. 9*, p. 1648.
- Endorser, Conference, Hotel Capitol, NYC, 4/13/40. *Daily Worker*, 3/25/40; *App. 9*, p. 1649.
- Miss Hellman accepted an invitation to be an American delegate (with Rosamond Gilder) to an International Congress of the International Theater Institute, Paris, 7/28/47. HUAC, *Testimony of Walter S. Steele*, p. 118.
- Lillian Hellman has not separated her activity in organizations cited as Communist or Communist fronts, from her playwrighting. *App. 9*, p. 1539, notes that Miss Heller is "the writer of a number of plays like Little Foxes which guardedly carry the Communist message." Herman Shumlin produced "Little Foxes."
- Kermit Bloomgarden produced, Harold Clurman directed, Howard Bay designed the sets and lighted, and Fredric March, Florence Elridge and others acted in Lillian Hellman's latest play, "The Autumn Garden."
- "The Autumn Garden" on the whole was not acceptable to *The Daily Worker* (but Arthur Pollock in *The Daily Compass* recently has said nice things about her and about the play; see *Daily Compass*, 2/26/51, p. 12, and 5/4/51, p. 20).
- Recently, persistent rumors have circulated in the theatre and in NY ad agencies that Miss Hellman had either given up "the cause" altogether, or had become a "deviationist."
- In view of Lillian Hellman's solid position over many years, as revealed in her record, any alleged change on her part would seem to require a great deal of proving—by very considerable action, not words.

*Communist Party USA*: Member. In testimony before the House Un-American Activities Committee, Los Angeles, 9/19/51, Martin Berkeley swore that he was active in the Communist Party between 1937 and 1943 and that he had known Lillian Hellman in the Party.

#### ARTICLE ON TAX REFORM BY NORTH CAROLINIAN

Mr. ERVIN. Mr. President, in the February 1970, issue of the *Journal of Accountancy*, a North Carolinian, Mr. William H. Westphal, has written a broad-ranging article on tax reform. Mr. Westphal, who is a past president of the North Carolina Association of Certified Public Accountants, is not satisfied at past efforts at tax reform. Mr. Westphal characterizes past efforts at tax reform as attempts "to pour new wine into old wineskins." He states further:

True tax reform can come about only after an intensive unbiased examination of the philosophy of present procedures.

In his article Mr. Westphal examines the present tax philosophy and the nature of the tax law and how it can be improved. Also, he considers tax reform from an administrative standpoint by examining the Internal Revenue Service, and he takes a look at the tax decisions of the Federal courts in this regard.

Mr. President, for a very enlightened discussion of tax reform policies, I wholeheartedly recommend the article entitled "What Is Tax Reform?" which was published in the *Journal of Accountancy* in February 1970.

Mr. President, I ask unanimous consent that Mr. Westphal's article on tax reform be printed in the RECORD.

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

#### WHAT IS TAX REFORM? (By William H. Westphal)

The public demand for tax reform has never been so urgent. This universal concern grows out of the influence of an income tax law which has been all-pervasive. It has been used not only to obtain necessary revenue but as a deterrent to inflation, as an instrument of social reform, as a manner of redistributing the wealth, and even as a means of bringing criminals to justice.

Yet how is the desired change to be wrought and of what should it consist? Is it to be accomplished by the manipulation of the tax rates, by the allowance or removal of exemptions, by taxing certain institutions that have not been taxed before, by plugging some loopholes? It is usually considered on this basis and often, after a certain number of corrections and innovations, the evils still persist in another form. The conventional thinking appears to be that we already possess a generally satisfactory taxing system, so that the only requirement for its functional efficiency is the change of certain sections of the law. Because I believe that a conceptual foundation must be laid before technical construction can properly begin, I shall undertake a philosophical approach to the question of reform of the tax system. After a number of years devoted to the consideration of the effect of the federal income tax laws upon many taxpayers, I am constrained that anticipated tax reform has always been treated on a relatively superficial basis in a continuing endeavor to pour new wine into old wineskins.

We might consider just how the effectiveness of any other law would be determined. For example, if we should seek to ascertain the adequacy or relevance of criminal law, our review would encompass the following facets of the problem:

1. The nature of the law
2. The administrative philosophy of enforcement procedure
3. The decisions of the courts of competent jurisdiction.

The failure to take all of these components of the problem into account would preclude observations and conclusions that are thoroughly considered.

The tax law must be examined in the same fashion, for the treatment of any phase of this matter as sacrosanct or untouchable will result in failure to deal effectively with the problem as a whole. Therefore, in examining the question of tax reform, these same three vital ingredients must be evaluated, for unless this is done, one may well be treating only the symptoms and not the root causes of our difficulties. The true effect of the tax law is measured by the end result: the tax paid with the return, the amount imposed by the Internal Revenue Service, or the deficiency finally determined by the courts. The uncertainty of the law's meaning, the basis for much bitter complaint, is not attributable only to its phrasing, but also to administrative procedure and to judicial determination. Related to all of these phases of the law's operation is the need for relief from the grossly unfair tax resulting from an honest error, a technicality or a harsh court decision.

#### THE NATURE OF THE TAX LAW—HOW CAN IT BE IMPROVED?

The tax law is an enormously complex set of statutes that have been revised, altered and adjusted until the patchwork has become almost unintelligible. It has been codified twice and amended on innumerable occasions. It does not represent the gradual evolution of the law through the careful distillation of experience, but a series of amendments superimposed one upon the other, because of an immediate need for revenue, the popular demand for tax relief, the pressure of interested special groups or an effort to prevent some type of tax evasion. The consideration of appropriate philosophical concepts, the careful balancing of one section against another, and the evaluating survey of the law as a whole seem always to have been seriously lacking.

No task can be performed to the best advantage in such circumstances, and the writing of a tax law is no exception. It is a testimonial to the outstanding quality of the Congressional committees that have been engaged in this effort that, in spite of these handicaps to sound draftsmanship, a degree of workability has been attained.

A comprehensive revision of the tax law should be based on a nonpartisan study in great depth by a thoroughly knowledgeable commission. It should be composed primarily of highly competitive professional men or women who are broadly experienced in the tax, financial and economic fields, possessing no particular axes to grind. This type of examination of the Canadian law was undertaken a few years ago and proved quite fruitful.

This group might decide first just what method or methods of taxation are most desirable, taking into account the tax experience in this country, both state and federal, and in other countries.

If it considers that the presently existing form of income taxation should be retained, it should then examine the Internal Revenue Code intensively from every possible standpoint.

This review should compare the tax effect of the law upon taxpayers of comparable income class, but with differing financial or

occupational status to ascertain any existing inequality of treatment and the best means of placing them on a parity. It should decide whether taxes should be imposed on any additional persons or entities who now appear to be escaping their share of the tax burden.

Hasty conclusions should not be reached regarding the changes that need to be made, based on half-truths, insufficient information or purely emotional appeal. The Congress should not be stampeded into the hurried application of additional taxes to a particular class of taxpayers merely because there may be a hue and cry to do it. While privileged positions under the tax law should not be regarded as inviolate, the reasons for which they came into being should be examined, and the probable long-range social and economic implications of their removal should be considered before action is taken. Also, the law that is proposed should be feasible and workable—susceptible of practical implementation. The economic system is inordinately complex and solutions to its problems of taxation do not come easily. Although we can probably never regard the tax law as a seamless garment, we must by all means eventually cast off one that is a crazy quilt of legislation.

It is imperative that we should not become so enamored of simplification that we provide a Procrustean bed for taxpayers into which they will be forced, either to be unjustly cut down or financially mutilated in the cause of convenience by arbitrary and simplistic rules. It is likewise important that the generations of sound tax scholarship that have gone into the development of the present law should not be wantonly sacrificed for the sake of streamlining the statute.

However, the finest available thinking should be devoted to simplification, rather than hairsplitting definition, and to the clear establishment of basic principles with which reasonable men can live, rather than to pinpoint delineation.

The use of a competent study commission has been found to be profitable by a number of states in effecting changes in their tax laws. Not only would it represent a pool of talent and knowledge possessed by persons who are willing and able to give the necessary time to the task, but to a degree its use would serve to insulate members of Congress from continuing political pressure during the study period. This statement is made with a full awareness of the constitutional principle that those engaged in devising tax laws must be responsive to the people. Nevertheless, while the formulation of tax policy should not take place in a corner, a suitable tax law cannot be written in a public arena before a mass of spectators. The suggested approach is a deep intensive study by the commission, and its report, together with tentative drafts of the proposed law, for the lengthy examination of the Congressional committees. The report should not be permitted to gather dust in the archives but should be intensively used as a work of reference.

Appropriate publicity given to a sound report by such a commission might achieve substantial public acceptance of many of its conclusions. This could minimize the impact of efforts exerted by special groups for preferential treatment and strengthen the position of the Congressman or Senator who wishes to incorporate the proposed findings in the law with a minimum of change.

#### ADMINISTRATIVE PHILOSOPHY

As a result of long experience, I am thoroughly convinced of the honesty, integrity and competence of virtually all of the officials of the Internal Revenue Service. For an organization so tremendous, for a task so colossal, they have performed admirably. Nevertheless, while administration of the criminal law is the subject of continuous public discussion, little is said about the

manner of enforcing the Internal Revenue statutes and whenever it is mentioned, it is likely that those who consider it will skirt the question. Complete frankness in examination of the Internal Revenue Service's enforcement techniques and philosophy and discussion with absolute honesty and candor are prerequisites to thorough planning for tax reform. The manner of enforcement may transform a mild law into an instrument of terror or cause a strongly worded statute to be almost wholly ineffective. A valid relief provision may fail because of hostile and overly stringent administrative application. The impression gained by the public of the nature of enforcement is likewise of immense importance to the success of a self-assessing tax system. Because of friendly relationships with many fine officials of the Internal Revenue Service, I have a kindly feeling toward it, yet I believe that the basic criticisms I submit can best come openly from its friends, rather than secretly from its enemies and detractors.

There are many practices within the Internal Revenue Service that might stand revision, although in an organization so large with a task so great this may be expected. I shall deal with two of the undesirable results of its basic philosophy which serve to render the application of the Internal Revenue Code more confusing.

1. The circuitous approach followed in settling difficult questions of tax law that arise in income tax examinations.

2. The promotion of litigation, rather than its avoidance, by the administrative "protect the revenue" policy and, accordingly, the undue emphasis on the adversary approach to such questions.

One of the most serious difficulties encountered by the taxpayer is the disposition of many troublesome questions of law that may come into focus in a field examination. Some of these issues may be raised by the examining officer primarily for protective purposes, but they cannot be settled until the case finally goes to the Appellate Division, often after it is docketed in the Tax Court. A long period of time may elapse between the revenue agent's examination and the eventual disposition of the case, and the finally asserted deficiency may be much lower than that proposed in the agent's report. These endlessly drawn out controversies, followed by a drastic reduction of the tax, are very lucrative to tax practitioners—but are destructive of taxpayer morale and are conducive to disrespect for the Internal Revenue Service. Surely sufficient ingenuity exists at the tax bar to develop an approach that will result in a much speedier disposition of such cases without the traumatic effect of a tremendous proposed tax deficiency that is not likely to be paid in full. The litigating possibility approach emphasizes the desirability of contesting issues with the Service and puts a premium not on taxpayer compliance but on a litigious attitude. This places the sophisticated, contentious taxpayer in a position of marked advantage over the easygoing, acquiescent one, who may be excessively anxious to cooperate with his government. Should a tax result be governed by the right of the case or by the belligerence of the taxpayer?

Although the Service in its examinations strives to prevent the taxpayer from postponing taxation improperly by claiming deductions currently that should be taken in a later year, its tactics in delaying final settlement of cases because of the protracted disputes has the same effect of tax deferment. If cases that take several years to settle could be disposed of reasonably in their early stages, the tax money would be received several years sooner with resulting benefit to the Treasury.

This problem might be reduced from its present alarming proportions (1) by arranging conferences between the taxpayer and

the Service, as this is done in the case of reorganizations and pension plans, on many other prospective transactions and (2) by applying to a disputed issue in a tax return the most experienced and authoritative thinking possible at the inception of the controversy, rather than at the approach to the trial table.

Many of the troubles growing out of relationship to the Internal Revenue Service seem to stem from the belief that it should use its knowledge to extract the last possible dollar of revenue in a given case on a technicality without regard to future effect of this action on the law. This has occasionally been manifested by the unwillingness to accept the obviously sound and practical decision of a lower court in the desperate attempt to obtain a harsher interpretation out of a higher court, entirely in the hope that a greater tax might be possible.

I believe that the Service should follow the adjudication of the courts when they have repeatedly taken a certain position. The unwillingness to concede that an issue is settled when numerous decisions are recorded against it, placing the burden of expense on taxpayers to litigate the matter afresh, promotes resentment and disrespect for the Treasury and is hurtful to its relationship with the taxpaying public.

It is my view that the Service should abstain, as much as possible, from the attempt to assert taxes in amounts that are clearly confiscatory on the basis of hairsplitting technicalities.

Also, I firmly believe that if the Service considers that a decision of a court is harsh and difficult to apply, it should take steps, through an effort to change the law, or by any other means at its command, to alleviate its effect, rather than use it in opportunistic fashion to obtain more revenue.

The Internal Revenue Service as an organization possesses the most comprehensive accumulation of knowledge available for use in the practical application of the income tax law in the field. It could avoid taking many issues to court by establishing and adhering to fair and reasonable rules of statute construction untouched by a desire to acquire the maximum possible amount of revenue in a given case. It could greatly limit litigation without injury to the tax structure or to the long-term yield attained, and, in doing so, it would perform a service of inestimable value to the nation. Nevertheless, too often instead of applying its vast experience to effect a reasonable disposition of troublesome issues, it will persist in needlessly throwing them into the courts. I am convinced that this continued practice adds greatly to the confused state of the law and sometimes opens as many loopholes as it closes.

Litigation should not be pursued by the Service on an aimless, *ad hoc* basis with only a concern for immediate revenue gain but for the purpose of building a sound, clearly discernible and thoroughly understandable framework of case law that will help to chart the course of both the government and the taxpayer.

I do not think that trial by combat will ever achieve consistently the equitable result that is possible when men of good will seek conscientiously to compose their differences around the table. Unfortunately, the tax practitioner is presently compelled by his position to be an advocate and the role is forced upon him whether he wishes to fill it or not. The many fine conferees in the Internal Revenue Service are likewise, to a degree, prisoners of the system of philosophy that has grown up over the years and must, of necessity in a controversy, take the position that is dictated primarily by the estimate of the litigating possibilities in the case. It is time to cast off the old philosophy and to substitute something better.

The Service may say that it has sought to

encourage the CPA to take upon himself the mantle of the objective arbiter in tax cases, but without much success. The answer is that the Service itself must make the first move in this direction. It is not possible for the practitioner to survive as a representative of the taxpayer in large and important tax disputes if he abandons the position of advocate when the government does not. If he does, the task of representing the taxpayer will go to his competitor. The Treasury, however, can initiate a changed policy in this respect, for it has no clients to lose. At the outset, some revenue might be lost by doing this; nevertheless, I believe that the long-range effect of a gradual transition to a changed position would be most salutary.

Such a marked revision in philosophy would enable the Treasury to enlist the cooperation of most tax practitioners to promote the negotiated settlement rather than the litigation approach to disputed questions.

Members of the tax study commission should explore the problem of administration intensively. In this endeavor, they should be part of a committee which should also include members of the AICPA, the ABA, any other reputable tax practitioners' organization and the Internal Revenue Service.

#### DECISIONS OF THE COURTS

Very often, research of the cases relating to a complex tax question discloses a seeming welter of confusion, adding to the uncertainty regarding the law's application. I believe that much of the grave difficulty in this area grows out of what has been referred to as the "trifurcated system" of courts. A taxpayer may, without paying his tax, go into the Tax Court of the United States, appeal the decision of this court to the Court of Appeals for his circuit and, if the question justifies it, take the matter to the Supreme Court of the United States. On the other hand, he may pay the tax, bring suit in the District Court and have the same appeal to the Court of Appeals and the Supreme Court. There is yet another avenue of redress: he may pay the tax and sue the United States in the Court of Claims, District of Columbia, from which an appeal lies only to the Supreme Court. Now the possibility for endless confusion growing out of this situation is obvious. The impression seems to prevail in legal circles that a taxpayer's opportunity for victory in a number of cases is greater in the United States District Court or in the Court of Claims than it is in the Tax Court, and so many taxpayers who are able to pay their tax before the suit will go into one or the other of these, depending upon which they believe presents the best possibility for success. The feeling that the Tax Court may be a less favorable forum in which to bring such action, whether or not this view is correct, seems to grow in part out of the fact that a number of Tax Court judges have formerly been attorneys for the Internal Revenue Service or the Department of Justice. This, some believe, may orient the Court to government thinking if only subconsciously and imperceptibly. Nevertheless, the fact of the prevalence of this view may tend to scatter cases throughout other courts, although the Tax Court with its great experience in this field should be better versed technically in this subject.

Obviously, this continual shifting to a variety of courts tends to prevent uniformity in interpretation to the degree that this might be possible if one court should deal with nearly all of the cases.

There may be two possible avenues to a correction of this condition. The first would require by operation of law that tax cases be taken to a special tribunal such as the Tax Court to insure uniformity of treatment and expeditious handling. If this is not done, however, and it is not recommended herein, steps might be taken that would insure the development of more gen-

eral satisfaction with the Tax Court as a forum to which these disputes should be brought. A possible approach would be a continuing effort to achieve a balance on the court by having an equal representation of appointees from private legal practice.

I believe that a committee composed of legal members of the tax study commission, together with members of the American Bar Association, should very thoroughly and intensively examine the matter of tax litigation, looking to the possibilities of eliminating some of the confusion attendant upon such a wide range of decisions coming from different courts on the same basic question.

#### THE GROSSLY UNFAIR TAX

There should be a workable method of counteracting the effect of those harsh decisions that result in the imposition of taxes far in excess of a reasonable amount in the circumstances. Too often when this occurs the attitude seems to prevail that everyone is helpless to do anything about it and the matter is dismissed, though it may be subject to some brief treatment in legal journals. Such lack of concern, while we seek other taxing worlds to conquer, engenders a bitterness and an animosity toward the taxing system which tends to erode it. This situation may arise when a taxpayer, through lack of experienced tax counsel, stumbles into a trap in the course of an important transaction and cannot extricate himself.

I believe that as much care should be exercised to be assured that outlandish and unjust exactions are avoided as to seek out other segments of the population to tax. The self-assessing system of which we are justly proud cannot remain effective unless it has the wholehearted, overwhelming support of a public convinced of its ultimate fairness. Decisions resulting in the imposition of an exorbitant tax in unfortunate circumstances should be studied continually by the bar groups to consider pressing for legislation to ameliorate the situation of similarly situated taxpayers.

Finally, there should be some basis for an appeal of the end result of a case, whether or not it has been adjudicated by the courts, if the final tax resulting to the parties involved is unreasonable in the light of the circumstances.

The cases referred to are those where, through some highly technical application of the law, the tax asserted is grossly disproportionate to the income benefits derived. It would seem possible that some commission or special court might be created by law to pass on such questions and eventually, on a basis of the equities in the case, to assign a fair and reasonable tax. This would, of course, require much study to determine the possible feasibility of such an approach and its necessary statutory background, but I believe it should receive earnest consideration.

The intensive study of the law, the examination of administrative procedure and policy, and the consideration of the litigation problem, may each go forward independently, but in the end all of these must be co-ordinated, for they are all a part of a cohesive whole. Such a task may not be completed in a day, or even in a year, but organization and determination should make it possible. It is the price of a sound and equitable taxing system.

There are some who will say that many of these undesirable features cannot be changed. This attitude insists, in effect, that the people are helpless before the very taxing system which, over a period of more than five decades, they have helped to establish. I am satisfied that in an era of change, the revisions that I have suggested can be brought about by the determined application of American ingenuity.

The earnest effort to accomplish this purpose will supply the one ingredient indispen-

sable to acceptable taxation: the assurance of the public that its government is striving in every way possible to do justice in disposing of the difficult tax problems that impinge upon every phase of American economic life.

#### THE INTERNATIONAL SCENE

Mr. GURNEY. Mr. President, we are constantly being assured by our friends in the news media that a thaw is developing in our relations with the Soviet Union.

Day after day, we have editorial columns and network news commentary full of rosy and optimistic forecasts about detente.

I wish we could put our confidence in these forecasts, but I candidly confess that I am not so optimistic as are some of our friends in the press. I think that a good deal of this optimism is based on wishful thinking rather than on hard evidence. As a matter of fact, much of the hard evidence points in the other direction.

We were told early in October that the Gromyko-Rogers talks had been friendly and candid and meaningful. Yet on October 21, 1970, the Soviet Foreign Minister addressed the United Nations General Assembly in the extreme language reminiscent of his previous cold war barrages.

He accused the United States and Israel of conspiring to thwart peace in the Middle East. He denied that Russia had any part in the clear violations of the cease-fire agreement by the Egyptian Government. Indeed, he denied that the cease-fire agreement had been violated in the face of clear evidence to the contrary.

Like so many Russian charges of the past, the latest defies reason or logic. The idea that 2½ million "blood thirsty" Israelis are threatening the security of 80 million "peace-loving Arabs" is so outlandish and absurd that it borders on insanity.

The Soviet Union has in its power, through its control of its Arab clients, to bring about peace in the Middle East. The fact that it has not permitted peace to come to that sad and troubled area should give us pause before we pronounce the cold war at an end. I would also point out that the Syrian intervention in the Jordanian civil war last month had the unmistakable mark of Soviet management.

The SALT talks resumed at Helsinki on November 2, 1970. I have not abandoned hope of some constructive arrangement coming out of those talks. But we must recognize that while we are thinking of meaningful disarmament, the Soviet Union is perfecting its arsenal. The Soviets exploded an underground nuclear device of substantial size on October 14, 1970.

We know that the Soviets, in the last 2 years have spent more than \$9 billion on one strategic weapon system alone—the SS-9—which by the way is more than our entire current strategic military budget. And we all know, Mr. President, that the Soviets have been systematically expanding their navy with particular heavy emphasis on nuclear submarine capabilities. The presence of a strong

Soviet fleet in the west to Suez in the east. The Soviet fleet is there—strong, efficient, and menacing.

Nor, I regret to say, have we heard the last of the possibility of a Soviet naval base in Cuba.

The Soviets have also been on the move on the diplomatic front. The visit of President Pompidou of France to the Soviet Union in recent weeks is a highlight, I think, of the new Soviet diplomatic offensive.

In August 1970 a nonaggression pact between the Soviet Union and West Germany was signed in Moscow with much fanfare and pomp.

Almost universally, the American press greeted this pact as new proof that the basic intentions of the Soviets were changed from the harsh belligerency of the past and that we were on the threshold of a new era of sweetness and light.

Quite candidly, this attitude seems almost naive. There seems to be a willingness, which I find unfortunate, for the press and some of our commentators to examine only superficially, matters of great consequence, and to avoid the realities and wider implications of such actions.

That is the way it is with the Soviet-West German nonaggression pact. Since no one can defend "aggression" in the abstract, any nonaggression pact must be desirable.

Therefore, this bizarre logic goes, no additional thought need be given to this pact. This casual approach to matters of great consequence is completely unrealistic.

I am encouraged that the various members of the Christian Democrat Party in the German Bundestag have raised penetrating and substantial questions about this treaty, about its implications and about long-term consequences.

Chancellor Brandt has not yet formally submitted the treaty to the Bundestag for the required ratification by two-thirds majority of the members, and the press has suggested that the treaty will not be formally submitted until there has been some easing of the Berlin situation.

In mid-October, the Soviets announced that they were unilaterally closing two of the three air corridors from West Germany to West Berlin.

Our response and the response of our British allies was to ignore this Russian ukase and to continue to fly our regular missions along our regular routes.

In the fact of this firmness, the Soviets backed down and insisted that the whole thing was a blunder or misunderstanding attributable to a subordinate air controller.

Reportedly, the West German Government will not formally submit the non-aggression pact to the Bundestag until, among other things, the allied access rights to the city of Berlin are clarified.

Berlin, of course, is only a part of the problem. It has been suggested that acceptance of this pact by West Germany will amount to a formal and indeed permanent, recognition of the division of Germany.

During his long and honorable tenure as Chancellor, Conrad Adenauer and his Christian Democrat Party, the CDU, had

insisted that the division of Germany was a temporary and artificial arrangement, one that would ultimately be brought to an end. The end, of course, distant but never impossible, was to be the reunification of the German state.

Apparently, Chancellor Brandt has forsaken that dream. His "Ostpolitik," as exemplified by these meetings with the East German Government earlier this year and by the German-Soviet non-aggression pact in August and other internal moves, imply that he and his Socialist Party are now prepared to accept as permanent the division of Germany into two separate states.

We have heard some rumblings from the Christian Democrats on this score and we will doubtless hear a good deal more when the Bundestag debate begins in earnest on the treaty.

Americans will follow this debate with a great deal of interest and hopefully adopt a more circumspect attitude regarding these developments. I recall that the distinguished Senator from Colorado (Mr. ALLOTT) addressed himself to the economic aspects of the treaty in August. In his usual penetrating fashion, he probed beneath the surface of this pact and asked some pointed questions. I think we would do well to follow his example in this regard.

The one question that comes immediately to mind is what precisely did the Socialist government hope to gain from this arrangement? Surely, Western Germany poses no military threat to the Soviet Union.

The Soviet Union, on the other hand, since World War II, has posed and, in my view, continues to pose the major military threat to the security of Western Europe.

The sanctity of a treaty has never acted as a deterrent to Soviet imperialism in the past, and the likelihood of the Soviets in the future refraining from action because of the existence of a treaty commitment is, in my judgment, not great.

This Soviet guarantee to respect the territorial integrity of West Germany is on a par with the Soviet treaty of peace and friendship with Czechoslovakia. Its validity is based on Soviet needs and will be honored to the extent that the Soviet Union deems it in its interest to honor it.

It occurs to me that it is not hard to understand what the Soviet Union sought from this treaty—obviously final recognition of the division of Germany, which I have already mentioned, but additionally, and this may be equally important to the Soviets, economic advantages from the West German industrial complex in terms of the credits, technology, and expertise which would flow from a revival of or an increase in trade between the two countries.

We think of the Soviet Union as a highly developed industrial state, as indeed it is in many respects.

It can boast of a military capacity which is certainly awesome. Its accomplishments in space are well known.

But all this might and hardware has been at the expense of soft goods, con-

sumer goods, and the amenities which we in the West take for granted.

The Soviet's economy is on a wartime footing, preoccupied with weaponry and related fields.

As Mr. Stanley Karnow pointed out in his report from Leningrad in the Washington Post early in October, the gulf between the U.S.S.R. and Western countries is no place more evident than in the field of agriculture.

Because the Soviet Union's agricultural system is so primitive and backward, 45 percent of the Soviet work force—roughly half—must engage in farming.

By way of contrast, in the United States approximately 8 percent of our labor force is engaged in agriculture; in Western Europe the percentage averages 14 percent. In spite of Russia's large manpower devoted to agriculture, her accomplishments in this field have been most unsuccessful.

Since the 1917 revolution, we have almost annual stories about crop failures, bad weather, and blights. Russia, which in Tsarist times had been the breadbasket of Eastern Europe and an exporter of wheat, has in recent years been forced by these annual "crop failures" to become an importer of wheat. I must agree with the distinguished Senator from Colorado (Mr. ALLOTT) that the economic implications of the non-aggression pact are not fully appreciated or understood by Western observers.

Mr. President, I think we should by all means pursue opportunities for discussion and negotiation with the Soviet Union. But we should not let our national optimism blind us to the realities of the world situation.

We must not engage in wishful thinking for the Soviet Union continues to be an adversary, and a potential enemy. We cannot adopt an uncritical, unthinking attitude in current and future negotiations with the U.S.S.R. Other nations have, to their detriment. We must continue to be hard-nosed and tenacious in our positions.

When we hear of a "thaw," let us not forget that the Czechoslovakian invasion took place scarcely 2 years ago. Let us remember the situation in the Middle East and the continuing Soviet aid to North Vietnam. Czechs, Israel citizens, and citizens of South Vietnam would certainly dispute the "thaw."

When we hear talk of the new "liberalism" of the Soviet pro-Khrushchev regime, let us not forget the continued oppression of Soviet artists, writers, and intellectuals. The constant oppressive and humiliating treatment of Soviet Jews must make talk of "Soviet liberalism" extremely hollow and unreal to Soviet Jews and to the oppressed religious minorities—the Christians, the Moslems—within the Soviet Union.

During the long debate on the anti-ballistic-missile program—on safe-guard—an argument was advanced by the opponents of ABM that would have us believe that the installation of such a system by the United States would be viewed as a hostile and aggressive act by the Soviet Union.

The irony here is that the Soviet Union had deployed its own ABM system some time ago. That deployment was not viewed as an aggressive act by the United States.

It is another example of twisted logic. The Soviet deployment of an anti-ballistic-missile system is not regarded as either an aggressive or a hostile act. The deployment of a similar system by the United States is greeted by many Americans as an "escalation of the arms race," and we are told, in pontifical tones, that we must abandon ABM in the "interests of peace."

Mr. President, I hope with all my heart that the SALT talks will result in some meaningful truce in the arms race, but we should not, as a nation, let that hope blind us to the realities of the situation. Too often we approach negotiations with the Soviet Union with the notion that if only we can sit down together, frankly delineate our differences, we can solve the problem.

This notion, in my view, is simplistic and dangerous. We cannot approach these negotiations as though they were American labor-management talks—where there is good will on both sides and strong motivation for a solution or a reasonable settlement.

In my judgment—and also, I think, history bears out this analysis—the Soviets do not approach the negotiating table with the same ends in view.

Whereas we, as Americans, tend to think of negotiations as a means of ending or resolving a given dispute, the Soviets tend to think of negotiations as a means of waging conflict, not as a way to end it—as a tool to use for prospering their point of view—as a continuation of the conflict, if you will.

That is why, in the past, we have been so disillusioned by our negotiations with the Russians, and that is why so often our impatience and exasperation with the Russians has led us into unhealthy and undesirable concessions.

That is why the Western nuclear deterrent must remain strong enough to resist a Soviet attack.

That is why, in the final analysis, the one way, indeed the only safe way, to negotiate with the Soviets is from a position of strength.

The SALT talks, of course, we knew as useful and desirable. But we must approach them realistically and circumspectively, with the utmost patience, and make certain we are not outbargained by this most ruthless trader of all, Soviet Russia.

#### PUBLIC DISCLOSURE OF ENVIRONMENTAL IMPACT STATEMENTS

Mr. JACKSON, Mr. President, in recent days there have been a number of news stories concerning the release to the public of information contained in the detailed environmental impact statements required by the National Environmental Policy Act. Russell E. Train, Chairman of the Council on Environmental Quality, has written to me in response to questions raised by members of the staff of the Senate Interior and

Insular Affairs Committee and by recent news stories.

Chairman Train's position is that the intent and spirit of the law on public disclosure is being complied with by the Council and the Federal agencies. He does acknowledge that legislation may be required to insure that environmental impact statements are made available to the public at an early enough point in time to allow maximum citizen participation in decisionmaking.

Early in the 92d Congress the Senate Interior and Insular Affairs Committee will undertake a careful review of the performance of the Council and its administration of the act. An important aspect of this review will be the consideration of an amendment relating to public release of environmental impact statements. Other amendments which will be considered include the power of the Council to compel agency compliance with the act; the need for a systematic policy on environmental data and information; requirements for increased staff and funding for the Council; and the relationship of the Council to other agencies such as the Environmental Protection Administration.

I have written to Chairman Train and requested that the Council undertake a general review of the act and its administration and furnish the Senate Interior Committee with a report by December 31, 1970, on any areas in which new legislative authority is required as well as on any problems which have been encountered in administration. Following receipt of the report a definite date for hearings will be set.

Mr. President, I ask unanimous consent that Chairman Train's letter and my response be printed in the RECORD.

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

COUNCIL ON ENVIRONMENTAL QUALITY,  
Washington, D.C., November 19, 1970.

Hon. HENRY M. JACKSON,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR JACKSON: As I am sure you noted, newspaper reports this past weekend may have created some concern that the Council on Environmental Quality is administering the environmental impact statement requirements of the National Environmental Policy Act in a fashion which frustrates citizen participation in decision-making. I wish to assure you in the most emphatic way possible that the Council has consistently and aggressively sought to ensure the fullest practicable information to the public, consistent with the Act. Furthermore, the Council is satisfied that its administration of the Act in this regard is in full accord with the intent of Congress. There has been absolutely no change in the policy of this Administration in this respect. Our procedures under the Act have been a matter of public record from the start, and we have not varied from these procedures.

Because of the widespread public concern over the matter, however, I welcome this opportunity to outline our understanding of the law as well as the procedures we are following thereunder. The National Environmental Policy Act provides in Section 102(2)(C) that every Federal agency shall "include in every recommendation or report on proposals for legislation and other Federal actions significantly affecting the quality of the human environment, a detailed state-

ment by the responsible official" on the environmental impact of the proposed action, possible adverse effects, alternatives, etc. Prior to making such a detailed statement the Section requires the responsible official "to consult and obtain the comments of any Federal agency which has jurisdiction by law or special expertise with respect to any environmental impact involved." The Section then provides that copies of such statements (the "detailed statements" referred to in the preceding sentence), together with the comments of appropriate Federal, State and local agencies, are to be made available to the Council on Environmental Quality and to the public pursuant to the provisions of the Freedom of Information Act.

You will note that the above-described statutory provisions make no mention of a draft environmental impact statement, nor do they provide for publication of any information prior to the completion of the "detailed statement" which can only be accomplished after receipt of comments from appropriate Federal, State and local agencies.

Subsequent to passage of the National Environmental Policy Act, on March 5, 1970, the President issued Executive Order 11514, entitled "Protection and Enhancement of Environmental Quality," in furtherance of the purpose and policy of the National Environmental Policy Act. Section 3(h) of the Executive Order directed the Council to "issue guidelines to Federal agencies for the preparation of detailed statements on proposals for legislation and other Federal actions affecting the environment, as required by Section 102(2)(C) of the Act." The Executive Order also went well beyond the requirements of the statute itself in directing the fullest practicable disclosure of environmental information. Thus, Section 2(b) of the Executive Order directs Federal agencies to:

(b) Develop procedures to ensure the fullest practicable provisions of timely public information and understanding of Federal plans and programs with environmental impact in order to obtain the views of interested parties. These procedures shall include, whenever appropriate, provision for public hearings, and shall provide the public with relevant information, including information on alternative courses of action. Federal agencies shall also encourage State and local agencies to adopt similar procedures for informing the public concerning their activities affecting the quality of the environment.

Pursuant to this Executive Order, on April 30, 1970 the Council issued interim guidelines to assure agency compliance with Section 102(2)(C) and Section 2(b) of Executive Order 11514. These guidelines were published in the Federal Register of May 12, 1970. Because of the need to regularize the process of consultation between Federal agencies prior to the completion of the detailed (final) environmental impact statements, the Council's guidelines instituted a working procedure calling for draft statements. These draft statements are to be "prepared and circulated for comments and furnished to the Council early enough in the agency review process before an action is taken in order to permit meaningful consideration of the environmental issues involved."

The requirement of the National Environmental Policy Act that Section 102(2)(C) statements be made available to the public under the Freedom of Information Act clearly refers to the completed, detailed, and commented-upon statements (the only statements contemplated in the law) and it is this construction of the statute which we have consistently applied.

It has been our practice to refer public inquiries concerning environmental statements to the issuing agency in order to relieve our very limited facilities and staff of

the burden of distributing the statements to the public, and in order to make clear that compliance with the National Environmental Policy Act is the responsibility not only of the Council on Environmental Quality but also of the responsible Federal agency. Nevertheless, we have always made clear that should the citizen inquirer have any difficulty in obtaining copies of environmental statements, we would wish to be informed and would assist. No insoluble problems of this sort have arisen. Moreover, in order that interested members of the public can be kept informed of the status of environmental impact statements, the Council, on its own initiative prepares and makes available periodically a detailed listing of all final statements received, along with the names, addresses and telephone numbers of the responsible officials from whom the statements can be obtained. These summaries are now mailed by the Council to over 500 individuals and institutions, including interested Congressional Committees, Press representatives, who have expressed interest in the environmental impact statements, are also sent these summaries.

While we are satisfied that the above procedure is in full accord with the letter and intent of the National Environmental Policy Act and with the Executive Order, it must be recognized that the Act itself is not precise on the time relationship between the public availability of a detailed final statement and the ultimate decision or action, except (1) it is clear that completion of the final detailed statement must precede the ultimate decision and action, and (2) the final detailed statement "should accompany the proposal through the agency review processes." It should be borne in mind that the great majority of environmental statements deal with activities, appropriations, or legislation with respect to which full public hearings in advance of decision are already required presently by either Congressional, statutory, or administrative procedure.

While Congress might decide that draft environmental impact statements should also be required by law to be made available to the public or that the action proposed in a final environmental statement should be withheld a certain period for public comment, there are important questions of public comment, there are important questions of public administration to be considered before the statute is changed.

Our view is that the National Environmental Policy Act is so general in its language, so innovative in its procedures and so all-embracing in the range of Government activities included that, rather than make new across-the-board requirements we should evolve appropriate procedures for the various major categories of activity involved. For example, in the case of proposals for, or reports on, legislation, there would not seem to be a reason why the public should see an environmental impact statement before Congress does. In other administrative actions we can often build on existing requirements for hearings or notice to the public. In still other cases (for example GSA land purchases), advance disclosure of the Government's purchase intentions would probably prejudice chances for economical purchase.

The Council believes strongly that the public should be brought into the decision-making process as it affects the environment to the fullest extent practicable. It was at our recommendation that Section 2(b) of Executive Order 11514, quoted above, was adopted. Our guidelines have instructed all agencies to develop procedures for the implementation of Section 2(b). Most agencies have now done so. In response to our initiative, a number of agencies (such as the Corps of Engineers, Atomic Energy Commission and Federal Power Commission) are making draft

environmental impact statements available to the public at, or prior to, the time of public hearings.

The Council's interim guidelines provide for review of the Section 102(2)(C) guidelines this coming December and the issuance of such supplements as may then seem necessary. We intend to solicit public comment and suggestion as part of this review process. Likewise, we would naturally be greatly interested in the views of those Committees and members of Congress closely associated with the development of the legislation in question.

In summary, far from feeling that the Council has in any way been responsible for weakening the process of public information under the National Environmental Policy Act, we believe we are administering the Act in accordance with the letter of the law and the intent of Congress. In addition, the President, through the Executive Order, and the Council, through its guidelines and procedures, have moved effectively to broaden and strengthen the public's right to information.

As a closing note, I would comment that the performance by agencies under Section 102(2)(C) is improving steadily, although in certain cases there is still need for major improvement. We are now actively reviewing agency performance and will be reporting on this subject to Congressional Committees early in December. In this regard, it is important to bear in mind that we are dealing with a very basic reform in the process of government—one which has been effectively in operation for only about six months. Over the past month, we have received approximately four environmental impact statements each working day, on the average. I assure you that the Council is seeking to give a review to the contents of such statements although our ability to do so in all cases and to do so to the extent we would wish is seriously inhibited by the very limited size of our staff. We have a highly competent, dedicated group working for the Council, most of whom are working an excessive schedule. At the same time, public and Congressional expectations of the Council continue to rise. In this connection, it must be borne in mind that the review of environmental impact statements constitutes only a portion of the Council's responsibilities. The development of legislative proposals, the coordination of Federal programs related to environmental quality, the development of new national policies such as that on ocean dumping, budget reviews of programs affecting the environment, international environmental programs, the continuing review of all Federal programs that affect the environment, the development of the annual Environmental Quality Report—all of these and more must all be carried on daily by the same small staff.

I hope that these comments will be helpful. We look forward, as always, to continued close cooperation with you and your staff.

Sincerely,

RUSSELL E. TRAIN,  
Chairman.

WASHINGTON, D.C.,  
November 20, 1970.

HON. RUSSELL E. TRAIN,  
Chairman, Council on Environmental Quality,  
Washington, D.C.

MY DEAR MR. CHAIRMAN: Thank you for your letter of November 19, 1970, concerning the Environmental Quality Council's administration of the environmental impact statement requirements of the National Environmental Policy Act. I appreciate your thoughtfulness in furnishing me with the Council's interpretation and views on the critically important question of public disclosure.

In a democracy the right to know, the right to have knowledge of the intended actions and probable consequences of governmental decisions, is one of the public's most

important rights. Where government decisions have adverse impact on the quality of life and environment this fundamental right becomes critical because many decisions which result in resource misuse and environmental degradation are irreversible decisions. Once action is taken the hands of the clock cannot be turned back and public resources which have been damaged cannot be reclaimed or restored.

In view of the importance of this issue I would appreciate it if you and your associates on the Council will be prepared to discuss any necessary amendments to the public disclosure provisions of the Act at a hearing to be held before the Senate Interior and Insular Affairs Committee early in the 92d Congress. The Committee will also be considering other amendments to the National Environmental Policy Act at this time. These may include the power of the Council to compel agency compliance with the Act; environmental information systems; staff and funding requirements; and the Council's relationship with other agencies.

To facilitate the Committee's review of the Act's administration during the first year of operation I would appreciate it if you would furnish the Committee with a report on any areas in which new legislative authority is required as well as on any problems which have been encountered in the administration of the Act. I would appreciate it if this report were available by December 31, 1970.

Sincerely yours,

HENRY M. JACKSON,  
Chairman.

#### DEPARTMENT OF LABOR AND DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1971

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that at the close of morning business today, the Senate proceed to the consideration of Calendar No. 1350, H.R. 18515.

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

#### ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative 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.

#### CONCLUSION OF MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If there be no further morning business, morning business is closed.

#### DEPARTMENT OF LABOR AND DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1971

The PRESIDING OFFICER. Pursuant to the previous order, the Chair lays before the Senate the pending business, H.R. 18515, which will be stated by title.

The legislative clerk read by title, as follows:

A bill (H.R. 18515) making appropriations for the Department of Labor, Department of Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1971, and for other purposes.

The Senate proceeded to consider the bill.

Mr. MAGNUSON. Mr. President, last night, when the Senate adjourned, the pending business was an amendment by the Senator from New York (Mr. JAVITS), on which we had a quite lengthy discussion yesterday morning and afternoon; but we adjourned with the understanding that we would come back to that amendment today.

The Senator from New York is detained little thereafter. In the meantime we can probably take up some of the other amendments of a different nature. The Senator from Texas (Mr. YARBOROUGH) has an amendment, and some of the other amendments can also be taken up.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. Is it necessary for me to ask unanimous consent to withdraw consideration of the pending amendment?

The PRESIDING OFFICER. By unanimous consent the Javits amendment can be laid aside temporarily in order to take up other amendments.

Mr. MAGNUSON. I so ask.

Mr. BYRD of West Virginia. Mr. President, reserving the right to object—and I do not intend to object, of course—I merely want to protect the author and some of the supporters of the amendment of the Senator from New York.

Would the Senator be willing that it be made clear that the pending amendment offered by the Senator from New York will remain the pending question, to be set aside only for the consideration of specific amendments, such as the amendment to be offered by the Senator from Texas, from time to time?

Mr. MAGNUSON. Surely.

The PRESIDING OFFICER. The Chair wishes to point out that if the amendment is temporarily laid aside, it will revert, as it were, each time an amendment is disposed of. The question on that amendment would automatically recur if the request is that it be laid aside for a specific amendment in lieu thereof.

Mr. MAGNUSON. Mr. President, I yield to the Senator from Texas.

#### AMENDMENT NO. 1071

Mr. YARBOROUGH. Mr. President, I call up my amendment No. 1071.

The PRESIDING OFFICER. The Senator from Washington asked unanimous consent that the Javits amendment be temporarily laid aside for the purpose of taking up the amendment of the Senator from Texas.

Is there objection? The Chair hears no objection, and it is so ordered.

The amendments offered by the Senator from Texas will be read.

The legislative clerk read the amendment (No. 1071) as follows:

On page 32, line 12, strike out "\$2,432,000" and insert in lieu thereof "\$4,432,000"; and on page 32, line 12, strike out "\$250,000" and insert in lieu thereof "\$2,250,000".

Mr. YARBOROUGH. Mr. President, during this session, Congress passed my bill to create a model secondary school for the deaf which would be operated in connection with Gallaudet College.

The appropriation bill provides, on page 32, line 12, for \$2,432,000 for carrying out those purposes, of which \$250,000 shall be for construction. Mr. President, \$250,000 is merely a token in view of the high cost of construction. My amendment would provide an additional \$2 million for the purpose of expediting construction of these facilities.

The program for a model elementary school for the deaf has been in effect for years and has proved to be successful. Representatives from schools for the deaf come here to view the results. So this school is what its name implies—a model for the Nation. It applies the most modern methods of teaching of the deaf that have been developed.

The Nation has a great stake in teaching our citizens who are deaf. The sounds of everyday life which pound in the ears of our people are causing more and more of our citizens to suffer from deafness.

The average deaf person in the United States earns half the salary earned by the person who is not deaf, but there are certain fields in which the deaf excel in this computer age. Some deaf persons were given employment, on an experimental basis, at the regional Internal Revenue office at Austin, Tex. At the end of a year or 6 months, it was found that deaf persons who used the computers made fewer mistakes than those who were not deaf. These people sit in a vast room, with many hundreds of computers. Someone speaks and it distracts the person who is not deaf. The deaf person does not hear it. So the computer age has opened up an entirely new area for the deaf.

The amendment to improve and encourage educational programs for the deaf, I am proposing would increase the appropriations for construction at the Model Secondary School for the Deaf in the amount of \$2 million, so that construction of much needed facilities, particularly classrooms, could be at least started during fiscal 1971.

At the present time temporary facilities are overcrowded with 120 students. Dr. Merrill, president of Gallaudet College, testified that the Model Secondary School needed permanent facilities and that plans were advanced so that construction money was needed this year. Otherwise, the whole program to educate young high school students who are deaf, in the National Capital area, will be set back for at least 1 year. We cannot afford to postpone the program in the Model Secondary School for the Deaf which intended by the Congress to demonstrate to deaf educators throughout the country how new and innovative methods can be developed to better teach our deaf youngsters.

The chairman has knowledge of the amendment. I request that the distinguished chairman of the committee ac-

cept this amendment. It is badly needed, and it will pay back to the country what has been expended by enabling these people to make a greater contribution to our Nation.

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

Mr. YARBOROUGH. I yield.

Mr. MAGNUSON. Of course, all of us on the committee are very sympathetic to the problems at Gallaudet College. We think it is one of the fine institutions in this country. As a matter of fact—and I know the Senator from Texas must know this—the college was established under the Presidency of Andrew Jackson. His Postmaster General owned a piece of property which was a regular dairy farm, and he donated that property to the Federal Government for the establishment of a school for the deaf.

Then, under Lincoln's administration, it received a Federal charter. It has been in existence all that time, taking care of people who are deaf not only from the District of Columbia but from all over the United States. These people come from Texas, Washington, and all the other States. They are selected to be sent here, and they do a great job.

I think one of the most moving experiences anyone can have is to go to the college when it holds graduation exercises. After awhile, he can almost feel he understands what they are "saying." They are fine people.

Gallaudet College is a liberal arts and education school. Many of the graduates go to State schools for the deaf and teach. So the college is a major source for such teachers.

There are many teachers on the faculty who are not deaf, who have no handicap, but who dedicate themselves to teaching the deaf. They know how to teach them. Athletics are a major part of their program. They do a great job, and in every way this is an institution of higher learning.

Not too long ago we established the elementary school which is to take care of those who obviously cannot attend a regular school because of their handicap.

This too has been very successful, and we put in the amount of money that we asked for to maintain that elementary school program.

For another thing, they have started adult classes out there. We put in \$128,000 to initiate that program. It is a small beginning, mainly for people in the immediate area who have been handicapped for many years, who could go there and obtain adult education, and take advantage of new techniques and new methods.

We put in the amount of money to run the model secondary school; we allowed \$2,432,000, of which \$250,000 is for construction planning only. But the Senator from Texas suggests, and I think the testimony will show, that the planning is all done. They have not been allowed to call for bids yet.

I am very sympathetic to this amendment, because I would not like to see that model secondary school suffer for the lack of appropriations or lack of space. The main college has grown, but they need all the buildings and space they

have. This model secondary school is just that—a model, where new techniques are developed in the teaching of the deaf and it is a demonstration for all of the States. It is a national resource, of considerable value, and we should not allow their program to lag or languish.

I might say, because we have some time available this morning, as a point of interest, that they were having some trouble out there last year, some crime on the campus. Girls were being attacked, who obviously could not say much, or call out, or were unable to speak or hear anyone, and it was found to be partially due to the lack of good lighting and a somewhat inadequate campus protection force.

We added funds last year to improve the campus electrical system and lighting, and substantially increase their number of guards for campus security. We find now that these incidents where students are attacked or molested have been reduced by almost 70 percent.

Mr. YARBOROUGH. Mr. President, will the Senator yield a moment at that point?

Mr. MAGNUSON. I yield.

Mr. YARBOROUGH. My point is this: The crime was committed by non-students.

Mr. MAGNUSON. Yes, outsiders from outside the campus.

Mr. YARBOROUGH. Outsiders would come to the campus and attack these students, who were often mute and could not cry out for help. But it was not the students who were committing the crimes.

Mr. MAGNUSON. Yes. So I think, if the Senator from New Hampshire is agreeable—and I know of no one who has been more dedicated to this institution over the years than he has—that we could accept this amendment and take it to conference, so that we could make a beginning on what we are going to have to do, anyway, to keep that model secondary school program moving ahead.

Mr. COTTON. I certainly agree with the chairman.

Mr. YARBOROUGH. I thank the Senator.

THE PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

AMENDMENT NO. 1069

Mr. COTTON. Mr. President, I ask unanimous consent that consideration of the Javits amendment again be deferred, to permit me to call up amendment No. 1069.

THE PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be stated.

Mr. COTTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

THE PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be printed in the RECORD.

The amendment is as follows:

On page 27, line 18, strike out "\$575,640,000" and insert "\$579,140,000";

On page 27, line 22, strike out "and" and insert "\$3,500,000 for construction grants under section 12; and".

Mr. COTTON. Mr. President, this is an amendment offered by the Senator from Ohio (Mr. SAXBE) in behalf of the Senator from Illinois (Mr. PERCY). At the time, Mr. PERCY was out of the city, and now Mr. SAXBE is also out of the city. So, in behalf of both the Senator from Ohio and the Senator from Illinois, I have offered the amendment; and if I may have the attention of the chairman, it is my understanding, after conference with the chairman, that the amendment involves \$3.5 million, and it has to do, first, with the continuing work on a project in vocational rehabilitation in the city of Chicago, which amounts to about \$1.5 million. The other \$2 million involves several rehabilitation and research centers throughout the country, to keep them going.

I am not sure that the whole \$3.5 million is necessary; but particularly the Chicago project, and some of the others, were left out inadvertently. It is my understanding that the distinguished chairman is willing—and I am willing if he is—to take this amendment to conference and see that those items which are necessary to keep shall be kept.

In order to accomplish that, I am hopeful that this amendment will be adopted, with the understanding that when we get to conference, we would have time to consider it.

As I say, inadvertently the requests were omitted in the testimony before our committee. We will see to it that only the most essential parts are taken care of. Does the chairman accept it?

Mr. MAGNUSON. Yes, I agree with that. The Chicago facility is most important, and we will have to justify the other amounts.

Mr. GRIFFIN. Mr. President, I rise to support this amendment. I would like to emphasize that the institute is important to my State of Michigan, to the Midwest and to the seriously disabled throughout the Nation.

Our own rehabilitation facility in Detroit, for example, will benefit from the personnel to be trained at this institute, as will the professional staffs of similar facilities in other parts of the Nation.

I am grateful to the distinguished Senator from Washington (Mr. MAGNUSON) and the distinguished Senator from New Hampshire (Mr. COTTON) for the interest they have taken in this matter.

Mr. KENNEDY. Mr. President, I urge the adoption of this amendment. The rehabilitation programs of this country represent one of the best investments we can make in helping the American people.

Year after year, these programs have achieved outstanding success in rehabilitating large numbers of our most seriously disabled people. It is one field where we know that when we invest public funds we will get results.

But we must have the special centers to do this work and to reach more disabled people. There is no other way to master the severe problems of many of our disabled.

Estimates from responsible sources indicate that we have in this country,

by the most conservative calculations, more than 6 million people with disabling conditions requiring help from a rehabilitation program. Among them are large numbers of people whose conditions are so severe that they can only be restored through the work of a modern rehabilitation center. Many of them do not get help, simply because we do not have enough facilities in this country to reach all those who need this specialized help.

Since this rehabilitation facility program was enacted in 1965, we have appropriated only a small fraction of the funds authorized. Our expenditures in this important field have been about one-half of 1 percent of the rehabilitation agency's budget. We certainly can afford this small step in the right direction.

The pending amendment does not propose a large increase in the budget. In fact, the \$3.5 million proposed in this amendment is precisely the amount that the Senate and the House approved last year. But these funds will make a tremendous difference in the Nation's capacity to help its handicapped citizens. I am pleased, therefore, to join in support of the amendment.

Mr. COTTON. I ask unanimous consent that the two parts of this amendment, which total \$3.5 million, be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments are considered and agreed to en bloc.

Mr. MAGNUSON. Mr. President, before I yield to the Senator from Utah, I should like to state, for the RECORD, that I mentioned that the students at Gallaudet College come from every State in the Union. I failed to mention that they also have students who come from foreign countries, and about the only teachers we have for deaf-mute people in the undeveloped countries come from Gallaudet.

Mr. YARBOROUGH. Mr. President, I thank the distinguished chairman of the committee, and the ranking minority member, the Senator from New Hampshire, for accepting my amendment.

As the chairman has stated, the students come from all the States of the Union, and from foreign countries.

Gallaudet College is the only college for the deaf in the entire world. It is a great credit to this country. It was set up by Amos Kendall, an amazing figure in American political life.

Amos Kendall was a publisher in Louisville, Ky. He was one of the first public relations men, and he did it on his own. He publicized Andrew Jackson.

Andrew Jackson could not be nominated for the Presidency by the customary method. All Presidents up to Andrew Jackson's time had been nominated by a caucus of the Senate. They were not going to let Andrew Jackson be President. But Amos Kendall figured out this idea: He said, "We will have a people's convention," and he started to advertise it, and the people got together and nominated Andrew Jackson for President in the first nominating convention in American history; and since that time, all the

parties have nominated candidates through nominating conventions.

Amos Kendall was appointed as Jackson's Postmaster General. He was interested in the deaf. He had a beautiful home where Gallaudet College is now located.

How did he get that home? He was Postmaster General at the time that Samuel F. B. Morse invented the telegraph. He tried to sell it to the Federal Government, and the Government would not buy it. He went down to Texas, and tried to dispose of it to the Republic of Texas. Sam Houston recommended that they get it, but the senate of the Republic of Texas rejected the idea. If they had accepted Morse's offer, the people of Texas would have been tax free for 100 years.

But Amos Kendall, when he could not sell the telegraph to any Government, helped form a corporation to finance the telegraph, became wealthy, and built that beautiful home out there on the campus of Gallaudet College, which is used now as the home of the college president, and people who visit that home now can see the home of Andrew Jackson's postmaster general.

Gallaudet College was founded as a private institution. In Abraham Lincoln's administration it was made available to the Federal Government, and the Federal Government took it over to run it as a Federal institution.

It is still the only college for the deaf in the whole world. It came from the genius of Amos Kendall, who also had the genius to find a new way of nominating candidates for President of the United States, which was responsible for the election of President Andrew Jackson.

So this piece of ground has an amazing history with it of the people whose lives it touched, and it is going forward today as a great service to mankind, in the teaching of the deaf, training teachers for the deaf. As the distinguished chairman has pointed out, the instruction is so good that almost all of them go out as teachers of the deaf, over the whole world.

Mr. MAGNUSON. I thank the Senator—I am sure the Senate does—for that interesting and factual bit of history.

Mr. YARBOROUGH. I am sure the chairman has been in the home of Amos Kendall, the man who not only started the first school for the deaf but who also invented the present system for nominating the President of the United States.

Mr. MAGNUSON. Mr. President, I yield to the Senator from Utah.

Mr. MOSS. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. Does the Senator ask unanimous consent that the Javits amendment be temporarily laid aside for the purpose of considering this amendment?

Mr. MOSS. I ask unanimous consent that that be done.

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

The amendment offered by the Senator from Utah will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MOSS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 12, line 2, strike out "\$89,549,000" and insert in lieu thereof the following: "\$90,399,000, of which \$1,000,000 shall be available only for carrying out the provisions of the Flammable Fabrics Act, the Child Protection and Toy Safety Act, and such other product injury control programs of the Department of Health Education and Welfare that are now in or may be transferred to the Food and Drug Administration."

Mr. MOSS. Mr. President, although our society has made vast strides in the control of many diseases which once brought early death and unwanted suffering, there is one kind of disease where our Nation has failed to bring to bear the benefits of modern public health skills—that disease is death and injury from accidental causes. In 1970 it is estimated that 114,000 people will die and over 50 million more will suffer injury from accidental causes. At present more than 18 million of our citizens are permanently disabled because of injuries they have sustained.

Treating these accidents increases the critical drain on the scarce supply of physicians and trained medical personnel. And victims of injury now require over 200,000 man-years of critically short hospital manpower. Why should we subsidize the construction of hospitals, and watch the costs of hospital care skyrocket, and not strive to reduce accidents which place the largest single demand on hospital beds?

As chairman of the Subcommittee for Consumers of the Committee on Commerce, I am vitally interested in providing our public officials with legislative mandates to control accidental injuries. The savings to society could be immense. For example, our committee has learned that when ignited clothing severely burns a person, his treatment, if he lives, will average \$7,000 in medical costs alone, to say nothing of the lifetime physical and mental scars he will bear.

Despite passage of such legislation as the Flammable Fabrics Act and the Child Protection and Toy Safety Act sponsored by Chairman MAGNUSON and myself, which could control accidental injuries from other hazardous products, there has been a lack of progress in using this legislation to protect innocent children and adults from unwanted and unnecessary injuries.

In order to assure that this lack of progress cannot be blamed on the tight purse strings of Congress, even though Congress has appropriated the full level of the administration's request, I today submit an amendment to H.R. 18515 which would add \$850,000 for the fiscal year ending June 30, 1971, to the appropriation of the Food and Drug Administration. These funds would be restricted to providing the necessary resources and personnel to implement the Flammable Fabrics Act, the Child Protection and Toy Safety Act, and other injury control programs.

The reason for submitting this amendment, Mr. President, is that we have placed the statutes on the books, but I do not think we have given adequate funding to the Department of Health, Education, and Welfare to implement and fully enforce the statutes. Although the amount of \$850,000 is rather small, I think it will be found that it will pay many great dividends. That is the reason for reciting the great cost that arises from accidental injury in this country.

I point out that the cost of treatment for burns resulting from clothing catching on fire is an average of \$7,000 for an individual, and this has been a source of great concern and a great number of injuries.

When I was at home a month ago, a lady related an experience—which we have heard over and over again in hearings in our committee—in which her child was wearing a garment that suddenly burst into flame when it came close to fire, and the child was severely burned. I promised her then that I would return to the Senate and do my best to see that control was exercised over the sale of garments and fabrics that were flammable. The amendment I offer would be a step along the way to do this very thing.

I have talked with the chairman and the ranking minority member of the committee about this amendment, and it is my understanding that they feel that it is meritorious and that they are prepared to accept it at this time. May I ask the chairman if this is correct?

Mr. MAGNUSON. I say to the Senator from Utah that no one is more interested in the Flammable Fabric and Toy Safety Act than the Senator from Washington.

Mr. MOSS. As a sponsor of the bills, I can understand that.

Mr. MAGNUSON. I was the author of those bills.

Mr. MOSS. That is correct.

Mr. MAGNUSON. I would not like to skimp on my foster children in this matter. The Flammable Fabrics Act, of course, was one of the first of the safety acts passed in 1953.

Mr. MOSS. That is correct.

Mr. MAGNUSON. Out of our committee. In the meantime, the Senator from Utah has done yeoman work, as have the other members of the Commerce Committee, in perfecting amendments to that act. It has not been enforced the way it should be enforced. Thousands of youngsters and older people still die from flammable fabrics catching on fire. There is nothing more pathetic or tragic than a child who has been burned, even though the child lives, they are never the same again. The Senator from Utah knows that we have heard of many, many instances in some horrible testimony on this matter.

We never could get the flammable fabrics people to do anything about it. In 1953 they agreed that they would set up a voluntary industry committee. They did. The Department of Commerce was involved. But they never held a meeting of that industrywide committee until we—the Senator from Utah was a co-sponsor—introduced the last bill. Then they decided to have a meeting and to do something about it.

Mr. MOSS. That is correct.

Mr. MAGNUSON. In the meantime, all these things were happening.

We had a good bill, and the law is there, and we have it on toy safety, too. We just never have been able to get the budget to give them enough money to enforce it the way it should be enforced.

PRIVILEGE OF THE FLOOR

Mr. YARBOROUGH. Mr. President, will the Senator yield for a unanimous-consent agreement?

Mr. MAGNUSON. Yes.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the staff of the Committee on Labor and Public Welfare, certain members of the majority and the minority, have the privilege of the floor, because many of these amendments deal with basic statutes that have come out of our committee.

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

Mr. YARBOROUGH. I thank the distinguished Senator from Washington for yielding.

Mr. MAGNUSON. We thought that we had written a good act with the Toy Safety Act. Even the President made great comment about this. But the Senator from Utah and the rest of us have seen in the newspapers in the last 3 or 4 days the amount of dangerous toys that are now on the market for Christmas.

Mr. MOSS. Exactly.

Mr. MAGNUSON. The law has not been enforced. As a matter of fact, many dangerous toys have been listed, and they are still on the shelves for the unsuspecting to purchase. There must be many, many more than we read about.

This is a serious matter, and the sum that the Senator from Utah suggests would be doubled if I had my way about it. But we are working under budgetary restrictions. Whether they would spend it or not, I do not know; but I am sure that they will accept this. So far as I am concerned, I am glad to accept the amendment.

Mr. MOSS. I thank the Senator from Washington.

Mr. MAGNUSON. The Senator from New Hampshire is, too.

Mr. MOSS. I appreciate that.

The PRESIDING OFFICER (Mr. EASTON). The question is on agreeing to the amendment of the Senator from Utah.

The amendment was agreed to.

Mr. MAGNUSON. I merely want to say, too, at this point, that if all Senators could have sat in and listened to some of the testimony we heard on flammable fabrics and some of the mechanical devices we saw, which were obviously the most dangerous—even if one followed the instructions, they were dangerous—they would vote double this amount.

Mr. MOSS. I thank the chairman. I certainly appreciate his great leadership and constant support of this program to try to improve the safety of products. One change recently made in the Flammable Fabrics Act was to require an inspection of the fabrics before they go on the shelves. Before that, we did not have anything until the fire occurred and then it was a problem to try to get back all the garments that were made with those fabrics. Now we have tried to turn

it around and make that inspection before they go into distribution.

Mr. MATHIAS. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER (Mr. BYRD of West Virginia). Does the Senator from Maryland wish to ask unanimous consent that the amendment offered by the Senator from New York (Mr. JAVITS) be temporarily laid aside in order that the Senator may have his amendment considered?

Mr. MATHIAS. Yes, Mr. President, that is exactly what I ask unanimous consent for.

The PRESIDING OFFICER. Without objection, it is so ordered; and the clerk will state the amendment.

The assistant legislative clerk read the amendment as follows:

On page 25, line 16, insert the following:

**"GENERAL RESEARCH AND SERVICES**

"For the medical research activities of the National Institutes of Health at the laboratory and supporting facilities at Fort Detrick, Frederick, Maryland, that are to be transferred from the Department of Defense to the Department of Health, Education, and Welfare, \$15,000,000 which shall be allocated by the Director of the National Institutes of Health to the various Institutes and Divisions using the Frederick facility to carry out sections 351 and 352 and title IV of the Public Health Service Act, as amended, including repairs, improvements, extensions, and alterations."

Mr. MATHIAS. Mr. President, when I first offered this amendment on my own behalf and that of my senior colleague (Mr. TYDINGS), the distinguished chairman of the committee, the Senator from Washington (Mr. MAGNUSON), indicated that he was familiar with much of the background. So, I shall be brief today.

There is a unique opportunity here. The Fort Detrick laboratories are already constructed, at a cost to the taxpayers of the United States of nearly a quarter of a billion dollars—something over \$200 million. These laboratories are unique in the United States, perhaps in the world. They contain not only unusual equipment for medical research in the field of biological warfare, but the laboratories are so constructed that there is an unusual degree of safety for laboratory personnel.

As I mentioned in the Senate 2 days ago, these unique qualities of the laboratories would lend themselves to a number of areas of medical research which are high on our list of national priorities; among them, research in the area of cancer-producing and related viruses, viral oncology, carcinogenesis, fungal diseases, tissue culture studies of genetic effects, laboratory support for the national dental caries program, broad research in diseases of the eye, and studies on hepatitis and slow virus diseases.

Mr. President, these are extremely important national health problems. They do not affect only one community or one State but the entire American population—indeed, the population of the world.

Thus, here we have a great opportunity to employ resources which are already constructed and which have a unique

capability for the purpose of this kind of research.

Perhaps even more important than the physical plant, buildings, equipment, and real estate is the personnel, the technical teams—not only the men who are employed at a professional level but also the laboratory assistants and the parasitological personnel, all of which make a team and know how to work together and are available right now to undertake this work.

All that is needed is the money.

The pending amendment would provide that money, with a relatively modest investment, considering the opportunities available for real progress in eliminating some of the health scourges of mankind.

Accordingly, Mr. President, I am hopeful that the Senate will accept the amendment and will convert this former biological warfare center into a major medical research center.

I believe it is in the spirit of our times that we should take this step. We cannot possibly invest our money in any better way.

I believe that the distinguished Senator from Washington, the manager of the bill, as I said earlier, is familiar with this matter and I hope that he will support the amendment and will join me in urging the Senate to support it.

Mr. MAGNUSON. Mr. President, let me say to the Senator from Maryland that we discussed this matter privately at some length on yesterday. I am familiar with it. I am sure that if we had had this matter before the committee earlier, we would have placed it in the bill. As the Senator from Maryland points out, this is one of those rare opportunities where we can save money, but more than that, we can turn over an installation dedicated to the destruction of mankind to making mankind live longer.

I am very much excited about the programs that NIH has planned for this center, because they deal with probably the most promising kind of research in many fields of disease—cancer, and other killers—viruses particularly, the effect of viruses on the human body, and what diseases they cause. This would be a center where they could pursue these objectives without coming up here and spending years to get buildings constructed and equipment installed, when they can get at it right now.

Therefore, I am heartily in favor of the amendment. I am glad to support it.

Mr. MATHIAS. I thank the distinguished Senator from Washington.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland.

The amendment was agreed to.

**ORDER OF BUSINESS**

Mr. YARBOROUGH. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I am glad to yield to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that I may be recognized for the purpose of introducing a bill.

The PRESIDING OFFICER (Mr. BYRD of West Virginia). The Senator from Texas requests that the Pastore rule of germaneness be temporarily waived in order to introduce a bill. Is there objection to his request? The Chair hears none, and it is so ordered.

**S. 4524—INTRODUCTION OF A BILL TO PROHIBIT ABUSES IN THE MAKING OF LOANS**

Mr. YARBOROUGH. Mr. President, I send to the desk for appropriate reference a bill to prohibit broker deposits in banks and other financial institutions, to prohibit the use of so-called giveaways in the solicitation of deposits, and to prohibit lenders from requiring equity participation in connection with loans, and for other purposes.

Mr. President, the procedures used to obtain and make commercial loans have been the subject of extensive hearings in both the House of Representatives and the Senate. These hearings revealed many abuses incident to loan procedure utilized by banks, savings and loan associations, insurance companies, and other lending institutions.

Today I offer for appropriate reference a bill designed to deal with such abuses as have crept up in recent years in many structures of the country. Succinctly stated, this bill prohibits brokered deposits in banks and other financial institutions, prohibits the use of so-called giveaways in the solicitation of deposits, and prohibits lenders from acquiring equity participation in connection with loans.

This bill is a companion bill to that offered in the House, H.R. 18676, by the venerable sage of economic and commercial law, Congressman WRIGHT PATMAN.

The first portion of this bill pertains to brokered funds and tie-in loans. Since 1964, nine banks across the country, three of them in 1970 alone, have failed because they dealt too heavily in brokered funds and tie-in loans. These types of transactions are discussed in detail by Congressman PATMAN on page 26052, CONGRESSIONAL RECORD, July 28, 1970.

The main reason I am offering this companion bill is that it would prohibit equity participation by lending institutions in connection with loans made by them.

In my travels throughout the State of Texas last year and this year, I have been constantly besieged by real estate developers and other small businessmen complaining about the fact that in order to obtain money for expansion purposes or for the construction of capital improvements, they are frequently required by the lending institutions to yield, in addition to paying the high interest rates being charged, in today's money market, a piece of the equity of their business, or of the new venture, whichever the case may be.

That is what is being required across the country of a new business venture, whatever its nature. It will result in financial disaster if it is not stopped. In order to obtain money for expansion purposes or the constructing of capital

improvements, the building of feed lots, shopping centers, or apartment buildings, people are required not only to pay high interest rates but they are also required to give a piece of the equity, to give the institutions a third or a fourth of the building.

Mr. President, I am not an expert in commercial or financial law, but as a lawyer I cannot reconcile this practice with the laws against usury. The requirement of a piece of the equity in order to make a loan is nothing more than an additional charge for the use and forbearance of money.

This practice, if allowed to continue, will result in one of the most dangerous concentrations of capital wealth in our economic history and could have disastrous consequences upon what we so proudly call our free enterprise system. Moreover, it is without question causing the eventual downfall of many a small business. People cannot afford to add, on top of the high-interest rates, a third or a fourth of the business. This practice is being carried on all across the country. It has crept up over the past 5 years.

The practice of the equity kicker is being used by many financial institutions, particularly since we have moved into the tight money period. The equity kicker goes under many names, such as equity sweeteners, a New York kicker, or a piece of the action. For virtually every name there is a different type of equity feature. For instance, the lender receives—either by his demand and as a tie-in transaction or by the borrowers offer as an inducement for the loan or for a reduced interest rate—a certain number of shares of the borrower's stock in addition to or in lieu of the maximum interest rate on the loan or in lieu of shares of stock, the lender may receive rights to buy stock, generally referred to as "warrants." These warrants will allow the lender to buy stock in the borrowers company at a predetermined price. If the value of the stock goes up, the lender will exercise his right to buy the stock but will pay the lower predetermined price, thus making an instant profit.

There are a number of reasons why financial institutions should not be allowed equity kickers when coupled with loans. These arguments include:

First, they lead to riskier loans and possible impairment of safety of depositors' funds—as well as capital of bank. Loans should be based on credit worthiness and not on possibilities of speculative profits.

Second, lender may take lower interest rate, lend larger amounts or make longer term loans if it gets an equity kicker. Lender's fixed income would be reduced; less money would be available for other borrowers. In other words, the loan is not based on soundness, but on the greedy prospect of making an extra profit.

Third, lender may tend to deny credit to businesses competing with one in which lender has an equity interest. It channels credit unfairly.

Fourth, borrowers who do not have bargaining power equal to that of lenders may be victimized. Lender may end up owning the borrower's enterprise in

whole or in substantial or controlling part.

Fifth, equity participations that are to be liquidated through additional money payments by the borrower may be so onerous as to lead to failure of the enterprise. They are a threat to every businessman in America today and threaten our whole free enterprise system.

Sixth, small business investment companies afford banks and holding companies an appropriate vehicle for assisting small businesses and for acquiring some equity interest in such businesses, subject to congressionally imposed limitations and Federal supervision.

Let me repeat, banks can legitimately under the present law, through business investment companies, get some interest in other businesses, but not as a false basis for loans. The loans should be made on the credit worthiness of the borrower and the interest rates under the existing law.

Seventh, the argument that equity participation provides a hedge against inflation has little force in relation to bank loans inasmuch as they are, in large part, of relatively short duration. Besides, a hedge against inflation can be, and probably is, achieved through the rate of interest that lenders charge—and borrowers are willing to pay.

Eighth, congressional policy is against banks and bank holding companies owning and engaging in nonbank business.

Ninth, bank acquisitions of a substantial share of competing businesses may lead to violation of the antitrust laws.

Tenth, if banks may not take equity kickers, borrowers will have more incentive to seek loans from banks.

Eleventh, the spirit—if not the terms—of usury laws is violated.

Under the Safe Banking Act of 1970, equity kickers would not be allowed in connection with a loan from any financial institution. This does not mean that equity type financing will not be made available, but rather that a lender must either make a loan or take an equity position, but cannot do both.

Mr. President, this Nation must always be on guard against the threats which extensive concentrations of capital and wealth pose to our competitive system. The equity kicker is one of those practices which, if we continue to permit it, will make success of the small business venture more precarious with each passing day.

I believe it is urgent that we enact this law and others which will preserve real competition, not only in the consumers market, but also in the money market.

Mr. President, this practice is so pernicious in our free enterprise system that I could discuss it at length. Each discussion would show new evils. However, the managers of the pending bill have generously agreed to let me introduce the bill at this time. Therefore, I will forego further discussion of this measure at this time. I hope that it appeals to the bankers and businessmen to bring some rationale back into the banking business of this country.

Mr. President, I ask unanimous consent that the bill I introduced today be printed in the RECORD.

The PRESIDING OFFICER (Mr. BYRD of West Virginia). The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 4524) to prohibit brokered deposits in banks and other financial institutions, to prohibit the use of so-called giveaways in the solicitation of deposits, and to prohibit lenders from acquiring equity participations in connection with loans, and for other purposes, introduced by Mr. YARBOROUGH, 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. 4524

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

Chapter 1.—GENERAL PROVISIONS

Sec.

101. Short title.

§ 101. SHORT TITLE

This Act may be cited as the Safe Banking Act of 1970.

Chapter 2.—BROKERED DEPOSITS PROHIBITED

Sec.

111. Amendment of Federal Deposit Insurance Act.

112. Amendment of Federal Home Loan Bank Act.

§ 111. AMENDMENT OF FEDERAL DEPOSIT INSURANCE ACT

Subsection (g) of section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828 (g)) is amended by striking out the next to last sentence thereof, relating to penalties for violations of such subsection, by inserting "(1)" at the beginning thereof, and by adding thereto the following paragraphs:

"(2) No insured bank or officer, director, agent, or substantial stockholder thereof may pay or agree to pay a broker, finder, or other person compensation for obtaining a deposit for such bank. For the purposes of this paragraph, any payment made by any other person to induce the placing of a deposit in a bank shall be deemed to be a payment of compensation by the bank if the bank had or reasonably should have had knowledge of such a payment when it accepted the deposit.

"(3) Any violation by an insured bank of the provisions of this subsection or of regulations issued hereunder shall subject the bank to a penalty of not more than 10 per centum of the amount of the deposit to which the violation relates. The Corporation may recover the penalty, by suit or otherwise, for its own use, together with the costs and expenses of the recovery.

"(4) For the purposes of this subsection, the term 'payment of interest' includes an agreement to pay interest and includes payments to the depositor or any other person directly or indirectly made by any officer, director, agent, or substantial stockholder of the bank in which the deposit is made if the bank had or reasonably should have had knowledge of the agreement or payment when it accepted the deposit. The Board of Directors shall by regulation prescribe definitions of the terms 'payment of compensation' and 'substantial stockholder' and shall prescribe such further definitions of 'payment of interest' as it may deem appropriate for the purposes of this subsection. The Board of Directors shall prescribe such rules and regulations as it may deem necessary to effectuate the purposes of this subsection and prevent evasions thereof."

§ 112. AMENDMENT OF FEDERAL HOME LOAN BANK ACT

Section 5B of the Federal Home Loan Bank Act (12 U.S.C. 1425b) is amended (1)

by inserting "(a)" after "Sec. 5B." and (2) by adding at the end thereof the following:

"(b) No member which is an insured institution as defined in section 401 (a) of the National Housing Act and no officer, director, agent, or substantial stockholder thereof shall pay or agree to pay a broker, finder, or other person compensation for obtaining funds to be deposited or invested in such member (hereinafter in this section referred to as deposits). For the purposes of this paragraph, any payment made by any other person to induce the placing of a deposit in such a member shall be deemed to be a payment of such compensation by the member if the member had or reasonably should have had knowledge of such a payment when it accepted the deposit.

"(c) Any violation by a member of the provisions of this subsection or of regulations issued hereunder shall subject the member to a penalty of not more than 10 per centum of the amount of the deposit to which the violation relates. The Board may recover the penalty, by suit or otherwise, for the use of the Federal Savings and Loan Insurance Corporation, together with the costs and expenses of the recovery.

"(d) For the purposes of this section, the term 'payment of interest or dividends' includes an agreement to pay interest or dividends and includes payments to the depositor or investor or any other person directly or indirectly made by any officer, director, agent, or substantial stockholder of the member in which the deposit is made if the member had or reasonably should have had knowledge of the agreement or payment when it accepted the deposit. The Board shall by regulation prescribe definitions of the terms 'payment of compensation' and 'substantial stockholder' and shall prescribe such further definitions of 'payment of interest or dividends' as it may deem appropriate for the purposes of this section. The Board shall prescribe such rules and regulations as it may deem necessary to effectuate the purposes of this section and prevent evasions thereof."

#### Chapter 3.—CERTAIN GIVEAWAYS PROHIBITED

Sec.

121. Amendment of section 19(j), Federal Reserve Act.  
122. Amendment of section 18(g), Federal Deposit Insurance Act.  
123. Amendment of section 5B, Federal Home Loan Act.

#### § 121. AMENDMENT OF SECTION 19(j), FEDERAL RESERVE ACT.

Section 19(j) of the Federal Reserve Act (12 U.S.C. 371b) is amended by adding at the end thereof the following: "Except for the payment of interest on deposits subject to limitation under this section, no member bank may offer or deliver any merchandise or any certificate, stamp, ticket, or other obligation or memorandum which is or may be redeemable in merchandise, money, or credit as an inducement to any person to make or add to any deposit."

#### § 122. AMENDMENT OF SECTION 18(g), FEDERAL DEPOSIT INSURANCE ACT

Section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is amended by adding at the end thereof the following: "Except for the payment of interest on deposits subject to limitation under this section, no insured bank may offer or deliver any merchandise or any certificate, stamp, ticket, or other obligation or memorandum which is or may be redeemable in merchandise, money, or credit as an inducement to any person to make or add to any deposit."

#### § 123. AMENDMENT OF SECTION 5B, FEDERAL HOME LOAN BANK ACT

Section 5B(a) of the Federal Home Loan Bank Act (12 U.S.C. 1425b) is amended by

adding at the end thereof the following: "Except in the case of interest or dividends subject to limitation under this section, no member may offer or deliver any merchandise or any certificate, stamp, ticket, or other obligation or memorandum which is or may be redeemable in merchandise, money, or credit as an inducement to any person to make, open, or add to any deposit or account."

#### Chapter 4.—CERTAIN EQUITY PARTICIPATIONS PROHIBITED

Sec.

131. Definitions.  
132. Prohibition on equity participations by lenders.  
133. Civil liability.  
134. Criminal penalty.

#### § 131. DEFINITIONS

(a) The definitions and rules of construction set forth in this section apply for the purpose of this chapter.

(b) The term "lender" includes any commercial bank, trust company, mortgage banker, savings bank, building and loan association, savings and loan association, insurance company, or other person or organization engaged in the business of making or placing loans.

(c) The term "equity participation" refers to—

(1) an ownership interest in any property or enterprise; or

(2) any right to any payment or credit which is proportionate to or contingent upon the net or gross income from any property or enterprise, including but not limited to

(A) a share in the profits, income, or earnings from a business enterprise of the borrower;

(B) warrants entitling the lender to purchase stock of the borrower at a fixed price; or

(C) shadow warrants entitling the lender to compensation based upon changes in the market price of the borrower's stock over a specified period.

#### § 132. PROHIBITION ON EQUITY PARTICIPATIONS BY LENDERS

No lender may accept any equity participation in consideration of the making of any loan.

#### § 133. CIVIL LIABILITY

Any lender which acquires an equity participation from a borrower in violation of this chapter shall, upon demand, assign all its right, title, and interest therein to the borrower and in addition be liable to the borrower in an amount equal to twice the fair market value of the equity participation at the time of its creation or at the time of demand, whichever is higher, and shall in addition be liable to the borrower for his reasonable attorney's fees and costs of suit as determined by the court in any action to enforce the liability created by this section. Any such action may be brought in any district court of the United States regardless of the amount in controversy, or in any other court of competent jurisdiction, within six years after the date on which the liability arises.

#### § 134. CRIMINAL PENALTY

Whoever willfully violates the provisions of section 132 of this chapter, or willfully and knowingly participates in any such violation, shall be fined not more than \$10,000 or imprisoned not more than one year, or both.

#### DEPARTMENT OF LABOR AND DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1971

The Senate resumed the consideration of the bill (H.R. 18515) making appropri-

ations for the Department of Labor, Department of Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1971, and for other purposes.

Mr. COTTON. Mr. President, I ask unanimous consent that the pending amendment, amendment No. 1068, be temporarily laid aside.

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

Mr. COTTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Hampshire (Mr. COTTON) offers an amendment as follows: On page 38, at the beginning of line 14, strike out "services, staff training, and".

Mr. COTTON. Mr. President, I am offering the amendment at this time because, as everyone knows, the distinguished Senator from New York, whose amendment is pending, is detained in getting to the Senate, and we are trying to accomplish as much as possible.

The bill which the committee reported placed a limitation in section 208 so that there was no longer an open ended authority to the States to spend all the money they saw fit to spend, with the Federal Government contributing 75 percent of whatever they contracted for in these various social services. If it is thought necessary, I understand an amendment probably will be offered later in the day by the distinguished Senator from Oklahoma and the distinguished Senator from California which will strike out that provision.

I want to make it clearly understood that the Senator from New Hampshire, if he had any ax to grind at all, would be in opposition to the committee language because the list of States which would be most adversely affected by the provision as it now is in the bill are Georgia, Hawaii, Michigan, and Pennsylvania.

I think I am speaking for the committee when I say it was not the intent of the committee to curtail the activities of the States in bringing to the people who need it these services. It was the strong feeling of the committee and of the Department downtown that if we continue in this one instance, which is about the only instance in Government of a completely open-ended authority for the States to spend whatever they want to spend while the Federal Government simply pays 75 percent, we are going to bleed ourselves to death. Ultimately this will bounce back and hurt the whole cause.

Therefore, as you know, Mr. President, the bill, as reported, provided that States could only increase their costs to the amount of 115 percent of last year's figure.

Now, Mr. President, we fully realized, and we realized it even more in the last few days, that there are some elements that inadvertently and unintentionally we did not take into consideration. For instance, some new services, such as the

work in alcoholism, are just coming into being and have just started to grow. These would be seriously hampered.

I am offering this amendment to try to make sure that we are at least establishing a precedent so that this will not continue to be an uncontrollable item jumping every single fiscal year, with the Federal Government utterly powerless to restrain it within reasonable limits. My amendment narrows down section 208, the section that provides that in this field States can only increase the administrative expenses up to 115 percent of last year's figure.

My amendment would change section 208 in a way which would continue to permit full spending for the so-called social services such as day care, home nursing care, alcoholism, and other services that are carried out for welfare recipients. None of those services would be affected; none of those who are engaged in bringing that aid to welfare recipients would be affected in any way under my amendment.

Furthermore, my alternative would in no way restrict Federal matching for the training of staff at the local level. My amendment would, however, be a limitation on salaries and expenses associated with local administration of public assistance programs. The limitation would restrict increases during this fiscal year, 1971, for basic staff to 115 percent of that which was employed last year. Even with my amendment the States would be able to obtain increased Federal matching for about 2,400 additional State and local workers, a total of about 159,000 employees.

Finally, the concern of so many of my colleagues and the concern expressed by many States that section 208 would prevent many States from establishing social service programs—or enlarging their present programs—would be corrected by my amendment. My amendment would save the Federal Government about \$50 million. In the time I have had since early this morning I could not give the State-by-State details on those savings.

Mr. President, my amendment would do what Congress has always done: it would require a limit on federally financed administrative expenses. We impose this requirement on all Federal agencies, except for public assistance administration, and that alone, in most federally assisted State and local programs. This seems to be fair. It is fair for every State. It is fair to the Federal Government, and it is fair to the taxpayer. It is fair to those who are actually engaged in rendering the social services for the recipients.

The PRESIDING OFFICER (Mr. BYRD of West Virginia). Will the Senator from New Hampshire permit the Chair to interrupt so that the Chair may maintain order in the Senate.

Senators' aides will take their seats, except where they are conversing with their Senators.

I thank the Senator for permitting the Chair to interrupt. The Senator may proceed.

Mr. COTTON. Mr. President, in other words, the language of the Cotton amendment, which really is in the nature of a substitute for section 208, would

make the language on page 38 read as follows:

None of the funds contained in this title may be used for payments to any State for fiscal year 1971 for administrative expenses under titles I, IV (part A), X, XIV, and XVI of the Social Security Act which, in the aggregate, exceed 115 percent of the aggregate amount estimated for these programs for such State for fiscal year 1970.

Now, I think what I have said in explanation of the amendment has established the legislative intent. If it is adopted it cannot be applied to and would not affect the services of any social worker or persons engaged in day care, for working mothers or the alcoholic worker.

In all the various social services encompassed, only to the administrative staff, which is created and authorized by the State is affected. Even in that it allows them a 15-percent latitude.

Mr. President, it would seem to me that this is a reasonable and safe method of dealing with this matter. The real point involved is the increasing need of getting the Federal dollars to the recipient. It always reminds me of a story that I heard and that I keep thinking about. In the days of foreign missions, the pastor of a church went to his richest parishioner and asked him for a donation for foreign missions. The parishioner, who was a very wealthy man, proceeded to give him one dollar. The pastor, shocked beyond expression, said:

I am sorry. I rarely criticize anyone for giving what they feel they should give, but you, the wealthiest man in the parish, and one of the wealthiest men in our city—to give one dollar to foreign missions seems to me shocking. I do not understand it.

His parishioner reached in his pocket and said:

Here is \$100 to get the dollar to them.

That is an exaggerated picture, but, in the first place, it is only in public welfare that we let down the bars and commit the Federal Government to 75 percent. I do not object to that figure, because public welfare is the very heart and soul of the things that we do for the people of this country. But it is only in public welfare that we let down the bars and say, "Go ahead and build up all the bureaucracies you want, because we have plenty of them here in Washington. Go ahead and build up 50 other bureaucracies, and whatever you do, it is an appropriation with no end, an appropriation with no ceiling whatsoever."

I have given this matter, as have the other members of the committee, careful thought. We feel that the language in the bill as reported by the committee—although it is unanimous on the part of the full committee—because of the intent and purpose might very well serve to curtail the actual carrying of these services to the recipients. We carefully restrict it to administrative costs. The Federal Government continues to say to the States, "You can spend whatever you feel you want to or you ought to in dealing with the alcoholics, in establishing day care, in taking welfare to the needy—and also, mind you, you may train; this does not affect the expense of training workers—all this you may continue to do

and we will vote the bill up to 75 percent. We only ask that you do preclude enough in the strict administrative costs." That is where they put people behind the desks and that is where there is a tendency, no matter how sincere the effort may be, to have a surplus of people who are not actually delivering the services to the poor, the needy, the ailing, and the aged.

It would seem to me that this is fair and represents a minimum safeguard for the Federal Government in the only field, so far as I know, in which we have an open end commitment in appropriations.

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

Mr. COTTON. I am very glad to yield.

Mr. CRANSTON. I would like to ask if the Senator knows the dollar effects on the various States, and overall, of the amendment. We have rather precise dollar figures based on present experience and present costs that would be lost to each State if section 208 is not altered or eliminated. Does the Senator know the effect of his amendment?

Mr. COTTON. No; as I said very carefully, I was able to obtain, in the time since last night, the number of additional State and local workers that this limitation would permit all over the country. I understand very clearly we all have very accurate compilations of the present language in the bill. If I did not understand it, the Governor of my State and the commissioner of public welfare of my State—which is one of the States worst affected—would certainly make me understand it.

Let me repeat what I said. The amendment will save the Federal Government about \$50 million. Now, \$50 million spread over 50 States, and including such huge States as New York, California, Illinois, and all the rest, cannot mean the crippling of administrative services, because it is really a small sum.

The significance of the amendment is not the \$50 million. It is the notice that, as far as building up administrative costs is concerned, it is seeking to put some limit on them.

We further have been able to estimate that the amendment would not prevent, even in the administrative field, the addition of 2,400 State and local workers, which would bring the total up to about 159,000 employees engaged in purely administrative work.

That is the best we can do.

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

Mr. COTTON. I yield.

Mr. CRANSTON. If the Senator does not mind, I should like to continue for a moment.

The figures the Senator has are, of course, rough.

Mr. COTTON. These figures, I think, are rather proximate, but we could not break it down by States.

Mr. CRANSTON. We did get, some time ago, estimates from the States, provided in August and some as late as this month, that would indicate that the total loss to the States if section 208 stood in its present language would be \$211 million; and of course that would escalate as time goes on. Therefore, if there is a saving of \$50 million involved in the Sen-

ator's amendment, there would still be a loss to the States across the Nation of \$161 million. There would be a loss of approximately \$60 million, under the Senator's amendment, to my State of California.

Mr. COTTON. That is the increase.

Mr. CRANSTON. Regarding the 2,400 potential new administrative personnel under the Senator's amendment, with an 8 percent salary increase about to occur, and inflation still occurring, it is questionable how long that number of workers would be available. Administrative costs nationwide went up 38 percent last fiscal year in this general program, and the service costs went up 36 percent; so even if the administration costs were frozen for the States, we would have a 36-percent increase going on for services.

So immediately there are going to be higher costs confronting the States. Secretary Richardson just announced an unprecedented increase in the caseload for welfare, and if we have an increase in caseload, we will obviously have an increase in administrative costs also, accompanying it.

So it seems to me that there would still be a very severe problem confronting my State and many other States if the Senator's amendment were adopted.

Finally, I wonder if the amendment is clear as to what "administration" means. Because there is administration involved in child care programs, there is administration involved in homemaker programs, and there is administration involved in every program you can think of. Would this provision eliminate certain types of administration vital to those programs, which in turn would then increase the costs, or mean certain services could not be rendered which relate to vitally needed programs?

Mr. COTTON. First, in reply to the Senator, I would say that his compilations are all based on section 208, which affects all the costs of all kinds of employees when you cut out every single social worker, including the training of social workers, and cut out what is paid every single doctor or surgeon or other person who is called in to render assistance; when you cut out everything. Now, it is my understanding that section 208, if my amendment is adopted, would only apply to those either at the State capitals or in a county headquarters or city headquarters who sit behind the desks and administer the programs and watch their costs. It could not possibly affect any person who is engaged in delivering welfare services to the people.

If it does increase the burden on the States to a significant extent—the Senator has referred to the amazing and unprecedented increase in the number of recipients—if the Federal Government is standing ready to finance every single care, every single service, no matter how fast the number of recipients increases, it would seem reasonable for the States, including my own, where \$5,000 may mean as much as \$300,000 in some of the bigger States—the contribution the States would make would be rather small if this were in effect. It would tend to keep the States on their toes in the matter of building up the number of employees

who are not actually doing the legwork or delivering these welfare services.

I regret that I cannot say that this would increase the cost to California so much, and to Indiana so much, and Alabama so much, because we simply could not do it. But the significance of the figure that is in there—

Mr. MAGNUSON. Mr. President, will the Senator yield? This does not increase the basic cost; it merely says the Federal contribution shall be limited. The State can put on all the people it wants to. But our only concern—and I appreciate that there are a lot of programs now involved in section 208. That caused some concern to me, and I come from the place that has the highest employment rate now in the United States. You fellows in California are pikers compared to us.

Mr. CRANSTON. The Senator said "the highest employment rate."

Mr. MAGNUSON. Unemployment rate, I mean. But when we face HEW, and find that there are now on the payroll—it is pretty hard to find these figures, but we finally got them—618,000 people on State and local government payrolls, with their salaries contained within this appropriation. That is 618,000 people throughout the country, and we think that maybe the administrative costs are a little too high. If each one of those 618,000 received an average salary of \$12,000 or \$15,000 a year, that is \$9 billion. If there is any criticism of these programs—that goes for OEO and our various programs, of which we have hundreds of millions in here—the criticism has been, and in many cases very justifiable, that there is too much administrative cost, that salaries are too high.

We have heard that in many places, and that they are eating up what should go down to the actual program and the people. We were trying to figure out some way in which we could have some kind of a ceiling, or slow this administrative growth up, because when you get up to 618,000 people just to administer HEW programs in the field, while it is true, in all fairness, that a great many of these people are in social security shops, where the people have to go all over the country, that is a pretty large sum.

What the Senator from New Hampshire is trying to offer is—I do not like a particular percentage; I do not think that is the way to go at it, but I think maybe there ought to be some way to slow this up a little bit, and get more of the funds to actual recipients.

We have some new programs. I suppose alcoholism and drug addiction are the best examples which we befeud up last year, but which still had just a minimum number of employees. This year we are increasing those two programs, which appear elsewhere in HEW, but which do have an impact upon programs and services we are talking about here. I know that in welfare much good has been accomplished with counseling programs on alcoholism, so obviously they would have to have more than 115 percent if they want to do more; and there have been other cases like that.

I do not know; maybe we ought to send a few copies of "Parkinson's Law" around to all these offices. That is a

pretty staggering figure, 618,000 people outside of the Federal Government being supported by HEW. And if you add the administrative costs plus the salaries, you are running into billions of dollars. What we are trying to do is see if we cannot put some kind of ceiling on this.

I do not know the answer. This is only the Federal contribution we are talking about. It does not stop the States from adding, if they wish.

This would be a 15-percent increase in a new year. I was a little worried about the 15 percent for the administrative or the 110 percent. I thought perhaps 120, but under 115, in 6 years they could be doubled. That might mean more than a million people employed just to administer these programs, and this is what bothers us.

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

Mr. MAGNUSON. I yield.

Mr. HARRIS. First, you are talking about a percentage of last year's money; you are not talking about last year's employees. It could be the same employees, with some cost-of-living increase. As the Senator knows, last month we had a considerable cost-of-living increase generally.

Aside from that, is not the very Department which has asked for this limitation on the part of the committee the very Department which also has some supervisory responsibility over the way the States operate their departments and over the percentage of overhead and administration, and so forth? Why do they have to have an arbitrary limit?

Mr. MAGNUSON. I agree with the Senator. Perhaps we should give them the responsibility and not have a percentage. If a State comes in and makes a technically legitimate case that they have to hire 100 more people on a certain welfare activity, we are required to match it, and it is an open end.

Mr. HARRIS. I think that is not so. They have some supervisory responsibility.

Mr. MAGNUSON. They can turn down the whole plan.

Mr. HARRIS. That is correct.

Mr. MAGNUSON. I think this ought to go in the RECORD at this time. Twenty-three States would not be affected by this at all. Ten States would have to reduce expenses to between 90 and 99 percent. Eleven States would be between 80 and 89 percent. There are 10 States, of which California is one, that would probably have to reduce their requests from 100 percent of what they ask to 80 percent in the Federal contribution, in the field of administration.

I see the Senator from Louisiana in the Chamber. Louisiana would have to go down to 80 percent, according to this.

We have all the figures here. The savings—that is a little deceptive—would be to the Federal Treasury, to this appropriation. Twenty-three States receive and would receive, even under the limitation, all they ask for. My State happens to be in the category of Louisiana. This is under the committee amendment, not the Cotton perfecting amend-

ment. My State is in the same position as Louisiana.

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

Mr. MAGNUSON. I yield.

Mr. HARRIS. That is the question I was going to ask the Senator.

Mr. MAGNUSON. I will tell the Senator the position Oklahoma is in.

Mr. HARRIS. I do not believe the Senator can, because he does not know what portion applies only to administration and what portion applies to social services and training personnel.

Mr. MAGNUSON. This applies to the whole.

Mr. HARRIS. The Senator from New Hampshire earlier indicated that he was not able to break it down.

Mr. MAGNUSON. This is his amendment, which would limit it purely to administration and not the social workers and services.

Mr. HARRIS. That is what I mean.

Mr. MAGNUSON. This is for the whole. This is based on the committee amendment, not the Cotton amendment. The Cotton amendment would save approximately \$50 million, but we were not able, in the short period of time, to break it down as to States.

It would be about \$50 million; whereas, this one, as the Senator from California has pointed out, would run approximately \$131 million or \$161 million, a significantly larger sum.

Mr. CRANSTON. The figure for California, based on a November figure, which is later than the committee's, is \$78 million cost to California. If the Cotton amendment were adopted, it would still be approximately \$60 million cost to California.

Mr. MAGNUSON. Most of these people are not in the office, the administrators. Most of them are out in the field, out doing their work. They are delivering, we hope, social services. Senator Cotton's amendment applies only to the office types, and not to services rendered to recipients.

We have some responsibility with respect to spending money. We cannot just spend it. I have been in some of these offices in my State, and I suppose other Senators have. I have not been out with the social workers on their rounds. I have been to places where they should be.

What bothers me is the cost of the 618,000 people we have now. If there is a legitimate criticism, if there is one legitimate criticism, of our whole welfare program it is the fact that administrative costs take up too much of the money that should get down to the people, and there is case after case after case of that. This is what we are trying to get at. I just wanted to give the background of this. Personally, I do not like the percentage ceiling. I do not think that is the way to go at it.

Mr. LONG addressed the Chair.

The PRESIDING OFFICER (Mr. BIBLE). The Senator from Louisiana is recognized in his own right.

Mr. MAGNUSON. Mr. President, let me state the parliamentary situation.

We have been setting aside the Javits amendment by unanimous consent to discuss either proposed amendments laid

on the desk or some other amendments which the committee has discussed and accepted. Before I would agree to setting any amendment aside now—the Senator from New York was in the Chamber a moment ago.

Mr. CRANSTON. Mr. President, what is the pending business?

Mr. MAGNUSON. The Javits amendment.

Mr. COTTON. No.

Mr. MAGNUSON. Excuse me. The Senator from New Hampshire has asked unanimous consent. After that, it will be the Javits amendment.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG. Mr. President, I do not know whether I will be able to be present for this vote, since I am committed to be out of town later.

I would like it known that I am opposed to the amendment.

The Department of Health, Education, and Welfare has been exerting all the efforts that any administration has ever exerted—in fact, I think they probably have worked harder and more diligently than any administration in the history of the country—to try to increase spending for welfare purposes.

We on the Finance Committee have been besieged by those representing that Department who want to increase the cost of the public welfare program by more than \$4 billion a year and want to double the number of welfare recipients. We have studied their plan. Finally, in the spirit of compromise, I have gone even further than my conscience would dictate to try to accommodate their views for a \$4.5 billion increase in public welfare expenditures.

At the same time, while the Department has been trying to get the Finance Committee to double the number of people on welfare and to increase expenditures by \$4.5 billion, they have been trying, on the other hand, to work on the Appropriations Committee, to get them to cut the money available for the services that the States are required by law to provide—a law which they themselves advocated. This does not make much sense at all.

We on the Finance Committee have the duty and the burden of voting the taxes to pay for all this legislation, whether it is social security or public welfare or some other kind of legislation. This is the committee's unpleasant duty, to find the money to do all that—and we are not complaining about it. The majority on that committee has consistently been willing to provide for whatever we are willing to vote to authorize, and we have never been niggardly. We always have been willing to walk up to the lick log and hit our licks and take our share of the responsibility for raising the taxes to provide for social security, public welfare, medicare, medicaid, and other programs.

If we are the ones authorizing some legislation, we have to find the taxes to pay for it. The fact that we cannot balance the budget is not the fault of the Finance Committee. It is the fact that other committees vote to spend more money than we can raise. If I do say it,

for the most part, that is the work of our able Appropriations Committee. I am not complaining about it. I have voted for appropriations bills but I will say, as one member of the Finance Committee, that we tend to be as tight as Dick's hatband.

I have seen Senators who served on both the Finance Committee and also on the Foreign Relations Committee, and I am one of them—I have seen those Senators go to the Foreign Relations Committee and vote to give away everything except the Statue of Freedom on top of the Capitol dome, and then walk over to the Finance Committee room and proceed to be as tight as Dick's hatband about giving anyone anything. When they are inside the Finance Committee, it seems almost as though there is an atmosphere which overwhelms Senators when they realize that everything they vote for they will also have to pay for. The Finance Committee has that duty and that responsibility.

Right now, the administration is \$4 billion short of getting the money they are trying to get out of the Finance Committee for welfare. But at the same time they are asking the Appropriations Committee, without consulting the Finance Committee, to deny the States the money due them for things which the Congress voted by law to require them to do. What would it mean if we voted for the limitation in this bill? It would mean that we would be doing nothing to change the law which requires States to provide these services, while at the same time voting to deny the States the Federal matching funds that were supposed to pay for these services. It does not make any sense at all.

Why did not the Department show the committee that authorizes this kind of legislation, the committee that raises the money to pay for it, at least the courtesy of consulting them about this matter before they advocate both requiring the States to provide services and also keeping the Federal Government from paying its full share. It does not make any sense.

The idea of a limitation might find sympathy among some of the members of the Finance Committee. The senior Republican member, the Senator from Delaware (Mr. WILLIAMS), I should think, might well wish to vote for a limitation of some sort, to save the Federal Government money. But it would seem to me that he should at least be offered the opportunity of being consulted about it.

I would think it would be most appropriate that this limitation be stricken from the bill. If a type of limitation is to be imposed, then it should be done as an amendment on the social security or public welfare legislation pending in the Committee on Finance right now. This is legislation we in the committee are working on right now. And when that legislation is out here on the floor and we are voting on it, it would seem to me that this would be an appropriate time to consider this matter.

This limitation on appropriations was considered, I am told, over in the Appropriations Committee of the House of Representatives. I can imagine what hap-

pened. The chairman of that committee looked down the State cost table and saw that this limitation would cost Texas \$6 million, the Representative from Georgia saw that Georgia would be adversely affected to the extent of about \$5 million, the California Representative saw that the cost to California would be \$78 million, and so on. That probably was about the way it happened. The whole thing was dropped and forgotten.

Having failed to gain House approval, the Department went to work on the Senate side, where we have 46 Senators from 23 States who would not be affected at all by the limitation. They figured they might be able to get a vote on the proposal in the Senate, or at least move it halfway to first base.

I find it passing strange to see the administration on the one hand trying to persuade the committee that has the authority to act on substantive legislation in this area to spend \$4.5 billion on welfare while at the same time moving behind the scenes trying to get another committee to cut the program affecting the same people they say they are proposing to help.

I would hope that the Senate would vote down this proposal. If Senators want not to provide the services or to provide a reduction of service, it should be done on the social security bill that will be coming out. It will be a big one. Senators can then do whatever their hearts desire about it. If they do not want to provide the services, then let them vote to reduce the services. Having done so, then let them vote to reduce the spending. It would be appropriate that the same bill that provides for additional expenditures should also provide for whatever reductions Senators want to vote in the program.

I, for one, would be most pleased, if I have to vote on this, to vote for a bill that loosens up on the tight ends at the same time we are tightening up on the loose ends. That is what the social security, medicare, medicaid bill would do that is now before the Finance Committee. The bill will make a reduction where we think it can be justified and it will spend more in areas where we think more money can be spent advantageously for the good of the poor and the less privileged and the good of the Nation generally.

I would hope very much that the cut-back in services as proposed by the Appropriations Committee would not be agreed to as an amendment to this appropriations bill. I would hope that those of us who have the responsibility of authorizing the services legislation would be permitted to participate during the remainder of this session in looking at this whole problem in the context of the social security bill that will be before the Senate later on this year.

Mr. COTTON. Mr. President, if the Senator from Louisiana will yield, I was very much impressed with the phrase that he used, when he talked about loosening up on the tight end and tightening up on the loose end.

The amendment now before the Senate, which does not in any way prevent the whole section 208 being stricken out later in the day, would make it clear

that the limitation under the 15-percent increase limitation shall affect only the administration figures and shall not in any way affect the social workers, the day care people, the people who work with alcoholics, and any of the other various services—those people who are carrying the services to the recipient. That lid will be taken off entirely.

It is a relaxation of section 208. I cannot understand why even those who want to take 208 out would not want to take this first step and then go ahead and take it out of the whole thing as they see fit.

Mr. LONG. It may very well be that the Senator's amendment might be an improvement on what the Appropriations Committee has recommended to the Senate. I am not here to debate that. I personally think that the whole limitation should be laid aside and that it should be considered in the context of a much broader bill.

I am not here to point the finger of scorn at anyone, because everyone is trying to do his duty as the good Lord gives him the light to see it. Just this morning the members of the Finance Committee approved an amendment to provide more liberally for the blind. Probably everything the limitation in this bill would save, would be more than offset by the cost of the committee amendment. If Senators want to oppose the amendment for the blind on the floor of the Senate, I cheerfully invite them to do it. I tried to do it a few years ago and the Senate gave me my "lumps" when I tried to oppose the proposal.

Let me just close by saying this: What is proposed here is a potential economy that I think ought to be considered in a broader, substantive bill when we can look at the whole welfare picture rather than pick one item out here for limitation. To continue to impose requirements on the States while at the same time refusing to pay the full Federal share of the expenses just does not make any sense to me.

Mr. HARRIS. Mr. President, I agree with the distinguished chairman of the Finance Committee, of which I am a member. I intend to ask for the yeas and nays on the amendment.

Mr. PEARSON. Mr. President, the Senator from Massachusetts just left for an appointment. He wanted to speak on this amendment.

Mr. HARRIS. Mr. President, I am not in control of when we vote. I think that when we do vote we ought to have a rollcall vote on the pending amendment which, I take it, ought to be defeated. Then we can go the whole way.

I think the amendment is wrong in principle, as the Senator from Louisiana has said. It is no less wrong if two-thirds of the original idea is dropped and only one-third is pressed.

Mr. COTTON. Mr. President, I agree. We should have a rollcall vote on the amendment. I presume that very likely we have the votes to defeat it. We are trying desperately to get this bill passed some time before we leave this evening.

If we could have some agreement on time, say 5 minutes to the side, and then have a quorum call and later explain the

amendment after the quorum call, we can get it out of the way. We will have a lot of time then for the big battle that may come up on other things.

Mr. HARRIS. Mr. President, I say to the Senator from New Hampshire that we could not agree to 5 minutes. But we probably could agree to a time limitation. We ought to have a rollcall vote.

One way to shorten the matter would be if the Senator would withdraw his amendment. We could then offer our amendment which would strike all three sections to which this amendment addresses itself. If that amendment fails, the Senator could bring up his amendment which would attempt to strike only two provisions of the section.

I think we could proceed on that basis. My hope is that the Senate will strike the whole section. As the Senator from Louisiana said, it is bad in principle, although it is very well intentioned.

I think that all of us want to hold down administrative costs. But we have laid on the departments around the country additional programs and responsibilities, such as day care centers and family planning, all of which require additional administration expenses and other expenses. The people are entitled to consideration insofar as salary increases are concerned and the increase in the cost of living.

This section does not allow even for that consideration to the degree it should.

I would hope that the Senator from New Hampshire might be willing to lay aside his amendment temporarily so that we could present the Harris, Ribicoff, Cranston amendment. If that amendment does not carry, the Senator could bring up his amendment at that time.

Mr. COTTON. Mr. President, after all, no matter how many groups constitute themselves as an appropriations committee for the Senate, the fact remains that the Appropriations Committee worked long and hard on this bill, including this provision. There are approximately 5,000 pages of evidence. It was unanimous. If the Appropriations Committee wants to relax some of their requests, I think they have a right to let the Senate refuse to let the Appropriations Committee change what they voted for by voting it down.

If this is agreed to, the Senator can go ahead and get rid of the whole thing.

I would feel that it would not be presumptuous for me, representing the chairman of the committee and other members of the committee, as well as myself, to ask that, in view of the fact that the Appropriations Committee desires to make this relaxation and further curtail section 208, we vote on it.

I should not think we should be compelled to withdraw it. I think we ought to be allowed to vote on it within a reasonable time. It does not take too long to explain what this amendment does. It does not have any effect whatsoever on the ultimate question of abolishing the entire section 208.

Mr. HARRIS. Mr. President, I agree with what the Senator said. However, I would like to have my say. The Senator

has had his say. We want to put on our case now.

I am not prepared to agree to a time limitation at this time. I do not think that we will unduly delay the Senate.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, would the Senator yield to me so that I may make a brief statement in support of the amendment?

Mr. HARRIS. Mr. President, I have not had a chance to say what I wish to say on the amendment. After I have finished my statement, I will be glad to yield the floor. I have been waiting for some time to speak on the matter.

I rise as a member of the Senate Finance Committee and as a Member of the Senate—as Senators know—who has somewhat more than a casual interest in the matter of welfare assistance and social services.

The Finance Committee is considering at this time rather sweeping recommendations for changes in the entire welfare program of the country, which I strongly feel we should do. As a matter of fact, I have offered legislation that is now pending in the Senate Finance Committee which would bring about real reform of the welfare system of this country which is desperately needed. It would federalize the welfare system so that we would have greater control over the whole question of administration.

Mr. President, the section which is now in question before the Senate is not the way to go about holding down costs. Rather, legislation along the lines I have just mentioned is the best way to see that people themselves benefit more, as they should, from an improved welfare system and that we hold the administrative and other costs within some reasonable limitations.

The distinguished Senator from California (Mr. CRANSTON), the distinguished Senator from Connecticut (Mr. RIBICOFF), I—some 26 other Senators altogether—have offered an amendment which would delete the entire section which would limit the expenditures by the Federal Government for its share in matching State costs for administrative expenses, services, and staff training in the welfare program of the country which exceed 115 percent of the costs for 1970.

That is a totally unrealistic recommendation which the administration has made. It seems so incongruous, as the distinguished Senator from Louisiana has said, for the administration, or at least one arm of the administration—as a matter of fact, the same arm, Secretary Richardson and Under Secretary Veneman—to come before the Appropriations Committee and say that they would like to hold down and restrict the costs of social services, and, then, these very same officials come before the Finance Committee and say that we must improve and expand social services.

That is exactly what is involved. It is rather difficult to understand what is in the minds of these men who seem to say different things on the same subject before different committees.

The truth is that caseloads in this country have jumped enormously. Secre-

tary Richardson and others have expressed great surprise and said they wonder why that is so. We do not have to look very far to see one reason why they have expanded. One of the principal reasons is because of misguided economic, monetary and fiscal policies which have increased the number of people out of work in this country.

I refer to economic, monetary and fiscal policies which, for the purpose, as it is stated, of getting control of the economy, have increased the jobless lines in this country. Many people have had their employment insurance run out; many people are now working a 4-day week; and many others have lost their opportunity for overtime. That is not necessary in this country, the richest country in the world with the greatest productive capacity, with the greatest demand for goods and services, and the greatest skills in a work force of people who want to work. I think it is a wretched and heartless policy which forces so many people out of work.

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

Mr. HARRIS. That is what is involved in this rising caseload. If we want to put people to work the administration should join the Senate in support of the bill which we have already passed to greatly expand employment in this country.

Any country which calls itself civilized and tolerates unemployment for those who want to work is not living up to what it calls itself.

I hope that we may provide expanded job opportunities for the people of this country. They have been diminishing. That is what is involved here. That is one reason why there is a rising caseload. There is also the matter of a rising population from which that rising caseload comes. We also must consider the added programs the Senate has voted, such as expanding day care programs and family planning programs. Therefore, we cannot now come here and say arbitrarily, "We are going to cut down to 115 percent of last year."

The distinguished Senator from New Hampshire is entitled to commendation, as is the distinguished Senator from Washington, the chairman of our Appropriations Subcommittee, for what they intend. They hope we can hold down costs. But the blunderbuss method is not the way to go about it by these overall limits and I have steadfastly refused to support such arbitrary limits on spending in the past. I do not see why they should be put into this legislation.

Furthermore, I think the Senator from New Hampshire is entitled to praise for asking the Senate to take away two-thirds of the harsh impact of this section which is before the Senate; but he does not go far enough. He is not able to say what the impact of the remaining portion of this section would be upon the country. In answer to a question a while ago he said he could not say what the increased cost to the States would be.

The States and local governments are already terribly burdened with rising costs and the growing need for services, without a similarly growing tax base. I do not see how we can say to them arbitrarily, "You have to cut back on

these costs or pay more of them yourselves," which is what we would be saying. This is not the way to go about it.

Despite the fact the amendment of the Senator from New Hampshire goes part way, I hope the Senate will reject it. Then, the Senator from California, and I, and others will offer an amendment which goes all the way in recognizing that this is not the proper way to go about this matter. Our amendment will seek to strike the entire section.

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

Mr. HARRIS. I am happy to yield to the Senator from Kansas.

Mr. PEARSON. The Senator makes the point that, with the increasing caseload today, it is an arbitrary and a rather heartless position for the administration to support the retention of section 208. I have some statistics and figures before me that come from the Department of Health, Education, and Welfare, relating to the point on which the Senator spoke so eloquently.

I know the Senator from Oklahoma spent a great deal of time on the Committee on Finance. I inquire whether or not the Senator, in his deep study of this particular program, could confirm these facts which give some indication why there is such great concern about the increasing costs of administration of the welfare program. For instance, I am advised that in the 5 years from fiscal year 1965 to fiscal year 1970, the administrative costs increased from \$0.3 to \$1.3 billion, an increase of 324 percent. This does not mean very much unless it is related to the general subject about which the Senator spoke today, and that is the increased caseload in that same period.

Mr. HARRIS. I would like to have the opportunity to respond to the question.

Mr. PEARSON. I would like to finish my statement first.

As I said, administrative costs increased 324 percent. The number of caseloads increased from 7.1 million to 10.5 million and the amount of money paid out increased from \$4.4 to \$7.1 billion. This is an increase of 48 percent in the welfare rolls and an increase of 62 percent in payments. So there is a ratio of over 300 percent increase in administrative costs while the number of cases increased about 50 percent and the amount of money paid out, about 60 percent.

Mr. HARRIS. Where was the Department of Health, Education, and Welfare while that was going on? Does the Senator from Kansas or other Senators feel that a State can just willy-nilly operate a welfare program however it pleases with perhaps any level of administration and overhead it wants? The answer is no. The Department of Health, Education, and Welfare has some responsibility for this program and the States have to come in with plans to be approved by the Department of Health, Education, and Welfare. Where were they when all this was going on? Are they impotent now? Why do they have to come in and ask the Senate to put on some level when Senators cannot say what that will mean when applied to the rising costs of ad-

ministration? The Department of Health, Education, and Welfare should assume its responsibility and if it cannot do that, it should come before the Committee on Finance and say to us that it needs additional laws or powers. The Secretary of Health, Education, and Welfare is vested with immense power to deal with the States in order to work out arrangements for the administration of welfare and related programs. If he does not have sufficient power to hold down these costs which he feels are rising unnecessarily, the Committee on Finance is open for business. We have jurisdiction over these laws and he should come before us and say so, and not go to the Committee on Appropriations and ask for an arbitrary limit of 115 percent on the cost of administration, social services and training, or any of those matters.

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

Mr. HARRIS. I yield.

Mr. PEARSON. Could the Senator state where the Secretary of Health, Education, and Welfare was during the years 1965 through 1968? At that time a Democratic administration controlled Health, Education, and Welfare. I do not recall that HEW made any overture to the Committee on Finance at that time.

Mr. HARRIS. Four years from now is the Senator still going to be saying that? This administration has been in power a good long while. The laws have not been repealed. The powers of the Secretary are still there; he still has powers under the laws. If he does not, he should come before the Committee on Finance and ask for the powers he wants to help him see that administrative costs in these programs around the country are held down.

Lastly, I would point out to the Senator that since President Nixon took office the administrative costs to which the Senator from Kansas refers have risen 38 percent in just the last year, and that was during the administration of Nixon.

Mr. PEARSON. The point I wish to inquire about is the Senator's statement that there should be a relationship to the increased amount of money paid in welfare and administration costs. I simply cite the figures to show the administrative costs have increased over 300 percent while at the same time the caseload increased 50 percent. The Senator made the point, and I think he is absolutely correct, that if there is going to be an increased caseload there have to be more administrative costs. I think the Senator from New Hampshire made a good point today. But the ratio is so great between administrative costs and the caseload number that I think the Secretary of HEW is on pretty firm ground when he comes to the Committee on Appropriations and indicates there should be some sort of limitation to hold these great administrative costs down.

Mr. HARRIS. I do not want to unduly belabor the point. The time to bring up this matter is when we can know the effect. No one knows the effect of the proposed revised section and it is not just a matter of an expanding caseload, although that is a part of it. The Senate

continues to give to the State welfare departments additional programs and asks them to fund their portion of these expanded programs.

For example, I myself offered an amendment to the 1967 Social Security Act to set up two new programs, one to provide for the use of social service volunteers in the welfare programs of the country, that amendment was adopted. The other amendment was to provide for welfare aides, for hiring poor people themselves to work in these programs.

In addition, we have expanded the day care program and the family assistance program. All these programs have to be administered and that costs money.

The Secretary of Health, Education, and Welfare ought to come before the Committee on Finance, where we can look into the whole matter of why costs are rising, and he ought to recommend changes in the basic law; or, if he does not feel that he has enough power to deal with the rising costs, he ought to ask for additional powers. But to come in and ask for an arbitrary upward limit which is not workable is not the way to proceed.

Mr. JAVITS. Mr. President, I join with the Senator from California (Mr. CRANSTON), the Senator from Oklahoma (Mr. HARRIS), and the other cosponsors of the amendment in opposition to section 208 of the committee bill under which Federal sharing in payments made by the States during fiscal year 1971 for services, staff training, and administrative expenses under titles I, IV—part A—X, and XVI of the Social Security Act—which covers assistance to the poor, the blind, the aged, and the disabled—would not apply to expenditures in excess of 115 percent of the amount estimated for these purposes for fiscal year 1970.

The Senate Committee on Appropriations report indicates that this limitation will save the Government \$181 million in 1971 and adopts the administration's principal defense of the section that welfare services, staff training, and administrative expenses cannot be justified as "uncontrollable" or "open-ended appropriations." I consider this approach to be economically unrealistic and shortsighted and inimical to the entire approach of the administration in dealing with the social problems that face the Nation.

According to statistics provided by the Department of Health, Education, and Welfare, the immediate fiscal result will be that in 32 States something less than the full amount will be met, and in 14 of those States, less than 90 percent of the request will be granted. In five States—Georgia, Hawaii, Michigan, New Hampshire, and Pennsylvania—less than 80 percent of the requests can be met.

Mr. President, there is strong reason to believe that the effect on the States will be even worse than predicted by the Department of Health, Education, and Welfare.

The predictable result of this limitation will be that most States and localities will either have to scrap a good part of their social services or assume additional fiscal burdens which are beyond their capability.

This result will obtain because the costs of administration and training are tied directly to the welfare caseload, and the latter can be expected to increase during this year at a rate far in excess of 115 percent. The Secretary of Health, Education, and Welfare recently estimated that the welfare caseload for this fiscal year will include 12.6 million persons—2 million more persons than last fiscal year—and that in some States the case will be 20 to 30 percent greater than last year. The Department's own projections of the number of States that would be adversely affected by that plan are based upon the submissions by States well in advance of the current rate of unemployment, which is now at 5.6 percent and is expected to continue at this high level or at even higher levels, pushing even more individuals onto the welfare rolls. In the meantime, inflation will increase the salary expenses for caseworkers and administrators; increases of between 6 percent and 15 percent are expected this year, and will effect a rise in training costs.

Accordingly, a closed-end appropriation on services will deal a death blow to the development of social services in many States. During recent years, the States have been encouraged to provide the services that reduce welfare dependency. These have included new forms of day care, such as family day care, early childhood education, mental illness, community outpatient and treatment centers, half-way houses, and vocational centers.

However, States and localities—faced with rising administrative and training costs occasioned by the increase in the welfare caseload—will have no choice but to cut back on social services. While HEW statistics suggest that my own State would not be forced to cut back, the State itself forecasts a loss of \$30 to \$50 million Federal dollars.

The clear result will be that whatever savings might be effected in these particular categories in 1971 will be paid many times again and again and in subsequent years in the form of dependency on cash assistance.

Mr. President, this result also is contrary to three tenets of the New Federalism:

First, as noted by the President in his address to the Nation on August 8, 1969, the administration's welfare proposals:

Aims at helping the American people to do more for themselves. It aims at getting everyone able to work off welfare rolls and onto payrolls.

Section 208 will have just the opposite effect. By reducing State and local efforts in child care and other services, cash recipients of welfare will be unable to overcome the obstacles that so often make the difference between welfare dependency and economic independence. The joint review conducted by the Department of Health, Education, and Welfare and the New York State Department of Social Services, issued in September 1969, document an increased interest of others in training and employment, but identified the lack of child-care facilities as one of the prime obstacles in the path that leads from welfare dependency:

Additional day care facilities serving school-age children and pre-school children are urgently needed in neighborhoods where AFDC and other low-income families live to enable those women to take advantage of WIN and other training and employment programs.

The provisions for child care set forth in the administration's Family Assistance Act underscore the increasing realization that lack of child-care facilities—not lack of initiative—represents for millions the primary obstacle to economic independence, and even now we are meeting less than one-fourth of the need.

Second, it is incompatible with the doctrine of the New Federalism that as the Federal Government assumes the costs of cash assistance, the responsibility for social services should be shifted from Washington to the States and the localities.

This tenet—which was expressed in the administration's proposal for manpower training—will have little application in the social services field under section 208. The States which have listened to this rhetoric and have done the most to respond to it will be forced to close a number of activities, while States that were just getting interested in social services will have straitjackets placed on any innovative and responsible efforts. In contrast with these results, the administration's background paper for its social service reform amendments, submitted June 18, 1970, indicated that the Federal Government "must be concerned with expanding the quality and capacity of State and local government to accept these increased responsibilities."

Third, it is incompatible with the tenet of revenue sharing with the States and the cities. While the administration's figures suggest that these restraints will save the Federal Government, the 115 percent will force the States to make additional expenditures in order to maintain efforts. While the administration's proposal permits a 15-percent increase from 1970 to 1971, the fact is that for 27 States the total costs in these categories increased between 32.5 percent and 35.5 percent between fiscal year 1969 and 1970.

Mr. President, the House rejected any limitation on these essential services; and I hope that the Senate will exercise similar wisdom: It would be unwise to continue on the one hand, to tell the Nation's poor that the road from poverty is travelled by those who work, while cutting back on the very efforts that allow them to help themselves.

Mr. HARRIS. Mr. President, I thank the Senator from New York.

I hope that we may be able to arrange a time limitation. So far as I am concerned, and if my associates on the amendment are agreeable, we should be able to do so.

Mr. BYRD of West Virginia. Mr. President, do I correctly understand that the yeas and nays have been ordered on the pending amendment by the Senator from New Hampshire (Mr. COTTON)?

The PRESIDING OFFICER (Mr.

MONDALE). The Senator from West Virginia is correct.

Mr. COTTON. The yeas and nays were requested by the Senator from Oklahoma.

Mr. BYRD of West Virginia. Mr. President, I move to lay on the table the amendment offered by the able Senator from New Hampshire (Mr. COTTON).

Mr. HARRIS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia (Mr. BYRD) to lay Mr. COTTON's amendment on the table. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll. Mr. KENNEDY. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. CANNON), the Senator from Connecticut (Mr. DODD), the Senator from Tennessee (Mr. GORE), the Senator from Michigan (Mr. HART), the Senator from Hawaii (Mr. INOUE), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from Georgia (Mr. RUSSELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from Ohio (Mr. SAXBE), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Illinois (Mr. PERCY) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from South Dakota (Mr. MUNDT), and the Senator from Texas (Mr. TOWER) would each vote "nay."

The result was announced—yeas 43, nays 35, as follows:

[No. 388 Leg.]

YEAS—43

Anderson	Hughes	Proxmire
Brooke	Jackson	Randolph
Burdick	Javits	Ribicoff
Byrd, W. Va.	Kennedy	Schweiker
Case	Long	Scott
Church	Mansfield	Spong
Cranston	Mathias	Stevens
Eagleton	McGovern	Stevenson
Ellender	Mondale	Symington
Fulbright	Montoya	Talmadge
Goodell	Moss	Williams, N.J.
Gravel	Muskie	Yarborough
Harris	Nelson	Young, Ohio
Hartke	Pastore	
Hollings	Pell	

NAYS—35

Aiken	Eastland	McIntyre
Allott	Ervin	Metcalf
Baker	Fannin	Miller
Bible	Griffin	Murphy
Boggs	Gurney	Packwood
Byrd, Va.	Hansen	Pearson
Cook	Holland	Prouty
Cooper	Hruska	Smith
Cotton	Jordan, N.C.	Thurmond
Curtis	Jordan, Idaho	Williams, Del.
Dole	Magnuson	Young, N. Dak.
Dominick	McClellan	

NOT VOTING—22

Allen	Gore	Russell
Bayh	Hart	Saxbe
Bellmon	Hatfield	Sparkman
Bennett	Inouye	Stennis
Cannon	McCarthy	Tower
Dodd	McGee	Tydings
Fong	Mundt	
Goldwater	Percy	

So the motion of Mr. BYRD of West Virginia to lay Mr. COTTON's amendment on the table was agreed to.

The PRESIDING OFFICER. The question recurs on the amendment offered by the Senator from New York.

Mr. HARRIS. Mr. President, I ask unanimous consent that part 1 of amendment No. 1068, which I understand is the pending business, be temporarily laid aside so that I may now call up my amendment No. 1076; that upon conclusion of amendment No. 1076, part 1 of amendment No. 1068 again become the pending business, without prejudice.

The PRESIDING OFFICER. Is there objection?

Mr. JAVITS. Mr. President, reserving the right to object, I will not consent to this unless two conditions are met. First, there must be a very short time limitation.

Mr. MAGNUSON. I was about to ask that.

Mr. JAVITS. And that was our agreement.

Second that we at the same time must agree upon a time limitation of part 1 of my amendment, because it is 10 minutes to 2, and this is Friday, and we at least want a constituency here to vote on these critical matters.

Mr. HARRIS. I would be glad to agree to a 10-minute limitation to a side on amendment No. 1076, for a total of 20 minutes, to be equally divided between the distinguished Senator from Washington and myself.

The PRESIDING OFFICER. Is there objection?

Mr. ALLOTT. Mr. President, reserving the right to object, I cannot seem to locate amendment No. 1076. Is that the motion to strike?

Mr. HARRIS. Amendment No. 1076 is to strike out the whole section 208.

Mr. ALLOTT. Mr. President, I could not agree to the unanimous-consent request as I understood it to be proposed. I have a perfecting amendment to that which I intend to propose; and unless I were given equal time, I would have to object.

Mr. HARRIS. Could the Senator state what his perfecting amendment is?

Mr. ALLOTT. My perfecting amendment would strike the word "estimated" on line 17 and insert in lieu thereof the two words "actually expended."

The point is that at the time this was pending, the Department of Health, Education, and Welfare was actually working upon estimates. They now have all the figures in, so they know what the actual expenditures are.

Mr. HARRIS. What the distinguished Senator from California and I are trying to do is to strike out the entire section. Should we fail on that, then the Senator still could change that language. There would be no need to change it if our

amendment were adopted—that is, to strike it out altogether.

Mr. ALLOTT. That may be true, but I would not want to put myself in the position of waiting until that time to offer this amendment.

Mr. HARRIS. For my part, I would be willing for those words to be changed immediately—before we strike the whole paragraph.

Mr. CRANSTON. I would, too.

Mr. MAGNUSON. Mr. President, may we have order.

The PRESIDING OFFICER. The Senate will be in order.

The Chair recognizes the Senator from Colorado.

Mr. ALLOTT. Mr. President, if this is the situation, I discussed this very briefly with the ranking minority member of the committee yesterday afternoon. I believe that this would be satisfactory to him, but I cannot state so unequivocally at this time. He is not in the Chamber at this moment. But I am perfectly willing to ask unanimous consent that I may present this and have it accepted.

Mr. MAGNUSON. Mr. President, I would like to accept it, but I think that in all deference to the Senator from New Hampshire I should wait until he returns to the Chamber. I reluctantly object.

Mr. ALLOTT. Mr. President, I will have to object, then, until I feel that my rights are protected.

Mr. MAGNUSON. Mr. President, what is the pending business?

The PRESIDING OFFICER. It is the first part of the Javits amendment.

Mr. MAGNUSON. Mr. President, I had hoped that we could work out both these amendments quickly, and I am sure we will, but we can proceed with the Javits amendment right now. It has been the pending business. I ask unanimous consent that there be a time limitation of 10 minutes to a side on the Javits amendment.

The PRESIDING OFFICER. Is there objection?

Mr. JAVITS. I object. That is too short. I said an hour. We will agree to an hour. We may not use it. A half hour on a side.

Mr. MAGNUSON. I modify my request to a half hour on a side.

Mr. MILLER. Mr. President, reserving the right to object, would that hour start right now?

Mr. MAGNUSON. Yes.

Mr. MILLER. May I ask this of the Senator from Washington? Why can we not dispose of the Allott problem by putting in a short quorum call, so that the Senator from Colorado can check this matter out with the Senator from New Hampshire, and get it out of the way? Then we can go on with the Javits amendment.

Mr. MAGNUSON. We will have to wait about 20 minutes to do that.

Mr. MILLER. I suggest perhaps 5 minutes.

Mr. JAVITS. If the Senator objects, we will have to do it.

Mr. MILLER. I would hope it would not even be 5 minutes.

Mr. MAGNUSON. If Senators will just hold up for a moment, we can get both

these amendments out of the way. The Cranston-Harris amendment will take 20 minutes, and I am sure that the Senator from New York and I will not take the entire hour. Then we will get both amendments out of the way. We have been wrangling for a half hour. Let us proceed with the Javits amendment, and then we can go to the 20 minutes on the Harris amendment.

Mr. MILLER. Mr. President, reserving the right to object, if the Senator thinks that 15 minutes on a side will satisfy the Senator from New York, let us make it 15 minutes on a side.

Mr. JAVITS. I said a half hour on a side.

Mr. MAGNUSON. We have wasted 15 minutes talking about it.

The pending order of business is the Javits amendment, and I ask unanimous consent that the debate be limited to 1 hour, 30 minutes to a side, the time to be divided equally between myself and the Senator from New York.

Mr. JAVITS. That is on part 1.

Mr. MAGNUSON. On part 1.

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

Who yields time?

Mr. JAVITS. I yield myself 10 minutes.

Mr. President, if I can have the attention of the Senate, I think we can dispose of this very quickly.

The PRESIDING OFFICER. The Senate will be in order.

Mr. JAVITS. Mr. President, to give the Senate necessary assurance of Christmas, I yield myself only 5 minutes.

The essence of this amendment is the following: We seek to increase the aggregate overall amount to be allocated for the antipoverty program by \$181 million, which takes it up to the authorization for that program in the regular bill. We do not include in that, in any way, some \$670 million of so-called "add-ons" which are also authorized for various aspects of the program; we omit that. So that we only raise it to the basic authorization ceiling. In connection with that \$181 million, we earmark \$59 million for Headstart and \$41.9 million for manpower training programs, including Neighborhood Youth Corps, and other programs. The remainder of the money—\$80,780,000—is allocated for the other antipoverty programs, which include research and development, health and nutrition, legal services, special impact, migrant programs, local initiative and other community action programs.

Other aspects of the amendment, which is inherent in the way in which it is presented, is the fact that we continue for this fiscal year the present practice of appropriating this money to OEO, respecting the agreements under which OEO delegates the amounts which are involved respectively to the Departments of Labor, and Health, Education, and Welfare. We had an extensive debate on that subject yesterday. Our point is that delegation agreements which are entered into and consummated as among the HEW, the Department of Labor, and the OEO, adequately take care of the fact that the money will be devoted to purposes that the Senate wants it devoted

to. Also the OEO has to coordinate those efforts of the Government departments and insure the involvement of the poor themselves and of the community action agencies. We should continue for the remainder of the fiscal year according to the way the legislation now provides and not cut off that system until we renew the poverty program. Then when we do renew it—to wit, after July 1, 1971, then we may be able to appropriate directly through the departments in respect of manpower and all the education programs.

On the other side, the argument is that the committee has worked long and hard and has given the program everything it can and that, somehow or other, it is more efficient to appropriate directly. It is claimed that perhaps it will be more economical and more efficient, if appropriations go directly to Labor and HEW. That, I understand, is their argument.

I think that our point is buttressed by the fact that when we drew up the legislation, we provided that the transition period must continue through this fiscal year. We feel that all that time is needed. When I say "we," I mean the cosponsors, including members of the Committee on Labor and Public Welfare and the subcommittee which has jurisdiction over this matter.

Mr. President, that is our case; we made that case in an extended argument yesterday, producing charts and figures to justify the individual items.

I hope very much that the Senate will vote with us.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, I reserve the remainder of my time and yield now 10 minutes to the distinguished chairman of the subcommittee handling this whole matter legislatively, the distinguished Senator from Wisconsin (Mr. NELSON).

Mr. NELSON. Mr. President, the distinguished Senator from New York has discussed both the appropriations aspects and the devolution of these funds—from appropriations to the OEO to the various departments in considerable detail.

I shall not repeat the arguments he has made respecting the appropriations and the devolution of the funds, except to that I endorse and agree with what he has said.

Mr. President, I ask unanimous consent that the statement I have here respecting the appropriations and their purposes be printed in full in the RECORD at this point.

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

REMARKS BY SENATOR GAYLORD NELSON IN  
U.S. SENATE

Mr. President, I rise to speak on behalf of the amendment, No. 1068, to the Labor, HEW and related Agencies Appropriations bill (H.R. 18515) for Fiscal Year 1971.

The amendment would increase appropriations for the Office of Economic Opportunity to \$2,245,500,000. That is an increase of \$181.6 million over the Senate Appropriations Committee figure, and \$165.3 million over the Administration's request. It re-

presents funding at the level of Congressional authorization in the Economic Opportunity Act Amendments of 1969.

The bipartisan group of Senators sponsoring this amendment seek to meet our obligation to Head Start programs around the country threatened with cutbacks, to Manpower programs in cities with record high unemployment also threatened with cutbacks, and to provide sufficient funds to keep existing poverty programs operating at an effective level.

With unemployment at higher levels than in six years, this is no time to cut back on the manpower and other poverty programs.

The Economic Opportunity Act Amendments of 1969 authorized a total spending level for regular OEO expenditures for Fiscal Year 1971 of \$2,229,500,000. However, \$50 million has already been appropriated, at the Administration's request, for desegregation assistance.

There are four parts to the amendment. They include:

\$398 million for Head Start, the full regular authorization, and enough for a modest increase in the size of the program.

\$802 million for OEO manpower programs, the full Administration request, and an increase over the Senate committee figure of \$760 million.

An additional \$80.7 million for other OEO programs, to maintain them at an efficient level.

Language to assure that Manpower and Head Start programs are administered according to OEO delegation agreements by funneling the money through OEO. The Senate Appropriation's Committee bill directs the funds directly to the Secretaries of HEW and Labor in contravention of the OEO legislation.

Mr. President, I want to discuss each of these matters in some detail. First, however, I want to make a comment upon the flood of mail that my office, and that of my Subcommittee on Employment, Manpower and Poverty has received from local Head Start, Manpower and Community Action officials.

These letters speak of substantial cuts being made in Head Start, Emergency Food and Medical Care and in such Manpower programs as the Concentrated Employment Program (CEP) and Operation Mainstream.

It seems that in a number of instances the Administration is blaming Congress, and Congressional earmarking for these cutbacks in ongoing programs. Mr. President, the charge is simply not true. In fact, Congress has increased the funding for the Office of Economic Opportunity at a steady if modest pace.

The problem seems to be that the Administration priorities are changing, and money is being taken from some programs and given to others.

To be precise: for both fiscal years 1969 and 1970 Congress appropriated exactly \$1.948 billion. (In FY 1970 the Senate approved a figure of \$2.048 billion, but the figure was cut back in conference.) This year, Congress is certain to appropriate a good deal more than the \$1.948 billion approved last year; the House has already appropriated \$2.046 billion and the Senate Appropriations Committee \$2.063 billion.

Therefore, any dollar cuts in individual programs are not the fault of the Congress. They are decisions by the Administration. The Administration has a right to make such decisions on priorities. But it is unfair to blame the Congress for such decisions.

The argument used by the Administration is that Congressional "earmarking" has "forced" the cuts. Earmarking is the term used to describe the process by which Congress spells its best judgment as to how the two billion in authorizations should be allocated among the OEO programs.

Congress was absolutely determined last

year to earmark funds. The idea of giving any agency a multi-billion dollar blank check is of course justifiably objectionable. Thus specific dollar amounts—those by and large that had been suggested by the Administration in the Spring of 1969—were written into the legislation, for programs such as Head Start, Legal Services, Alcohol and Drug Abuse, etc. However, since it was recognized that a new Administration needed flexibility, a provision was written into the legislation, allowing the Director of OEO to transfer up to 15% out of any program and transfer it to another program.

The OEO officials have not been very pleased with earmarking, even with flexibility. They drew up their Fiscal Year 1971 budget ignoring the earmarking requirements written into the bill, apparently confident that they could get the earmarking provisions removed. The Administration attempted to do away with earmarking last year. They managed to get the language stricken from the bill in the Appropriations conference, but the Senate refused to accept the Conference language on that point, and the House in that refusal concurred. This year an effort to eliminate the earmarking in the House failed.

Apparently in reworking their budget after this setback the Administration exercised its 15 percent flexibility option vigorously in order to expand its Research Demonstration and Evaluation activities. And it has been informing local Community Action and Head Start directors of program cutbacks—and placing the blame on inadequate appropriations by Congress.

The Labor Department is also currently ordering cutbacks in long established programs, using as a justification the charge that "the House cut the manpower funds." In fact, as I said before, although the House cut the President's request, it actually appropriated more for OEO this year than Congress appropriated last year. Thus any cuts in the manpower programs are the result of internal allocation decisions made by the Administration. Funds to begin new programs, such as the \$45 million STEP program to help those who have been laid off from the JOBS program, and the \$25 million budgeted for STEP II, a program to channel funds through the Governors' offices to help states with particularly sharp unemployment problems must be taken from ongoing programs. Again the Administration has a right to reallocate funds. But how can the blame be laid on a Congress that is increasing the funds available for poverty and manpower programs?

There is only one way that the Administration can be enabled to both carry out the new programs that it desires and to keep faith with the established programs, and that is through providing the adequate funding for Office of Economic Opportunity programs proposed in this amendment.

#### HEAD START

In the Economic Opportunity Act Amendments of 1969, Congress authorized \$398 million for the Head Start program. Head Start has proven to be an exceptionally effective and popular program at the local level. Last year it spent \$342 million. This year, according to the Office of Child Development in HEW, the office that administers the program, it would take some \$350 million to maintain the program at its present level. The New Obligational Authority for the program last year was only \$326 million, but because of carryover funds available last year it operated at the higher \$342 million figure. Those carryover funds, apparently, are not available this year.

Even at the \$342 million level the program was just beginning to meet the recognized, documented local need for pre-school training for the children of the poor. It is estimated that the program serves only 18% of those

who need year round help and 14% of the summer need.

If there were ever a federal program worthy of prudent expansion—in the name of investment in the nation's future—it is the Head Start program. But instead of expanding the program, the Administration in its budget proposed what amounts to a cutback. With continuation costs pegged at \$350 million, the Administration has asked for only \$339 million for Head Start. And when the House cut the overall administration request for the OEO by \$34 million the Administration passed more than half of that cut—\$18 million—on the Head Start programs in cities and rural communities around the nation.

The subcommittee did a survey of Head Start and Community Action programs to see just how deep these cuts would be. In response we received letters from all over the nation speaking of 7 percent, and 12 percent and 14 percent cutbacks in Head Start program funds. And this at a time when a 10 percent to 12 percent dollar increase is necessary just to maintain service.

I ask unanimous consent to place in the Record at this time extracts from some of these letters.

We propose going to full Congressional authorization for Head Start: \$398 million. This would be sufficient funds to serve an estimated 529,400 children, still far short of the documented need, but a solid demonstration of the commitment of Congress to the expansion of programs for early childhood education.

#### MANPOWER

Unemployment was 5.6 percent of the work force in October. It has been rising steadily ever since the present Administration took office. In the Washington Post of November 18 it was reported that an economic advisor is predicting unemployment of 8 percent in 1971 and perhaps 10 percent in 1972.

In an article headlined "Bloodchilling Unemployment" the columnists Evans and Novak quote New York economic consultant, Dr. Pierre Rinfret, as projecting:

6 percent for the end of 1970.

6.6 percent for mid-1971.

7.9 percent for end of 1971.

8.5 percent for mid-1972.

9.7 percent for end of 1972.

Mr. Rinfret's predictions are based on the assumption that the Administration will continue its present economic policies. Perhaps those policies will be changed. Such depression level unemployment levels as are projected by Mr. Rinfret are totally unacceptable to the nation. I hope that he is dead wrong in his pessimistic projections.

However, the serious suggestion of unemployment rates over 9 percent must give us pause. It is required that all of us do what we can to see that the President has the tools he needs to fight unemployment.

The Senate demonstrated its support for the expansion of Manpower programs in September when, by a vote of 68 to 6, it passed the Employment and Training Opportunities Act of 1970. That historic act provides a basic authorization of \$2 billion a year for manpower training and job creation programs, and further authorizes an additional \$750 million this fiscal year for a major Public Service Employment program.

This year the Administration requested a total of \$1,549,494,000 for manpower programs, roughly half (\$747,494,000) under the Manpower Development and Training Act of 1962, and the rest (\$802,000,000) under the Economic Opportunity Act.

The Senate Appropriations Committee has allowed \$1,504,794,000 cutting \$44,700,000 from the request. Of this cut \$2,800,000 is taken from the MDTA request and \$41,900,000 is cut from the OEO request.

The Administration plans to pass on that cut to local programs according to the following schedule:

Concentrated Employment Program	\$6,500,000
Public Service Careers Program	5,200,000
Neighborhood Youth Corps in-school	3,300,000
Neighborhood Youth Corps summer	7,830,000
Neighborhood Youth Corps out-of-school	7,200,000
Job Corps	9,610,000
Operation Mainstream	2,200,000
<b>Total</b>	<b>41,840,000</b>

In order to assure that these cuts will not be made we are including in our OEO amendment the full administration request for manpower programs: \$802 million.

Even at the Administration's requested funding levels these programs are grossly inadequate and underfunded.

During the past year the Subcommittee on Employment, Manpower and Poverty has held hearings in many cities around the country on examining manpower training programs. In city after city we found that the chief problem was lack of funds. In Los Angeles, for instance, local officials documented a need for 240,000 training opportunities. That is to say nearly a quarter of a million people in the Los Angeles metropolitan area that are both poor and in a position to gain positive benefit and useful employment through manpower training. To meet this need, however, they have funds enough for only 24,000 training opportunities: 10 cents for every \$1 of need. This 10 percent ratio was repeated in other cities. We must appropriate at least the full Administration request and we would urge that the Administration think very carefully about using any and all available funds.

#### OTHER OEO PROGRAMS

The OEO amendment, then, provides full Congressional authorization for Head Start and the Administration's request for Manpower programs. In addition, it provides adequate funds for those programs upon which the Administration has set priorities—such as research, development and evaluation—and provides continuation funding at near the level of Congressional authorization for ongoing Economic Opportunity programs.

#### SPECIAL IMPACT

The Special Impact program provides organization and venture capital funds for the OEO's promising community based economic development program. The Bedford-Stuyvesant program in Brooklyn, N.Y. authored by the late Senator Robert Kennedy provided the prototype. Senator Kennedy and Senator Javits drafted the original legislation. Now community corporations are off the ground or in advanced planning stages in some 36 urban and rural communities around the nation with OEO support. Additional hundreds of community groups have filed preliminary applications. Adequate funds to give this promising venture a fair chance of success must be provided.

#### FOLLOW THROUGH

This program helps children who have been through Head Start maintain their gains during the early years in school. But the program reaches only 74,000 of the 408,000 Head Start graduates under the Administration's proposal, 17 percent of the eligible population. It ought to be expanded.

Without additional funds, health and nutrition programs will reach only 6.5 percent of those in need and provide funds for only a handful of new neighborhood medical centers. The documented need is for 600 Neighborhood Centers.

The scandalous inadequacy of Federal expenditure for alcohol and drug abuse is widely known. The meager OEO programs must be expanded. Under current programming less than 5 percent of the need for

alcoholic programs, and less than 2 percent of the need for drug programs will be met.

#### EMERGENCY FOOD AND MEDICAL SERVICE PROGRAM

Without additional funds this program will be funded at about last year's level, reaching little more than half those identified as being in need of food and emergency medical help in this the richest nation in the world. And despite months of effort, no food stamp legislation has emerged from the House Agriculture committee.

#### LEGAL SERVICES

The Senate Appropriations committee has allowed three million less for Legal Services than the Administration requested. Even with the full administration request the program would only be reaching 17 percent of those who need it. Legal Services is perhaps the most successful of the OEO programs. If peaceful change is to be accomplished within the system it is essential that all Americans have access to the courts and have their rights protected. That is the mission of Legal Services lawyers. They have gained the respect of the nation and the tenacious support of the entire legal profession in recent struggles. It is essential that we provide adequate funds for the Legal Services program.

#### VISTA

The Senate Committee has recommended a cutback of \$2 million in the Volunteers in Service to America program. Taken together with inflation this cut will mean substantial drop in the size of this crucial effort to engage young Americans to work with agencies fighting poverty. At a time when all of us feel a responsibility to provide opportunity to young people to work constructively for reconciliation and progress it is most unwise to cut back on one of the handful of Federal programs that provide such opportunities.

#### RESEARCH, DEVELOPMENT AND EVALUATION

The Administration has repeatedly stressed its desire to increase and enlarge the role played by the OEO in testing out new concepts. The Agency points to the great value the income maintenance experimental and demonstration project in New Jersey played in the discussions this year of the Family Assistance Plan. We believe the Administration should have the funds it asks in this area.

Mr. President, with unemployment rising, with the poor suffering more than proportionally from the slow down in the economy, and with a clear need to stimulate the economy, the time has come to begin to meet our commitments to the nation and to provide adequate funding for the Office of Economic Opportunity.

The amendment we have proposed provides full funding for Head Start, the Administration's request for Manpower programs, and adequate additional funds to meet both the Administration's priorities in Research, Development and Evaluation and to maintain existing programs at an adequate level. I urge the Senate to approve this amendment.

#### REMARKS ON DELEGATION OF HEAD START AND MANPOWER PROGRAMS

Mr. President: The bill which the Appropriations Committee has reported to the Senate provides for appropriations of funds directly to the Department of Health, Education, and Welfare for the Head Start and Follow Through programs and directly to the Department of Labor for the Work and Training provisions (Title I) of the Economic Opportunity Act.

The Appropriations Committee would appropriate to HEW \$339,000,000 for Head Start and \$70,400,000 for Follow Through and would appropriate the Labor Department \$760 million for Work and Training,

thus leaving \$894,400,000 for other OEO programs under the Office of Economic Opportunity appropriation heading in the appropriations bill as reported by the Senate Appropriations Committee. Together these items add up to a total of \$2,063,900,000 under the authority of the Economic Opportunity Act, although the Appropriations Committee would split up the funds in the bill three ways to HEW, Labor, and OEO.

The Appropriations Committee's proposal for appropriating portions of the Economic Opportunity Act funds directly to HEW and Labor presents serious problems from the standpoint of the authorization legislation—the Economic Opportunity Act.

I am chairman of the Subcommittee on Employment, Manpower and Poverty and the Senator from New York, Mr. Javits, is the ranking minority member. Our subcommittee has legislative responsibility for the programs with respect to which the Appropriations Committee proposes to make direct appropriations to HEW and Labor. Our subcommittee has drafted legislation which would accomplish direct funding to the Labor Department of all manpower training programs.

The Manpower Act, consolidating all manpower training programs in the Labor Department effective July 1, 1971, passed the House on Tuesday of this week, after having passed the Senate on September 17. In a week or two the conference committee will resolve the differences between the House and Senate bills. We held 22 days of hearings and 10 executive sessions over a period of 10 months. However, the House and Senate bills, while having some differences, are identical in this respect: They both consolidate the Economic Opportunity Act's Work and Training provisions with other manpower training programs in the Labor Department. But it should be noted that both bills accomplish this consolidation effective next July 1, 1971.

But the Appropriations Committee report attempts to make a judgment totally contrary to that of the authorizing committee. It would in the middle of the fiscal year change the arrangements for the rest of this fiscal year without any time for preparing for the changes. In acting upon the manpower bill, both the House and Senate quite deliberately delayed the effective date for the consolidation until next July 1. The reorganization of manpower programs is a difficult and delicate process, and we wrote certain protections into the bill to preserve certain advantages and tie-in arrangements with Economic Opportunity Act programs. It will take time to gear up for the changeover. An appropriations bill should not change the present arrangements in the middle of the year with no lead time.

Our committee also has Head Start legislation on the agenda. We held hearings on that program this year. At the beginning of the next session we will be acting on legislation with respect to Head Start as well as other Economic Opportunity Act programs.

I believe it is the general expectation such authorization legislation will place direct responsibility for Head Start with the Secretary of Health, Education, and Welfare. But there are many questions for the authorization committee to consider in acting upon such a bill. The manner in which the transfer of authority is effected is a complex matter.

This body has never looked favorably upon appropriations bills making changes in authorization acts. That is the reason legislation in an appropriations bill is contrary to the proper procedures of the Senate. What the bill reported by the Appropriations Committee does, however, is to appropriate funds directly to HEW and Labor without legislative authority.

Let me explain the situation under the existing legislation, the Economic Opportunity Act. Section 171 of that Act clearly states that the "Director (of the Office of Economic

Opportunity) shall carry out the programs under this title" (title I, Work and Training programs). So by appropriating funds directly to the Secretary of Labor to carry out title I OEO Act programs, the Appropriations Committee has reported an appropriation without legislative authority in the substantive authorizing legislation. Likewise, section 245 applying to Head Start states that the "Director shall carry out the programs authorized by this title."

It is true that last year the President decided to delegate most of the administrative functions for Head Start to the Secretary of Health, Education and Welfare. In the same manner, the Work and Training programs authorized by the OEO Act have been delegated to the Labor Department for administration.

These delegations are in complete accord with the Economic Opportunity Act. Section 602 (d) of the Economic Opportunity Act authorizes the delegation of functions of the Director of OEO to other agencies, with the approval of the President.

In fact, in its original conception in 1964, the Economic Opportunity Act embodied the delegation concept. It was understood from the beginning that certain programs under the Act will be carried out directly by OEO and other functions would be delegated for actual administration to other agencies but that the Director of OEO would retain certain policy and coordinating functions. Now, maybe that is a bad idea. But we've had that idea for 5 years and suddenly, in an appropriations bill, there is an attempt to do away with that concept. The Appropriations Committee has reported provisions which have no authority in the authorizing legislation. Maybe those who don't like the idea of delegated programs have a good point. But why shouldn't a member who felt that way come before the authorization committee and testify as to his feelings. Furthermore any member can propose an amendment to the authorizing legislation.

It should also be noted that it occurs in the final stages of action in the appropriations bill, with a third of the fiscal year having already passed, that the OEO appropriations is being split up into direct funding to three separate agencies. When the President's budget was submitted at the beginning of the year, it followed the past practice of keeping the OEO appropriation all in one item. The House Appropriations Committee reported a bill and the House of Representatives passed a single appropriation item for the Economic Opportunity program. But then, in Act III, the Senate Appropriations Committee reported out provisions breaking up the OEO item into separate appropriations items scattered throughout the bill, from page 2 to page 42.

The amendment sponsored by the Senator from New York (Mr. Javits) and myself and over a dozen other Senators, would place the appropriations for the Economic Opportunity Act programs back in one location in the bill, as it was in the President's Budget Report and the House-passed bill. If an amendment is adopted, the Senate-House conference will resolve the differences in one item, rather than having one item in the House bill facing several scattered items throughout the Senate bill, as would be the case if the proposal of the Senate Appropriations Committee's reported bill is retained.

Let me point out, however, that our amendment recognizes the concern of the Appropriations Committee that it be made clear that the Head Start and Work Training funds not be held back from the operating agencies. It does this through a limitation earmarking specific amounts for Head Start and Work and Training programs and by providing that such amounts shall be used pursuant to delegation arrangements

under section 602 (d) of the Economic Opportunity Act. My staff consulted with the Parliamentarian to be sure that these provisions follow the clear precedents of the proper if it accords with the authorization legislation itself.

Mr. NELSON. Mr. President, the Appropriations Committee felt that the current arrangement under the statutes, by which appropriations are made to the OEO and the responsibilities under the act are delegated from there to other agencies was an inefficient way to handle the appropriations.

It so happens that the authorizing committee which conducted the hearings on the manpower bill is in agreement with the fundamental position taken by the Appropriations Committee, that the appropriations should go directly to the Department of Health, Education, and Welfare having Headstart and Follow Through and directly to the Department of Labor for Work and Training provisions, title I of the OEO Act. Thus, in the authorizing legislation which passed the Senate in September, we provided that the appropriations would, effective July 1, 1971, be made directly to the agencies which are now actually administering these programs under delegation agreement between the Director of OEO and these agencies.

We decided in the legislation passed here in August that the effective date should be July 1 of next year, in order to give time for the effective agencies to gear up in preparation for managing the programs. Thus, it turns out that the authorizing committee is in agreement with the objective of the Appropriations Committee, but the Appropriations Committee wants to make the direct appropriations to these departments right now.

First, I point out that this really is legislation in an appropriations bill. I have so frequently heard senior Senators on Appropriations Committees and other committees advising everyone on the floor that we should not be legislating in Appropriations Committees, but that is exactly what this is. If I thought the Appropriations Committee was going to circumvent this principle and include legislation in appropriations bills, I do not know why I would bother to conduct any hearings such as we conducted from November to May—22 days on the manpower bill, hearings that were conducted in Los Angeles, Corpus Christi, Cleveland, Milwaukee, and Washington. Then, after conducting the hearings from November to May, we had executive sessions extending over a period of 2 months, in which we marked up the bill. It was our considered judgment that the effective date for removing the responsibility from the OEO for working out delegation agreements for the performance of the various functions by HEW and Labor should be July 1, 1971. That judgment was based upon the extensive hearings.

No one from appropriations, not a single member, appeared before us and said, "No, the change should be in the middle of the year." Not a word was ever said to me. Now we are in a situation where the Senate decided in passing the authorization liquidation that manpower authori-

zations should be transferred from the OEO to Labor on July 1, 1971.

Last Tuesday the House of Representatives passed a manpower authorization bill. We will go into conference on it very shortly. The House bill agrees with the Senate bill: the transfer should be on July 1 of next year. But the Appropriations Committee wants to transfer it in the middle of the year.

We are agreed in principle. That is why the authorizing committee recommended and the Senate accepted the proposal to transfer the functions directly to Labor in the manpower authorization bill, because we were in agreement that is what it should be. That is how we passed it in September. That is why the House of Representatives passed it that way.

Another concern we have with mid-year transfer of funds without authorization concerns delegation. There is no law governing the use of the money if it is appropriated directly to HEW and Labor because the authorizing legislation says the money is authorized for OEO. OEO has worked out delegation agreements with Labor and HEW. It is under these delegation agreements that the funds and the programs are operated by HEW and Labor.

No one has answered what happens to the money if we appropriate it directly to the Labor Department and the Department of Health, Education, and Welfare. How would such action affect the delegation agreements on how the money will be spent?

It seems to me that the rational way to do it would be to select the date of next July 1, the beginning of the next fiscal year. We are in agreement on objective.

We preceded the Appropriations Committee in reaching the conclusion that the money ought to be appropriated directly to the operating departments.

If we pass this legislation, there will be no delegation agreements at all. Well, perhaps we can have letters of agreement between HEW, Labor and OEO, but who would they bind? The law is there. It gives them the money. In my judgment we should adopt the effective date of next July 1, which accomplishes what the Appropriations Committee intends to accomplish here. It is a better date on which to do it.

Mr. MAGNUSON. Mr. President, the Senator from New York and the Senator from Wisconsin have pretty well given the arguments on both sides of this question. And they have done so very well.

The real problem was that the administration promised that they would do that last year on July 1. They did not do it. They piously said this year that they would do it this coming July 1. We did not think this was a very good way to do business, to appropriate money to one department and tell them that this was for certain programs and let another department spend the money and let the first department delegate the power.

We do not know which ones they are going to delegate to the Labor Department or to HEW. They are now operating Headstart under HEW and the Job Corps program under the Labor Depart-

ment. That constitutes the bulk of the OEO appropriation. It is not actually the bulk of it. It is about 40 percent, about \$800 million plus of the total \$2 billion appropriations. In total about 57 percent of the OEO budget in the President's requests would actually be administered by other departments.

We thought the Appropriations Committee could not exercise its responsibilities unless it could appropriate money to the departments actually doing the work. We would have no check on it. We appropriate it to the OEO and then lose track of it. The Appropriations Committee has this responsibility and we try to do the best we can to watch the expenditure of all Federal funds.

The administration officials agree that the way they are doing it is the wrong way. I imagine that they testified before the Senator's committee, they should have. They tell us that they would like to make the change. They said that before our committee. However, they promised us that same thing last year.

We said that if HEW is going to administer Headstart and spend all of the money—or supposedly so, because we do not know what happens to it—and if the Labor Department is going to spend the Job Corps money, we should appropriate the money to the people responsible for it so that we keep a close check on them.

As I said before, the truth of the matter is that I get the impression that the general objective—and it may be the right thing to do; I am not passing on the merits of the administration policy—is to keep delegating things out of the OEO to other departments to the point where there will be nothing left.

I think they left the Appropriations Committee of both the House and the Senate a little better than they usually do on total dollars. It is easier perhaps to get money for OEO than for other departments because the other departments have other fish to fry, so to speak. The OEO has only one.

I am glad to have the assurances of both the Senator from New York and the Senator from Wisconsin that next year we will at least get it straightened out. We cannot continue to appropriate money that way.

If the Senator from New York had separated his amendment, the Senate could work its will on this policy matter.

The Senator from Washington has not any particular feeling about it. But it has been a bad way to do business in the last year and a half. On top of that, last year, as the Senator from Wisconsin well knows—and he was critical of this—we waited until December before they even sent up the authorization bill for OEO. We did not know whether there would be an OEO in existence until late in the year, and then \$2 billion was added to the bill.

This is a matter of policy. I do not know why they do not do it the right way now. Why should we wait until July? I do not understand that.

The Senator does not know. We are dealing with over \$1,186,000,000. The Labor Department or HEW, or a combination of agencies come before the com-

mittee. They do not understand it themselves. The power to delegate is one that the Secretary of Health, Education, and Welfare or the Director of the OEO can exercise any way he wishes to under this arrangement. We have no way of knowing whether it goes to a given program such as Headstart or to some other programs.

The committee did a good job. We put the money requested in for all their programs. We hope it will work. Some of these programs are intertwined. One is delegated and another is not. There is a lack of coordination and proper direction. Last year we did not know who was going to be the Director for 9 months.

The Appropriations Committee should not be put in the position of appropriating money for a lot of programs when the expenditure power is going to be delegated. We did not even know who the director of OEO was going to be. Incidentally, he changed his mind about OEO. He was critical of this when he was a Member of the House. I think he is doing a fine job. Before the House committee he did not want it appropriated to those running it, and he probably does not support our position.

But this is a bad way of doing business.

Mr. President, I will not take much more time. But added to the bill by the Javits amendment would be \$181 million. The Senator from New Hampshire and I pleaded with the Senator from New York to separate these two items and let the Senate work its will.

We think that we have done a good job. If this amendment is rejected—and I hope that it will be—all of these programs, item by item, will be open to amendment. The committee itself intends to offer an amendment on Headstart.

I think there should be an amendment to the job training program, which is also very important. We have already added to the bill in the Senate \$311 million over the President's requests.

I am getting used to vetoes now, I will say to the Senator from Wisconsin. However, I do not like them. I do not want to get a third veto on this bill. I have been the recipient of most of the vetoes around here with the exception of the Senator from Rhode Island (Mr. PASTORE).

The committee did what was within its responsibilities. The \$181 million brings many of these 15 items right up to the authorization ceilings.

I know that the Senator from New York said yesterday that the classic argument of the Appropriations Committee is—and I made that argument yesterday—that if we appropriate every dollar that is authorized, the Appropriations Committee might as well be done away with.

We have a chance after the bills are authorized to go through every item. We do that. The Senator from Wisconsin heard a lot of witnesses on job training. We heard pretty close to 250 witnesses on this bill for all of the programs involved.

My interpretation is that the authorization is a ceiling and that the Appropriations Committee has to take as fine

to that authorization.

a tooth comb as it can and go through each item and within its capabilities and resources say whether we should go up

That was my interpretation but if you are going to appropriate everything that is authorized in legislative acts we might as well quit. The Senator said he spent several good, solid weeks on this matter and that he should not have had to do that. There is no use in our spending 4 months on this bill, sometimes morning, afternoon, and evening, if the authorizations are to be substituted.

The Senator said there is a great deal of argument about what has been said about policy. It could be argued on both sides, but the amendment contains all of these other items and the Senator from New York did not see fit to separate them. There is contained here an item of \$43.9 million. Does the Senator know what that is for? That is for "Other programs." What are the "Other programs"? We never heard about them. They would be given \$43 million to distribute or allocate or do what they want to do for one or any number of programs.

I think Congress has a responsibility to know where the taxpayers money is being spent. That is what this is all about. I am sorry the amendment was not separated, and strongly oppose it.

Does the Senator from New Hampshire have anything to add at this time?

Mr. COTTON. No; I merely want to corroborate and agree with my distinguished chairman. The trouble is we have so few Senators in the Chamber.

I, too, have discovered the deficit in Headstart. The committee wants to increase the amount for Headstart and I am in perfect agreement.

Mr. MAGNUSON. And every other item is open for amendment.

Mr. COTTON. There are several items we want to increase and if this blanket ball-of-wax approach is defeated, this \$181 million measure which imperils the entire bill, I want Senators to understand that we will offer an amendment to increase Headstart, and it can be amended by other Members of the Senate. We want to separate the wheat from the chaff and give Senators an opportunity to deal with these matters individually, an opportunity which we are refused by the way this amendment is drafted. We were refused unanimous consent to take them up one at a time.

Mr. JAVITS. Mr. President, I yield myself 3 minutes in order to reply.

The Senator said that the manager of the bill and the ranking minority member were refused something. I do not think they were refused anything. We have introduced an amendment because we believe the appropriation should be increased by \$181 million; not by \$60 million alone for Headstart or \$40 million alone for manpower training, or a few million dollars for legal services or nutrition. We believe it should be increased by all those amounts, and not by just one of them. They cannot tell us that we have to submit the matter the way they wanted it submitted. After all, we are the ones who are fighting the battle. We have a right to say what we

want. We want to increase the appropriation for all these items. Senators should have the opportunity to vote on these items en bloc.

Second—with all respect—and I am not trying to be invidious—I think that the matter of delegation is a “red herring” issue. Anyone who reads our amendment will see that the delegation agreements in effect between the OEO, Labor, and HEW continue in effect as to earmarked appropriations. The two areas in which they are big and important are Headstart and manpower training, and in those areas we continue them.

The only difference is that we continue the delegation agreements and the Committee on Appropriations wants to abort what the law is now until next June when the whole operation may phase out. The delegation agreements are in effect. I would like to read that language to the Senate. It is critically important in connection with this amendment. The whole amendment will now be voted on in one vote. The amendment states:

On page 42, line 1, strike out “\$894,400,000” and insert in lieu thereof “\$2,245,500,000”, and insert after “provided,” the following:

The reason that seems to be a large figure is that the committee has written in the additional sums in other parts of the bill.

Then, we say:

That of such amount \$802,000,000 shall be for work and training programs under parts A, B, and E of title I of such Act pursuant to delegation arrangements under section 602(d) of such Act and \$398,000,000 shall be for the Project Headstart program under section 222(a)(1) of such Act pursuant to delegation arrangements under section 602(d) of such Act: *Provided further,*

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

Mr. JAVITS. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator is recognized.

Mr. JAVITS. Mr. President, we preserve fully the delegation; we incorporate it into our amendment. The only point is that the legislative committee wants to appropriate it that way and disregard the delegation agreements. We think the delegation agreements are valuable because it is under them that the poor are given a “look in” under these programs and we want to preserve that. There are no tricks about this matter.

The committee would prefer that we offer the amendment the way they want it, but we believe we have the right to submit the amendment the way we want it. We hope the Senate will support our position. That is our privilege, just as it is their privilege to proceed in the way they want to proceed.

Mr. MAGNUSON. Mr. President, the Senator from New York does not suggest that on all these items the Senator from Washington and the Senator from New Hampshire did not take each one up and give everything we thought we could? We did. Some Senators would like to have had more; others think we gave them plenty or perhaps too much. But I hope the implication is not here that I like to see Headstart where it is. I oppose that.

I wish the administration would keep it all under OEO. I do not like to see disintegration and elimination processes going on in successful OEO programs. If there are many more disintegrations pretty soon there will be nothing down there but an empty office, a shell.

Mr. JAVITS. Mr. President, I yield myself 1 minute.

When I started this debate yesterday I made a statement and I would like to repeat it every minute we discuss this matter. The first thing I think I said was that I know the Senator from Washington and the Senator from New Hampshire feel the need as much as I do. There is no question they did their utmost in committee. I know this committee and so do other Senators. They did the best they could. Now, if the Senate is going to do better it is up to the Senate. I have no argument with them on that score.

The second matter is with respect to the devolution question, and we say that OEO should continue to have a role. But at least let us not change the procedure before the authorizing legislation expires, and when OEO has some vestige of authority to bring the poor into the picture. So—

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

Mr. JAVITS. I yield.

Mr. PASTORE. If that is the case, why did not the Senator agree to separate the question?

Mr. JAVITS. We cannot separate it.

Mr. PASTORE. Can we not separate the amounts from the policy?

Mr. JAVITS. The House tried the same thing. If the Senator will look at the bill, he will see that the House amount of \$3 billion was stricken and \$800 million was inserted. That is where the decision was made. If one has to pose the question, that is where to pose it. We have to provide money to OEO and then lock it in, making it subject to these delegation agreements.

The Senator from New Hampshire (Mr. COTTON) put the question to us yesterday and asked unanimous consent. He was asking unanimous consent that the Senate vote on a principle. Nothing was sent to the desk to show how it could be done. It was sent to the desk for a vote on the principle, and that was on devolution, and not on an appropriation.

Mr. PASTORE. Could not the Senator write language to say that?

Mr. JAVITS. There is no need. If our view prevails, it will prevail. If not, we will go to it item by item. We either take it the way the House did it—except the amount is increased—or we do not. We will vote on that.

Mr. MAGNUSON. It was increased.

Mr. JAVITS. The way the House did it, but with an increased amount.

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

Mr. JAVITS. I yield.

Mr. COTTON. There were two comments made by the distinguished Senator from New York that I cannot let pass. In the first place—and I am not at this point interested in whether this money is handled by OEO or HEW or the Labor Department; I am now talking

about the money—he said the committee wants Senators to introduce it our way, not their way. Well, this is their way. When we attempted to divide the amendment—and I am now not talking about who is going to amend it—as to what the amount was going to be for Headstart, for manpower training, and so on and so forth, we discovered, after the Parliamentarian had ruled—he ruled again or he examined it again—that on division one we had to vote on the whole amount. Then, after that, it was a matter of dividing up the whole amount.

I specifically asked the distinguished Senator from New York if he would not let us vote on each of those five divisions of appropriations separately, so those who want to increase Headstart would have the privilege. He admitted—and he will correct me if I am wrong—that by this method that is forced upon us by the form of this amendment, on the No. 1 vote, if the whole amendment is appropriated, and we attempted after that to change the other amounts, as I remember his words, he said, “There will be an ambiguity.”

Mr. JAVITS. Mr. President, I would like to interrupt the Senator—he said for me to correct him—on my own time. I do not recall ever using the word “ambiguity,” and this amendment already earmarks \$60 million for Headstart—I am talking about the amendment we are going to vote on now—and \$41 million for manpower. There is no question about that—and it puts it under these delegation agreements. So those assertions are not correct.

Mr. COTTON. I do not quite accept that, because I distinctly recall it. I do not know what condition the record is left in, but I distinctly recall it. I think the Senator is a man in whose integrity and honor I have complete confidence; if it is not the word “ambiguity,” perhaps it is “inconsistency.” But he said, “You can vote the full amount under my amendment; then the rest is dividing up, and if in your attempts to divide it up you change the one full amount,” he admitted, “there would be some question about its effectiveness.”

So I insist—and I am not challenging and putting my recollection against his; whoever is right or wrong—in this form the Senate is not given the freedom to work its will on the different programs. We take the \$181 million increase. Then perhaps we can reduce some of it. Perhaps we can divide it up. I do not know what happens after we vote it. But I insist that the Senate is not given the opportunity to work its will.

Second—

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. COTTON. Certainly.

Mr. PASTORE. Is the Senator suggesting that only if this amendment is defeated in toto can we take up part for part?

Mr. COTTON. Yes; precisely.

Mr. PASTORE. If the amendment does carry, because it is all-inclusive, we will have lost that opportunity? Is that what the Senator is trying to say?

Mr. COTTON. That is exactly what I mean.

One other comment. I regret to get into these personal disputes, but the Senator from New York said he did not understand. Now, if there is a man in the Senate whose understanding is very clear on every point, it is the Senator from New York. He said:

I do not know what they mean when they say that we refuse to let the Senate work its will on this item by item. We did not refuse any such thing.

As a matter of fact, the unanimous-consent agreement was requested, and the Senator from New York was the one who objected, which was his right. To be sure, we could have put it in writing. It would have taken only a minute or two to do it. But when I realized the situation we were in, I requested unanimous consent that the Senate be allowed to deal with these items one at a time, and that request was objected to. I am not criticizing that right of any Senator.

Then the Senator comes here today and says he does not understand what we say when we say the Senate was not given the privilege of dealing with this question in a down-to-earth, common-sense way, letting every Senator express himself on Headstart, on manpower training, on each one of these. I still say that is the only fair way.

I hope the Senate will reject the amendment and then we can start to take them up one at a time and the Senate will have the opportunity to work its will.

Mr. JAVITS. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from New York has 8 minutes.

Mr. JAVITS. I yield 3 minutes to the Senator from California (Mr. CRANSTON).

INCREASE POVERTY AND HEADSTART  
APPROPRIATIONS

Mr. CRANSTON. Mr. President, I rise in support of amendment No. 1068, which I am sponsoring with Senators JAVITS, NELSON, and MONDALE, as well as a number of other Senators, and which would provide additional appropriations for programs conducted under the Economic Opportunity Act of 1964.

Under the amendment, an additional \$59 million would be earmarked for Headstart; \$41.9 million for work and training activities; and \$80.7 million for other essential poverty programs.

I strongly support each of these needed increases, but I would like to speak for a few moments with specific regard to the Headstart portion of the amendment.

Our amendment would earmark the full \$398 million authorized for Headstart in the Economic Opportunity Amendments of 1969. And it would continue OEO's responsibility for insuring a poverty orientation, community involvement, and parent participation in Headstart programs by restoring Headstart's appropriation to OEO to administer under its delegation agreement with OEO.

It is estimated that the \$398 million level of spending would enable Headstart to provide for 529,406 children, 57,806 more than were served during the last fiscal year and 120,606 more than could

be served with the administration budget request figure adopted by the Senate Appropriations Committee.

I want to stress that our amendment to appropriate the full authorized amount for Headstart is not a rash attempt to expand this program in any way that is out of line with previous levels. Under the administration's budget request for fiscal year 1971, Headstart would be able to serve nearly 200,000 fewer children than were served during fiscal year 1969, a reduction of nearly one-third in the total number of children served. Even the 529,406 children who would be served under our amendment is still 134,594 less than were served in 1969, and would reach only 36 percent of the children who are eligible for and could benefit significantly from the Headstart experience.

The President made a strong commitment to early childhood education in his message to the Congress of March 3, 1970.

It is unacceptable to do any less than to provide the full authorized amount for Headstart, set by the Congress after detailed hearings by the authorization committees in both Houses.

The comparatively small increase we propose over fiscal year 1970—approximately 58,000 more children than were served then—will make it possible to offer essential education, nutrition, and health services to a few more of poverty's children, for whom Headstart is perhaps the best chance to escape from the debilitating and degrading cycle of poverty and dependence.

There has been an enormous outpouring of support for Headstart in my own State in the last few months. I have received hundreds of letters from concerned parents, boards of education, mayors' offices, chambers of commerce, social welfare agencies, poverty agencies, and private individuals urging that the threatened cutback be rescinded and that the program be strengthened and expanded. Only yesterday I was visited by Headstart mothers and administrators who traveled at their own expense or with community-raised funds to deliver their plea to me in person. They gave me petitions with almost 5,000 signatures of San Francisco residents.

Mr. President, I ask unanimous consent that a selection of the hundreds of letters I have received on this subject be printed in the RECORD at the end of my remarks.

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

(See exhibit 1.)

Mr. CRANSTON. Mr. President, presently, there are 19,000 youngsters in California under a full-year Headstart program, plus another 1,300 in summer programs. Under this amendment, there would be funds for an estimated 4,250 more children in California Headstart programs. Based on the present ratio between summer and full-year programs, this would provide space for approximately 4,000 more children in full-year programs and 250 more in summer programs.

The consensus of the letters I have received from California and from around

fully share, is that Headstart is one of the most promising and highly effective programs in our antipoverty effort.

The intellectual stimulation and growth which a disadvantaged child experiences in Headstart has a profound effect on his mental and social abilities, on his sense of personal worth and, therefore, on his later performance in formal education and his overall life style.

Parental involvement, a central tenet of the program, is important in developing a parent's greater understanding of his or her child and the child's needs and abilities and encourages parents themselves to become actively involved in learning activities which can also have a bearing on the future of non-Headstart children in the family.

Finally, Headstart has had significant impact on educational institutions at the local level, encouraging innovative approaches to educating both the disadvantaged and the nondisadvantaged and demonstrating the value of paraprofessionals in improving teacher-pupil ratios and providing individualized attention.

Mr. President, I urge the Senate to support our amendment to provide a Headstart for an additional 58,000 disadvantaged children. With a universe of unmet need totaling 839,000 children under the budget request figure this small increase is a minimum step. It still leaves 719,000 children considered eligible for and in need of Headstart services without any such opportunity.

Our action to approve this increase would have significant symbolic impact and would increase the confidence of the poor in the willingness and ability of the Congress to back up our national goal of ending poverty in America.

Mr. President, already cuts of about 10 percent have been implemented around the country based on the overall poverty program reduction passed by the House.

Senator MONDALE and I joined in a letter to the President pleading with him to find the funds necessary to prevent a reduction in the scope or a dilution of the quality of Headstart, and citing his authority to do so.

I am sad to report today that we have not yet had a response to our plea and the pleas of thousands of Headstart mothers across the country.

I ask unanimous consent, Mr. President, that the text of this letter be printed in the RECORD at this point prior to the other insertions I have requested.

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

OCTOBER 19, 1970.

President RICHARD M. NIXON,  
The White House,  
Washington, D.C.

DEAR MR. PRESIDENT: We are writing to express our very grave concern about the cutbacks in funds for Head Start programs during this period prior to enactment of the Labor-HEW appropriation bill for FY 1971.

In our States of California and Minnesota, local Head Start projects are being advised by the HEW regional office that their total funds will be cut back by some 10 to 14 percent for this school year. They are also being urged to reduce the numbers of children served rather

than the quality of services offered until the appropriation bill is enacted and the level of appropriations for Head Start is finally determined.

As we understand it, the nationwide Head Start appropriations situation is as follows: Your budget request for operations under the Economic Opportunity Act includes \$339 million for Head Start. The House has passed H.R. 18515, the Labor-HEW appropriation bill for FY 1971, with \$2,046,200,000 to carry out the provisions of the Economic Opportunity Act, including Head Start. Based on the House appropriation figure, we understand that OEO has tentatively concluded that Head Start's proportionate share would be only \$321,300,000. That is almost \$5 million less than was allocated for Head Start in FY 1970 and almost \$18 million less than your FY 1971 budget request.

On October 13, the Senate Appropriations Committee reported H.R. 18515, earmarking for Head Start \$339 million, the amount you had requested. However, this figure still falls \$11 million short of providing the same quality of services to as many full-year children (263,000) as were provided in FY 1970. (That, of course, is because of some unexpected developments since your budget was prepared, principally a reduction in the traditional level of local programs' carryover balances, salary increases and new requirements for experimental Head Start programs.)

Under the continuing resolution for appropriations as interpreted by the administration, the Head Start program is presently trying to operate with a shortage of some \$29 million, and almost 26,000 children may have to be dropped from this extremely beneficial program. However, since no specific amount for Head Start is included in the House-passed appropriation bill and since, within the overall House-passed amount, the earmarking in the Economic Opportunity Amendments of 1969 authorizes at least \$365 million for Head Start, there is no question of the legal authority to expend FY 1971 funds at a level to maintain the FY 1970 program rate of operations.

We are writing to suggest that you authorize the Head Start program to advise regional offices, and in turn local programs, that the \$29,000,000 needed to maintain the program at the FY 1970 level of operations will eventually be funded within funds appropriated to OEO and HEW and that local programs should not, therefore, eliminate any children from the program or reduce the effectiveness of the supplementary services provided.

Insofar as Senate action on the appropriation bill is concerned, we are sponsoring an amendment to increase substantially the appropriation for programs under the Economic Opportunity Act and particularly to earmark \$398 million for Headstart—the amount earmarked for that program in the authorization bill. We believe that amendment has an excellent chance of adoption by the Senate and that the final FY 1971 appropriation for EOA programs will very likely be at least as much as your \$2,080.2 billion request, which includes \$339 million for Head Start.

Under the above analysis, what we are really proposing would mean that no more than \$11 million above your Head Start budget request would have to be made available for Head Start programs out of other non-apportioned appropriated funds. This seems a very small price to pay for providing the poor of our country and their children assurances that we are committed to continuing at least the same level of effort on their behalf and will not tolerate a cutback in services. Given the concept in your forward looking proposed Family Assistance Plan legislation, which we have supported from the outset, your February 1969 state-

ment of commitment to providing opportunity for the development of children during their first five years of life, and your creation and elevation of the Office of Child Development in HEW, we are well aware of your dedication to giving poverty's children a fair chance.

We respectfully urge your favorable consideration of the recommendation we have made so that no children will have to be dropped from Headstart in frustration of the commitments which have already been made to them and their parents.

Sincerely,

ALAN CRANSTON,  
WALTER F. MONDALE.

EXHIBIT 1

SOCIAL WORKERS UNION,

Los Angeles, Calif., November 12, 1970.

HON. ALAN CRANSTON,  
Senate Office Building,  
Washington, D.C.

DEAR SENATOR CRANSTON: The Executive Board of this Union at its regular meeting in Los Angeles on November 8, 1970, has directed me to request that you take whatever action is necessary to increase appropriations for the Head Start Program for preschool children from low-income families.

Head Start should be accepted as a very significant part of the national effort to stop the poverty cycle. It provides early involvement of both parents and children in the educational system. It provides a means for early diagnosis and treatment of physical disabilities that could be permanent educational handicaps if not detected early.

We urge you to support an expanded budget to enable Head Start participation for an increased number of low-income children.

Sincerely yours,

LOUIS GRAY,  
President.

NATIONAL ASSOCIATION OF SOCIAL  
WORKERS, INC.,

San Francisco, Calif., October 20, 1970.

SENATOR ALAN CRANSTON,  
Washington, D.C.:

We are deeply concerned about press reports of White House decisions to substantially cut already meager anti-poverty programs administered by the Office of Economic Opportunity, the Department of Health, Education and Welfare, and the Department of Labor. These cuts, when coupled with announced transfers of such defenseless programs as legal services for the poor to new auspices, seem tantamount to a calculated effort to render impotent and ineffective what needs to be made stronger. Certainly Head Start and Community Action, two of the threatened programs, must be protected at all costs.

The fact that OEO Director Donald Rumsfeld is protesting these cuts and changes indicates that the Administration is itself divided on the issue. We ask that you do everything within your power in relationship to both budgetary changes and appropriations, and the impact of your office on White House decision-making, to question these planned cuts, and attempt to reverse them. At a time when the spectres of increased unemployment and living costs haunt the poor and threaten to impoverish new segments of our population, it would seem essential to strengthen and innovate, and not to weaken federal anti-poverty efforts.

JAMES M. KARLS,  
President.

RESOLUTION BY BIOLA-PERSHING UNION ELEMENTARY SCHOOL BOARD OF TRUSTEES

Whereas, the Biola-Pershing Union Elementary School Board of Trustees has had a continuing interest in Project Head Start's

offer of social, educational, and medical services to children in the school district; and

Whereas, research has shown Head Start to be one of the most effective community action programs actually helping to break the poverty cycle; and

Whereas, proposed budget cuts will mean the possible dropping of the Biola-Pershing Union Elementary School Head Start Class, and the elimination of eighteen pre-school students from a vitally needed educational service; and

Whereas, there is dire need to increase Head Start funding rather than decrease it since only ten percent of the eligible children can now be served; and

Whereas, it is now accepted that preventative programs such as Head Start are ultimately less expensive to the taxpayer than are remedial programs,

Therefore, be it resolved that the Board go on record as strongly urging that Head Start funding cuts be immediately restored, that Head Start funds be increased in the immediate future, and that monies appropriated by Congress for Head Start be earmarked for Head Start in order to eliminate the likelihood of cuts by the national administration.

Adopted this 4th day of November, 1970.

FRANCIS McEWEN,  
Board President.  
AUGUST KERBER,  
Clerk.

JACK RUDOLF,  
Board Member.  
CARROLL NELSON,  
Board Member.

ESCONDIDO UNION SCHOOL DISTRICT,

Escondido, Calif., November 9, 1970.

HON. ALAN CRANSTON,  
U.S. Senate, Senate Office Building, Washington, D.C.

DEAR SEN. CRANSTON: I am certain that you are already well aware of the O.E.O. plan to channel some of the funds previously available for Head Start programs into other programs during the current funding year. Here, in San Diego County, we have been told that the program in Escondido will most likely have to absorb a 13% cut in its operations starting in February. Since we are now operating the program with more than the required 20% in-kind contribution and with less expensive non-credentialed help and the most frugal possible use of transportation funds, there is nowhere left to go but to cut the number of children. In our program, we are, at present, only able to handle those children with the most limited English and the greatest medical needs. To cut any of these will be heartbreaking.

It is my understanding that in making funds available to O.E.O. for the operation of Head Start, the Congress had not really intended for them to appropriate some of this money for other uses. If this was indeed the intent, is there anything that can be done to prevent this cut-back? It is particularly sad to contemplate at a time when costs are rising and, at the same time, at a time when the community commitment to Head Start and other compensatory education programs is growing. Many of our volunteers come from the middle-class community and their understanding and enthusiasm for Head Start is apparent.

Please help us if you are at all able to do so.

Sincerely,  
MRS. MARGARET HORTON,  
Coordinator, Compensatory Education.

BOARD OF EDUCATION, FRESNO COUNTY,  
Fresno, Calif.

RESOLUTION

Whereas, the Fresno County Board of Education has long been a supporter of the Head Start Program conducted by OEO and

the local Economic Opportunities Commission, and

Whereas, the present project has reached only 10% of the number of preschool children eligible for the program due to lack of proper funding, and

Whereas, the program has been a most successful community action component of the War on Poverty within our community, state and the nation, and,

Whereas, the present proposed cutbacks of 15% would severely curtail the operation of the program for the children and families involved,

Therefore, be it resolved, that the Fresno County Board of Education urgently requests reconsideration and restoration of authorized funding for the Head Start Program, and,

Further resolves that this resolution be forwarded to all representatives charged with making this decision.

ERNEST A. POORE,  
Secretary, Fresno County Board of  
Education, Superintendent Fresno  
County Schools.

OCTOBER 29, 1970.

THE CITY OF CHULA VISTA, CALIFORNIA,  
November 6, 1970.

HON. ALAN CRANSTON,  
U.S. Senator,  
Senate Office Building,  
Washington, D.C.

MY DEAR SENATOR CRANSTON: The Regional Head Start office in San Francisco has cut the funds for Head Start in San Diego County by \$206,000 for our next funding year. This is a cut of 13.45%, but figuring the increased prices of food, transportation and labor, it is actually a 20% cut.

It is a shame that an apparently successful program such as that developed by Head Start in San Diego County is now faced with the possibility of dropping 300 to 400 children from the program before the school year is out.

Older citizens are able to compensate and adjust for changes that must be made, but when a program is started for children and is then suddenly curtailed, their inability to understand may have a profound effect on their entire lives.

Please reconsider funding of the Head Start program for San Diego County.

Sincerely yours,

THOMAS D. HAMILTON, Jr.  
Mayor.

SOCIAL SERVICE DEPARTMENT,  
Santa Rosa, Calif., November 6, 1970.

SENATOR ALAN CRANSTON,  
U.S. Senate,  
Senate Office Building,  
Washington, D.C.

DEAR SENATOR CRANSTON: I am directing this letter to you as an appeal for your support in blocking a pending cutback in the funding of the Headstart program.

I believe I can speak with some authority regarding the success of this program in accomplishing its stated goals during the few short years it has been in existence. I base my observations and comments on the following vocational background and direct experience with the program. During the last 19 years, I have been employed in the Public Welfare System in California. The last five of these years have been as Director of a County Welfare Department; the first four years in Kings County and the past year in Sonoma County. During these five years, I have also served on the Board of Directors for the local Community Action Agency, in each County, responsible for administering the Office of Economic Opportunity programs, including Headstart. During the four years I was in Kings County, I served as a member of the evaluation team for the Headstart program. We annually assessed the success

of the program and its effectiveness and submitted a written report of our findings to the Regional Office of Economic Opportunity. This past year, since coming to Sonoma County, I have served as an agency representative to the Sonoma County Headstart Council, Inc. I think you can see that I speak from more than just a rudimentary knowledge of the Headstart program.

During my years of experience in Public Welfare, I have become aware of many reasons for the patterns of dependency and poverty with which we work. One of the primary reasons, is a lack of basic vocational and educational skills. A study, which I conducted while in Kings County, of the characteristics of our Aid to Families with Dependent Children Unemployed Parent caseload showed that the average grade level attained by the fathers was sixth grade and by the mothers seventh grade. These parents came from family backgrounds in which they were culturally and/or economically severely deprived. Most had dropped out of school at an early age because they could not successfully compete with the other students and because of the economic pressures at home requiring them to seek employment. Most of these parents wanted something better for their children and saw Headstart as a means to that end. I believe the effectiveness of the Headstart program can best be illustrated by the following true story.

During one of my visits, as a member of the Headstart evaluation team, to a local school where a Headstart program had been in operation for two years, I had the occasion to talk with one of the kindergarten teachers regarding her impression of the Headstart program. She was critical of the program, stating that because of it she had been forced into changing her whole teaching pattern. The children entering her class from the Headstart program were so much further ahead of the other children, as reflected in their knowledge, inquisitiveness and classroom skills, that they were a real challenge to her teaching skills. While this observation was intended as a criticism, it was, in fact, a welcome compliment, for it highlighted the very goals which Headstart endeavors to accomplish.

At a time when our national leaders are seeking solutions to the problems of dependency and poverty, it does seem somewhat incredulous that they would sharply reduce the effectiveness of one of the most potent weapons in the war on poverty. I am convinced that if the generational pattern of poverty is to be altered, we must place our greatest efforts on the upcoming generation represented by the preschoolers who are now being helped so effectively through the Headstart program.

Thank you for your help as a concerned and responsible legislator in continuing the adequate funding of this most worthwhile investment in our Nation's future.

Very truly yours,

PAUL M. ALLEN, JR.,  
Director.

HEADSTART,

Oxnard, Calif., November 12, 1970.

SENATOR CRANSTON,  
Senate Office Building,  
Washington, D.C.

DEAR SENATOR CRANSTON: The Head Start parents and staff of Ventura County, California, would like to express the deepest and sincerest appreciation of the efforts you have made in behalf of the Head Start Program. We hope that we can, with your help, make our needs more strongly felt.

A letter campaign supporting the amendment proposal co-sponsored by your office has been organized. Please help us to concentrate our efforts where they will be most beneficial. In your opinion, would it be best

to write to the Representatives who might vote against the amendment? If so, we request the names of these representatives in order to make them aware of our needs and opinions.

Thanking you for your concern, we hope to hear from you very soon.

Sincerely,

CREDA STANLEY,  
Parent Inv. Coordinator.

CHAMBER OF COMMERCE,  
National City, Calif., November 12, 1970.

HON. ALAN CRANSTON,  
U.S. Senate,  
Washington, D.C.

DEAR MR. CRANSTON: The members of our Education Committee, as well as our Board of Directors, are concerned with the decision to reduce Project Head Start operating funds by 13.45 percent. This cutback will lower the number of children enrolled in the program in San Diego County from 1,200 to 900.

We feel that the Head Start Program has established a record of success in helping young children and urge you to do whatever is in your power to restore the operating funds.

Your consideration will be appreciated.

Respectfully,

BERNARD C. SCHEMMER,  
President.

THE CITY OF SANTA CLARA, CALIF.,  
November 12, 1970.

SENATOR ALAN CRANSTON,  
Senate Office Building,  
Washington, D.C.

DEAR SENATOR CRANSTON: Speaking on my own behalf, I would like to express at this time my support for the Senate Appropriation Committee Amendment to H.R. 18515, which provided \$339 million for Head Start, to be administered from the Department of Health, Education and Welfare. I feel that Head Start has been a vital and viable program in our community.

It is my sincere hope that this amendment will meet with your approval and will be adopted by Congress and signed by the President. Programs of this type truly deserve our support and financial assistance in order for them to attain the highest possible degree of success.

Thank you for your consideration of this issue and I know that your decision will be in the best interests of all concerned.

Sincerely,

GARY G. GILLMOR, Mayor.

CONSTRUCTION AND GENERAL LABORERS' LOCAL UNION NO. 270  
San Jose, Calif., November 11, 1970.

HON. ALAN CRANSTON,  
U.S. Senate,  
Senate Office Building,  
Washington, D.C.

MY DEAR SENATOR: The members and officers of Construction & General Laborers Union Local 270 are vitally concerned with the continuance of the Head Start Program for pre-school children in low-income families.

This important program for pre-school children has been cut three of the last four years, and this last proposed cut of 13.5 percent will destroy it.

We have been informed that you will introduce an amendment to increase Head Start funds by \$398 million when the Health, Education & Welfare appropriation reaches the Senate floor after the recess.

Your great concern in seeing that this program be increased and not cut by 13.5 percent for the best interest of these children is commendable and appreciated by all your constituents.

Respectfully yours,

R. H. MEDINA,  
Secretary-Treasurer.

THE CENTRAL LABOR COUNCIL OF  
SANTA CLARA COUNTY, AFL-CIO,  
San Jose, Calif., November 9, 1970.

President RICHARD NIXON,  
The White House,  
Washington, D.C.

DEAR MR. PRESIDENT: Upon reliable information that the nationwide Head Start Program cutback for the coming year 1971 of about 13% would mean a cut of \$66,282, or 13.45%; a loss of at least 60 children and 10 to 12 staff or a reduction leaving no pre-school education for 280 children for four (4) months and no jobs for 70 persons for four (4) months, delegates of the Central Labor Council of Santa Clara County, AFL-CIO, in regular meeting November 2, 1970, voted unanimously to concur in its Executive Board recommendation to protest such cutback and to support an increase in HEW appropriation for Head Start.

Organized Labor in Santa Clara County sponsored the very first Head Start program in this area and has since been strongly behind this type of program for pre-school children in low income families. This support is even more critical at this juncture of increasing un-employment and what seems to working people to be inappropriate and unjust frugality in education, particularly in the dual language and lower income segments of Santa Clara County's social structure.

The Council therefore urges your support of a Senate Appropriation Committee amendment to increase Head Start funds when the Health, Education and Welfare appropriation reaches the Senate floor after recess.

Sincerely yours,

EMERSON STREET,  
Business Representative.

CITY OF CARPINTERIA, CALIF.,  
October 23, 1970.

HON. ALAN CRANSTON,  
U.S. Senator,  
Los Angeles, Calif.

DEAR SENATOR CRANSTON: The Carpinteria City Council has become seriously concerned about the possibility of reduction in some of the programs sponsored by the Community Action Commission of Santa Barbara County. We are particularly concerned about the Head Start Program and the proposed cuts as they affect our area. We have attached to this letter an editorial which you may have already seen but which we feel very accurately and succinctly expresses our concern relating to this matter. We urge that you restore any cuts in this particular area and suggest instead, since we do agree on the need for economy in the government, that there are other areas much less critical to the future of our nation which can survive this type of reduction.

Sincerely yours,

ALLAN R. COATES, Jr.,

Mayor.

CRESENCIANO DE ALBA,  
President, Carpinteria Valley Community Council.

ROBERT "OLLY" OLIVAS,  
Councilman and Community Action Commissioner.

JACQUE PAULSEN,  
Community Action Commissioner.

COUNTY OF TULARE, BOARD OF  
SUPERVISORS,

Visalia, Calif., November 9, 1970.

Senator ALAN CRANSTON,  
Senate Office Building,  
Washington, D.C.

DEAR SENATOR CRANSTON: We have been advised by our local Community Action Agency that a 10% cut-back is proposed for the Child-Care and Head Start portions of the OEO program. It is our observation that these have been the most acceptable and productive of the anti-poverty efforts. We

would think that there might be other areas to consider cutting back before these.

Sincerely,

DONALD M. HILLMAN,  
Chairman, Board of Supervisors.

#### HEAD START CUTS HURT CHILDREN

An effect of the Nixon administration's strange order of spending priorities has struck home in Sacramento, with a \$100,000 cut in funds for the admirable Head Start program.

This program is one of the more salutary and practical aspects of the War on Poverty, providing educational, medical, dental, psychiatric and dietary services for preschool children in low-income neighborhoods.

Its achievements have been widely applauded, in Sacramento and elsewhere through the nation. It has served to provide otherwise disadvantaged children that first foot up the ladder which enables them to go on successfully through their later school years.

Although Congress specifically allocated funds for this popular program in a manner intended to defeat any slashes by the administration, officials in the Health, Education and Welfare Department have been able to subvert Congress' will and have ordered budget cuts in communities across the country where Head Start programs have proved so valuable and effective.

It is scant solace to the Sacramento community that the \$100,000 cutback is being balanced in a way that no single aspect of the program will be killed outright.

The fact is this worthy program will not be available on the scale of the demonstrated need. Instead of being contracted, its activities should have been expanded.

This is a strange index of the administration's scale of values concerning the nation's priceless asset—its children. (Sacramento Bee.)

BOARD OF SUPERVISORS,  
November 5, 1970.

Mr. ALAN CRANSTON,  
New Senate Office Building,  
Washington, D.C.

DEAR MR. CRANSTON: Please be advised that the Fresno County Board of Supervisors, at their regular meeting of November 3, 1970, unanimously approved the enclosed resolution urging restoration of funds cut from Project Head Start's budget.

Your attention to the enclosed resolution will be greatly appreciated.

Respectfully,

CARL H. MELOM,  
Clerk of the Board of Supervisors.

#### RESOLUTION

Whereas, the Fresno County Board of Supervisors has had a continuing interest in Project Head Start's offer of social, educational, and medical services to children in Fresno County; and

Whereas, research has shown Head Start to be one of the most effective Community Action Programs actually helping to break the poverty cycle; and

Whereas, proposed budget cuts will mean dropping some 200 of the 625 children now being served in Fresno County, and cutting the number of classes from 37 to around 25; and

Whereas, there is dire need to increase Head Start funding rather than decrease it since only one-tenth of the eligible children can now be served; and

Whereas, it is now accepted that preventive programs such as Head Start are ultimately less expensive to the taxpayer than are remedial programs;

Now, therefore, be it resolved that this Board go on record as strongly urging that Head Start funding cuts be immediately restored, that Head Start funds be substan-

tially increased in the immediate future, and that monies appropriated by Congress for Head Start be earmarked for Head Start in order to eliminate the likelihood of cuts by the national administration.

Adopted by the Fresno County Board of Supervisors this 3rd day of November, 1970, by the following vote, to-wit:

Ayes: Supervisors Reich, Ventura, Cassidy, Krebs, Craven.

Noes: None.

Absent: None.

AMERICAN ASSOCIATION OF UNIVERSITY WOMEN, LA MESA BRANCH,  
La Mesa, Calif., November 11, 1970.

HON. ALAN CRANSTON,  
U.S. Senate,  
Washington, D.C.

SIR: As Area Representative for Education of the La Mesa Branch of American Association of University Women I wish to express my concern over the proposed cut of 13.45% of the budget of the Head Start Program in San Diego for the coming year.

The present budget serves only one of fifteen children eligible between the ages of 3 to 5. The 13.45% cut will eliminate 300 of the 1200 children we are currently serving.

We are asking your special help in the name of the children, parents, and the Community at large, so that we may avoid such a cut.

Respectfully,

Mrs. KENNETH GREENLEAF.

YOUNG WOMEN'S  
CHRISTIAN ASSOCIATION,  
Santa Cruz, Calif., November 4, 1970.

HON. ALAN CRANSTON,  
U.S. Senate,  
Washington, D.C.

DEAR MR. CRANSTON: The Public Affairs Committee of the Y.W.C.A. would like to register its objection to the possibility of cutbacks in the Headstart budget for the 1970 fiscal year.

The Y was closely associated with early Hearstart programs in Santa Cruz, providing both volunteers and space. We feel strongly that any program that aims at preventing poverty through the increasing and improving of educational opportunities deserves top priority in budget considerations.

Reducing the Headstart budget by 13.45% prevents the program from serving the number of children who need it, thereby letting down the whole community.

We strongly urge you to support all efforts to increase rather than decrease the funds allocated to Headstart in this and in succeeding years.

Mrs. HUGH S. JOHNSTON,  
Chairman, YWCA Public Affairs Committee.

PASADENA-FOOTHILL VALLEY YWCA,  
Pasadena, Calif., November 4, 1970.

HON. ALAN CRANSTON,  
Senate Office Building,  
Washington, D.C.

DEAR SENATOR CRANSTON: The Board of Directors of the Pasadena Young Women's Christian Association is concerned by the recent cuts in the Head Start budget. We feel that it is essential to prepare the disadvantaged pre-school child for the challenge of the school system; otherwise, the disadvantaged child slips behind his peers and soon drops out.

Head Start is one of the most successful programs in our country's effort to break the poverty cycle. In Pasadena the Head Start programs have proved to be effective, not only for the children, but also for the parents who are involved through Head Start in educational and self-help programs.

Surely now is not the time to reduce services. We hope that you will do everything possible to restore Head Start funds and to en-

large the Head Start and pre-school programs for the disadvantaged.

Sincerely,

ELIZABETH RHODES,  
President.  
DOROTHY TADA,  
Executive Director.

Mr. MAGNUSON. Mr. President, just one thing, I hate to belabor this point, but nobody is suggesting that Headstart should not be taken up as a separate item.

I was one of the originators of Headstart. What we are talking about is this particular amendment. The Senator can submit any amendment he wants in reference to Headstart, any kind of amendment he wants, and bring it up in any way he chooses so that the Senate can work its will, up or down, the same as on any of these items.

I do not want Headstart to get mixed up with this basic policy question on fiscal management. The Senator can have all the time he wants to talk about Headstart, and move to increase the money or reduce it, either way.

Mr. CRANSTON. I understand.

Mr. MAGNUSON. But why talk about Headstart now, until we finish this amendment?

Mr. CRANSTON. The defeat of the amendment would eliminate certain funds that have been designated to insure that certain funds go to OEO, to increase the Headstart program—not beyond what it was in 1969; it would still be below that, but it would start moving back toward serving as many people as were once served.

Mr. MAGNUSON. Well, that is what we intend to do. But I do not know why the Senator brings Headstart into this. There are 15 other programs; we will take them one by one. The Senator from California can offer any kind of amendment he wants to.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. I yield 3 minutes to the chairman of the committee, the Senator from Texas (Mr. YARBOROUGH).

Mr. YARBOROUGH. Mr. President, I rise in support of this amendment, because it does include an appropriation for Headstart. This amendment also provides additional funds for the Office of Economic Opportunity to maintain past commitments in its basic, essential poverty efforts which meets the administration request for innovative programs, research, and evaluation.

I am well aware and sympathetic toward congressional efforts to pare the budget. However, I cannot sympathize with austerity which substantially cuts back the programs designed to benefit the poor, whose interests are continually being sacrificed in the interest of economy. If this Nation is to maintain the confidence of the poor, our priorities and spending must reflect genuine concern for their needs.

The Headstart program is particularly dear to me because I have been close to it since its very inception. It was originally started by the League of United Latin American Citizens. It was then called the Little Schools of the 400 because its basic objective was to teach Mexican-American children who did not

know English, 400 basic English words so that when they entered school they could begin to understand their English-speaking teachers.

The program was severely limited because of lack of money but it was so successful that the State of Texas passed a law incorporating the concept as part of their educational system. However, as often happens to programs for the poor, the State legislature did not appropriate enough money and so it died before it had started.

I can tell the Senate when Headstart originated.

During the early formative days of the great society, Dean John Silber of the University of Texas brought this program to my attention and I was able to get him an appointment with President Johnson and OEO Director Sargent Shriver, and a few months later Headstart was made part of this Nation's war on poverty.

When the OEO program was being written at the White House, Dr. John Silber, who was dean of the College of Arts and Sciences at the University of Texas, phoned me and told me about the program. I did not know anything about it. It sounded a bit early for children to start in such a program. I phoned to Sargent Shriver, and he granted a 30-minute interview, which, after listening to Dr. Silber, he extended to 2 hours. Out of this interview, the Headstart program was born.

From the very beginning, Headstart has been the most successful of all our efforts to fight poverty. It has been improved many times to the point that we now provide educational, nutritional, and medical benefits to children who are enrolled. Their parents are benefited also by allowing them for the first time to participate in program decisions affecting their children.

I have received letters from Texas and from nearly every State in the Union protesting the projected cuts in the Headstart programs. Most of these letters are from the parents of the children who will suffer from these cuts in the program. They plead for the opportunity which the Headstart program provides for their children. They know it will certainly make a difference in the lives of their children. We know it will too. How can we allow one less child to go without the opportunity that will make the difference in life for him?

All this amendment does is to make good our promise to those mothers and those children and to all Americans by earmarking the \$398 million we authorized for Headstart when we extended the Economic Opportunity Act.

Another thing I want to mention is this program for jobs. We now have an unemployment rate that has gone to the highest level in years. This past September, the Senate overwhelmingly passed the Employment and Training Opportunity Act in response to record setting unemployment rates. We have never had as many people unemployed since the great depression. The Department of Labor reports that the actual number of unemployed workers totaled 4.3 million in October. Since last October, 1 year ago, the number of unemployed persons re-

ported by the Department of Labor has increased by 1.4 million. The most alarming fact about this statistic is that nearly 85 percent of this increase was among long-employed full-time workers who had lost their last jobs. Experts tell us that there is no end in sight to this downward spiral in employment.

Clearly this is a time when we should increase, not decrease our manpower programs. The funds we are requesting in this amendment will provide for manpower training activities at the levels originally requested by the administration.

The Senate Committee on Appropriations recommends \$1,504,794,000 for manpower programs under the Manpower Development and Training Act and the Economic Opportunity Act. Our amendment increases this amount by \$44,700,000 to equal the amount requested by the administration. The additional money requested in our amendment will prevent cuts in established programs which are effectively providing manpower and training services for our rapidly growing unemployed work force.

In addition to providing full funding for the Headstart program and restoring the amount requested by the administration for Manpower and Training programs, our amendment provides funds for other essential antipoverty programs and activities in the Office of Economic Opportunity at levels approaching those which Congress intended through the passage of the Economic Opportunity Amendments of 1969.

These commitments made by Congress in 1969, before inflation became so severe, will provide minimum essential amounts needed to continue these highly successful and effective programs at visible levels. If the so-called war on poverty is to maintain any sort of forward thrust it is important that Congress hold the line against retreat in such essential and effective programs as: legal services, emergency food and medical service programs, comprehensive health service programs, educational follow-through programs, VISTA, special impact programs for economic development in urban and rural areas, and community action-local initiative programs.

Our amendment appropriates a total of \$2,245,500,000 for programs conducted under the Economic Opportunity Act of 1964. This amount is identical to the authorized figure in the bill which was amended in 1969. The Senate Committee on Appropriations has recommended \$2,063,900,000 for these programs. We seek an increase of \$181,600,000 which will be earmarked as follows: Headstart, \$59,000,000; manpower and training, \$41,900,000; and the remaining \$80,700,000 will be allocated among the other essential poverty programs which I described.

I have no criticism of the Appropriations Committee. I am on it. They have great difficulties. We have budget limitations. We are spending our money for the wrong purposes in this country, and I know the Appropriations Committee has great pressures on it. But, Mr. President, I consider this amount a reasonable and modest increase which is essential to maintain a forward thrust in our

efforts to combat poverty. I strongly urge its adoption.

Mr. MAGNUSON. Mr. President, I yield to the Senator from Vermont.

Mr. AIKEN. I thank the Senator for yielding.

I understand that the committee has reported out an amount of \$339 million for Headstart. I also understood the Senator from Washington to say that it is the intention of the committee members to offer an amendment to the pending bill which would raise that amount still further.

Can the Senator from Washington tell us how much more the committee plans to increase the amount of the appropriation for Headstart?

Mr. MAGNUSON. I can answer that question quickly. We had an amendment prepared because we checked with officials at Headstart. The sum of \$339 million is what they had originally asked for. I think in the last 3 or 4 months, since they appeared before the House and Senate they claim now that they need another \$11 million, or \$13 million—in that range—to maintain their program at the same level of activity for this coming year. We have an amendment prepared to that effect. If the Senate wants to make it more—

Mr. AIKEN. Is it \$15 million?

Mr. MAGNUSON. It is \$15 million, or something like that, we will be glad to do it. I think \$15 million is a better figure. We are already \$13 million over last year, and the \$15 million would make it \$28 million over last year, or close to 10 percent.

Of course, everyone is for Headstart. There is not a person in this country who is not in favor of Headstart. But someone has got to have some responsibility. This is what they said they could use for it, and it is \$50 million over last year.

I hate to see Headstart where it is. I wish it would be aimed the other way. But that is the way the administration wanted it, and that is what they did.

I am not wedded to this figure, but this is what they say will keep it going and do the job.

One would think, to listen to some of these speeches, that we were asking for the repeal of Headstart. Some repeal—\$350 million. That is no repeal of Headstart. The sum of \$350 million, I think, is a pretty good, sound endorsement of Headstart by us.

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. How much time is left on the amendment?

The PRESIDING OFFICER. The Senator from New York has 2 minutes remaining. The Senator from Washington has 8 minutes remaining.

Mr. MAGNUSON. I yield to the Senator from New Hampshire such time as he may require.

Mr. COTTON. Does the Senator from New York intend to use his 2 minutes?

Mr. JAVITS. I do.

Mr. COTTON. Then I serve notice, Mr. President, that as soon as the Senator from New York has used his 2 min-

utes, I shall move to lay the amendment of the Senator from New York on the table, just as they laid mine on the table.

Mr. JAVITS. Mr. President, may I say to the Senator from New Hampshire that I think he has now done what I thought he would do yesterday, in deference to his own point of view, with which I heartily disagree.

I yield myself 1 minute.

I am not a bit insulted. The essence of this matter is this: Senators who want to increase this appropriation by \$181 million will, I hope, see through this persiflage, with all respect, about devolution and direct appropriation, and understand that this is dollars and cents.

First, the fact is that we wish to increase the Headstart program by \$60 million. Last year it was \$326 million, and we are seeking to raise that to \$398 million.

I yield myself 1 final minute.

So far, the Senate Appropriations Committee has raised it only \$13 million, to \$339 million.

Second, we want to raise the manpower funds by \$41 million; and third, we want to raise a whole list of other items—health, nutrition, legal services, community action programs, Vista, migrant programs, by approximately \$80 million.

These are the real issues: do we want to increase these programs to the extent that this amendment does? That is the basic issue, in my judgment. Mind you, I have no arrogance about it whatever, on this question of whom it is appropriated to, because I think we have completed that by locking in these devolution agreements to expressly apply to anything which is appropriated.

Mr. MAGNUSON. Mr. President, I yield such time as he requires to the Senator from New Hampshire.

Mr. COTTON. May I say to the Senator from New York that my purpose in making the motion which I intend to make is not in any way hostile to him, but it is to enable the Senate, if it desires, to rid itself of this amendment, which does not leave us free to act in each case, and be able to devote ourselves to this, without it being interpreted as being against this program or that program or some other, so that we can start from scratch.

Mr. President, I move to lay the first part of the amendment of the Senator from New York on the table.

Mr. HARRIS. Mr. President, as a supporter of the poverty program and a co-sponsor of the pending amendment to increase the OEO appropriation, I rise to urge passage of the amendment by the Senate.

When the Congress enacted the OEO legislation in 1964, it recognized at that time the need for specific efforts on the part of the Federal Government to assist economically disadvantaged citizens. At that time there were approximately 30 million Americans whose incomes fell below the established poverty level of \$3,000 per year. Today, there are an estimated 25 million people with incomes below the poverty index. The number has decreased but endless deprivation and frustration still shatter the lives of two many Americans. This is why it is important that every available resource, pub-

lic and private, be mobilized to change these conditions.

The amendment before us, if passed, would provide a total of \$2.25 billion for programs conducted under the Office of Economic Opportunity. Considering the seriousness and the extensiveness of poverty in the United States, this in itself is a small amount. The appropriation could easily be three to four times that amount. Be that as it may, the amount is nonetheless \$182 million over the amount recommended by the Senate Appropriation Committee. It also represents a substantial increase over the amounts requested by the administration and the House.

The \$2.25 billion represents the remainder of the appropriations authorized under the Economic Opportunity Act Amendments of 1969, excluding \$50 million which were appropriated earlier this year for school desegregation assistance.

Under provisions of the amendment \$398 million are earmarked for the Headstart program and \$802 million for work and training opportunities. Fifty-nine million dollars of the \$182 million proposed increase would be added to Headstart, while \$41.9 million would be used for work training programs. The remaining \$80.7 million would be dispersed among a number of important OEO programs such as legal services, community action, research and development, and others.

Prior to the development of Headstart, thousands of disadvantaged children, ages 3 to 6, did not have the opportunity to participate in meaningful child development programs. Through the efforts of Headstart they have been given a chance and much has been done to enhance their educational and physical growth and development. By far, Headstart has been one of the most popular and successful poverty programs. Not only has it reached out into disadvantaged neighborhoods to help children, but, perhaps equally as important is the fact that it has involved the parents of the children in the program also. Therefore, I do not believe that this is the time to allow 26,000 youngsters to be dropped from this important program. If anything, the program should be expanded. The 1970 appropriation of \$326 million allowed the full year program to serve 262,900 children which represented only about 18 percent of the nationwide eligible population. An additional 14 percent, 208,700, of the eligible children participated in summer programs. For fiscal 1971 the administration requested \$339 million which is the amount the Senate Appropriations Committee has recommended. However, due to inflation and other factors, the Office of Child Development estimates that at least \$350 million will be needed in fiscal 1971 just to maintain programs at the level of the previous year. Furthermore, the \$350 million will not be sufficient to permit the conversion of all children to full-year programs which is what the Office of Child Development would like to do. The amendment before us will permit expansion of the program to accommodate an additional 50,000 to 60,000 children in

the program. This request is justified in view of the fact that the program has proven its effectiveness in helping disadvantaged children overcome many of the handicaps of their immediate environments and because the need for more youngsters to participate is so great at this time.

It seems to me that if the priorities of this Nation were reoriented toward the resolution of our problems here at home and for improvement in the quality of life for all Americans, programs like Headstart might well be funded in terms of billions of dollars. As an October 24, 1970, Washington Post editorial stated, "there are easily that many children who need it, not only among the poor but among the lower and middle classes," as well.

Finally, Mr. President, unemployment in this country has consistently risen during the past 18 or more months. Latest figures for the month of October 1970 show that at least 5.6 percent of the American workforce is now unemployed. This is one-tenth of 1 percent higher than it was in September of 1970 and an increase of 2.4 percent over the figure for October of 1969. Hardest hit by the unemployment are those individuals and families residing in urban poverty communities with an estimated 24 percent of these individuals unemployed. Equally appalling are the rates for teenagers at 17 percent with unemployment among black teen-agers residing in poverty areas at approximately 35 percent. Some experts predict that unemployment will continue to hold at the current level or grow increasingly worse before it gets better. We must begin now to attack this serious problem. That is why we have offered this amendment. Passage of the amendment will eliminate the necessity for cutting back the Concentrated Employment program by \$6.5 million; the Public Service Careers program by \$5.2 million; \$2.2 million from Operation Mainstream; \$9.6 million from the Job Corps program; and \$18.3 million for the Neighborhood Youth Corps in school, out-of-school, and summer programs.

If the amendment fails, all of these programs will be drastically reduced. It is imperative that we work to bring relief to the many families now affected by high unemployment. To do so requires a commitment—a commitment by the Congress and by the administration. As unemployment gets worse, more and more people and organizations will turn to the Federal Government for assistance and relief from the problem of chronic unemployment. This body made an initial commitment when it passed the Employment and Training Opportunities Act little over a month ago. I was delighted to see that the House passed a similar bill on November 17. Both bills provide for the creation of public service jobs as a means for providing employment for the unemployed. All of these efforts are necessary if we are to be successful. Therefore, I urge the Senate to pass this amendment.

#### CHILDREN: OUR FIRST PRIORITY

Mr. MONDALE. Mr. President, the amendment No. 1068 to the Labor-HEW appropriations bill, S. 18515, providing

full funding for the OEO Headstart program is worthy of attention and support. We can in good conscience do no less—and indeed we should be doing more—for the children and families of the poor who benefit so greatly from this program.

For too long, this program, one of the few that we have created which promise to make it a reality in this country that all children, rich and poor alike, have the benefit of a decent education, has been underfunded, and therefore understaffed and handicapped in achieving its goals: to provide a head start for children and families who, because of the vicious cycle of poverty, must enter regular school already behind their fellow students.

Many children are behind, not because of a lack of ability, but as a result of the limited educational opportunities available to poor children at critical ages because of the environment of our ghettos and barrios, in rural and urban areas.

Many children are behind, not because of a lack of initiative, but because disease and malnutrition, which cripple the body and spirit, have gone undetected.

Many children are behind, not because of an unwillingness to learn, but because by being denied warmth, companionship, and respect for ethnic and cultural identities they are retreating before they have a chance to know the dignity and self-respect which sparks self-confidence.

Many children are behind, not because of lack of parental supervision, but because the parents of the poor have themselves been denied the opportunity to learn and know the benefits of education and thereby create that home environment which motivates their children to learn.

Headstart was designed to attack these problems—to broaden the educational horizons of the poor child by bringing new educational opportunities to him; to halt disease by providing supportive health services; to end malnutrition by providing nutritious meals; to bring children into contact with staff and personnel who would extend love, care, concern, and respect to poor children; to bring parents into the program as paraprofessionals and advisers to provide them the opportunity to learn and to teach. Headstart has done a commendable job to the extent that we have supported the program.

If we do not increase the Headstart appropriation, it means that we will reach fewer children in poverty, when there are millions of children who qualify for the program but have no program to enter. If we do not increase funds, it will mean one less center here, one less health aid there; an increase in the pupil-staff ratio, a cold lunch rather than a hot one; and, no eye checkup versus a complete eye examination.

We have an obligation to human beings, and particularly children, who are powerless to fight for themselves. It seems that we tend to forget that as we rush headlong into nonhuman spending on a massive scale for bombs, weaponry, highways, and the like. We must have as a real priority our children, including the children of the poor and disadvantaged.

How are we going to end poverty if we create another generation of handicapped children? How are we going to prevent the rage and violence that has plagued our cities if we deny another generation of youth access to the American dream?

The amendment would raise the overall OEO appropriation to the level necessary to fund fully the amounts earmarked for each program in the Economic Opportunity Amendments of 1969. The bill reported by the Appropriations Committee appropriates a total of \$2.033 billion for these programs. Our amendment would increase the appropriation for all OEO programs by \$182 million so as to fully fund those programs at the authorized level. While the Appropriations Committee bill places the appropriation for Headstart, work and training programs, and follow through in different locations throughout the bill, this amendment consolidates the OEO program appropriations in one place, as contained in the House passed bill, and thus assures that the agreements delegating administration of OEO programs to the Departments of Health, Education, and Welfare, and Labor will be adhered to.

Let me emphasize that hearings before both the Senate and House authorizing committees have amply demonstrated the need for more Headstart funds. It takes \$350,000,000 merely to continue existing Headstart programs at the fiscal year 1970 operating level. When the Economic Opportunity amendments of 1969 were enacted less than a year ago, the specific allocation of \$398,000,000 was written into that legislation as the earmarked amount for Headstart. While Congress agreed to give the administration substantial flexibility to vary from these figures to the extent of 15 percent, the Congress did not intend an idle gesture earmarking these specific figures for particular programs. I find it difficult to understand why Headstart has been chosen as the object of cutbacks by the administration from the allocated amounts. This seems to me to be an abuse of the substantial flexibility which we gave the Director of OEO.

I think it is entirely appropriate, therefore, in enacting this appropriation legislation to stress that with respect to Headstart the Congress intends that there be no cutbacks below the specific amounts of \$398,000,000. Such flexibility as we gave the Director of OEO should be used to increase the amounts available for Headstart. Instead of doubling and then tripling so-called research and development programs which the OEO has not yet developed adequate plans for, we should be supporting and enhancing proven antipoverty programs, particularly those that directly benefit and involve poor children and their parents.

Mr. President, I urge Senators to vote for this amendment to the Labor-HEW appropriations bill.

Mr. MUSKIE. Mr. President, I support enthusiastically the Javits amendment, No. 1068, to the Labor-HEW appropriations bill.

This amendment, which I have cosponsored, is necessary if we are to renew our commitment to improving opportu-

nities for all Americans. Programs like Headstart and manpower training which have proved successful should be expanded, not cut back. Even the increased funding which this amendment would provide is inadequate to fill present needs.

The administration requested \$339 million for Headstart. But it is clear that to keep the program running at even its present level, a minimum of \$398 million will be needed.

The last segment of society to fall victim to the slash of the budget cutter should be our children. Headstart is a program that has given renewed hope to hundreds of thousands of youngsters all across America.

In my own State of Maine, there are presently 15 Headstart programs helping over 1,000 children. Now is not the time to deny them the benefits of pre-school development.

Instead of dropping children from the program, we should be adding children. Instead of cutting corners here, we should be building Headstart into the kind of constructive national program it has shown itself capable of being.

If the appropriations which passed the House of Representatives are not increased, 26,000 children who are presently enrolled in Headstart will have to be dropped. That would be a tragedy that we simply cannot afford.

There are some 6 million disadvantaged children under 6 years old in America. Yet Headstart enrolls only one-quarter of a million. We are helping less than one in 20 of the children who most need our help.

There can be no excuse for our not doing a better job in this area. We have a proven, workable program, and we have millions of children who can benefit from that program. We should bring the children and the program together.

Some say this issue has become embroiled in politics. There are some things that must be more important than politics. The lives of our children must be more important than politics.

#### HEADSTART—MANPOWER—OTHER OEO

Mr. KENNEDY. Mr. President, the Office of Economic Opportunity remains as a clear symbol of hope to 25 million persons in this country who face the enduring misery of poverty. They lack adequate food; they are forced to live in unsafe and deteriorating homes and they are the last to receive basic medical care. These are the constituents who have a vested interest in whether the Senate adequately funds the myriad of anti-poverty efforts that we have slowly developed over the past 5 years.

The amendment now before the Senate which I have cosponsored along with colleagues of both parties would bring Headstart funding to a level that more nearly reflects our national educational needs and responsibilities.

Headstart has been the cutting edge of our attempts to provide adequate early childhood education for disadvantaged children. In countless cities and towns throughout this Nation, children from culturally deprived backgrounds have been given a step up by Headstart so that

they might have the chance for an equal educational opportunity.

Despite the accomplishments of Headstart, we were forced to accede last year to a cut in the number of children served. As Headstart was changed to a full-year program in most cities, costs increased somewhat but that rise was not matched by adequate funds. As a result, some 150,000 fewer children participated in the program.

Now, the \$339 million appropriated by the Appropriations Committee, while an improvement over the House version, will leave another 62,000 children without a chance for Headstart this summer.

In Massachusetts I am told by Headstart directors that the proposed level of funding will mean an 11-percent cut-back in funds which will nearly gut the summer Headstart program. Last year, Massachusetts Headstart was cut by \$443,000 and if this amendment is not approved, another \$633,000 is expected to be cut from those programs.

Parents, teachers, and administrators have been united in their strong and continuing support for full funding of Headstart. I ask unanimous consent to introduce letters from Headstart Directors who have written in support of the amendment. They argue and I concur that this is not the way in which we should cut back on unnecessary spending. Our priorities must assure that these children have an opportunity to use the educational resources that this has available. Surely, if the Nation is willing to spend billions of dollars for unnecessary weapons systems we can afford \$398 million for a program that offers a unique learning experience to 529,406 disadvantaged children.

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

#### MASSACHUSETTS COMMUNITY TEAMWORK, INC., Lowell, Mass.

Present Head Start funding level of \$166,740 will be cut by 11%. Reason given: "Budget cuts due to previous over-extension of funds and funneling of money into pilot projects." 20 youngsters will be cut from program; salaries and services will be affected. This program serves 33½% of eligible population and an 8-12% increase would be necessary to maintain present level.

Concentrated Employment Program is currently funded at \$1,600,000 and will be cut to \$1,408,127. 240 enrollees will be eliminated. This program serves 12½% of eligible population, and a 20% increase would be necessary to maintain present level. NYC lost 20 slots due to reduction.

The overall program serves 5% of eligible population, and a 12% increase would be necessary to maintain current level.

"Our concerns about impending cuts in manpower programs are especially acute since the employment picture in the area is quite grim. The unemployment rate is now 9.3%, the highest in Massachusetts and one of the highest in the nation."

LEO F. DESJARLAIS,  
Executive Director.

#### FRANKLIN COMMUNITY ACTION CORPORATION, Greenfield, Mass.

Present funding level is \$147,000, of which \$60,000 is for community action and \$87,000 for Head Start. Head Start will be cut by 11%, by \$9,570. 15 children will be dropped

from program. 40% of eligible population is being served, and a 10% increase would be necessary to maintain present level.

STANLEY GAWLE,  
Director.

#### WORCESTER COMMUNITY ACTION COUNCIL, INC., Worcester, Mass.

Present funding level for Head Start is \$414,300 and will be cut by 9-11%, or \$37,287 to \$45,573. 40 children will be dropped; program will be shortened; adverse effects on personnel and services. Program serves 405 out of 600 eligible children, or about 66½%, and an increase of 6.03% would be necessary to maintain present level.

ROBERT T. CRONIN,  
Worcester, Mass.

Present funding level of \$143,200 will be reduced to \$127,448. "Deficits from prior years, now being felt, combined with Congressional cuts" was reason given. 20 children will be dropped from program, staff will be affected, and 20 families will be deprived of multi-aide services. 60% of the population is now being served, and a 20% increase in funds would be necessary to maintain current level.

MRS. MARGARET DAVITT,  
Director, Project Head Start,  
Child Development Center,  
Framingham, Mass.

Present funding level of \$109,000 will be cut by 9-11%. 36 children will be dropped, and percentage of needy population will drop from 65% to 50%. 108 children are now served. Services will be affected. A funding level of \$118,000 is needed to maintain present level, \$160,000 would be an effective level of operation.

WILLIAM C. EMSLEY,  
Director, Operation Head Start,  
Taunton, Mass.

Present funding level for Head Start is \$46,836. One of four full-year centers would be closed if there is a reduction. 20% of eligible population is now served.

MRS. ELIZABETH KIPP,  
Director, Hampshire County Heart Start,  
Northampton, Mass.

Present funding level is \$280,000 including \$40,000 for Head Start. Head Start will probably be reduced to \$35,000. Reason given: "All Headstart funds for this year must be cut from 7 to 9% given by HEW (O. C. D. Region I)". One of four classrooms will be eliminated, dropping 15 children. 25-33% of eligible population is now being served, and an increase of 20% in Head Start and 20% in OEO funding would be necessary to maintain present level.

JAMES L. LAWBAUGH,  
Executive Director, Haverhill  
Community Action Committee, Inc.  
Haverhill, Mass.

Present funding of Head Start is \$112,967 and will be cut 9-11%, to about \$100,000. 125 children (out of 6,000 eligible children) are currently being served, and the reduction will necessitate dropping 40 of these children. A funding level of at least \$130,000 is recommended to operate at sufficient level.

ROBERT S. SWAN,  
Director, Project Head Start,  
Springfield Action Commission,  
Springfield, Mass.

Present funding of program is \$2,655,340 and will be reduced to \$2,363,252. "Reduced appropriations in OEO funded program, over projections of 1969 and 1970 unexpended funds needed for refunding 1971 programs" were reasons given. 197 children would be eliminated with the cut. 16% are now served,

and a 24.1% increase in funds would be necessary to maintain current level.

JOHN SCHAUT,  
Head Start Director, Action for  
Boston Community Development, Inc.  
Boston, Mass.

Present funding level of Head Start is \$393,288 and will be reduced by 9 or 11%, by \$35,396 or \$43,262. Reason given: "reduction of prior year unexpended funds and an anticipated reduction in new appropriations, based on the earmarking language in the Economic Opportunity Act." 30-45 children will be eliminated from program; staff and services will be affected. 35-40% of eligible children are now being served, and a minimum increase of 10% would be necessary to continue present level. Agency serves 30% population, and needs funds to expand manpower programs.

AUSTIN G. CROSSMAN,  
Head Start Director,  
DAVID L. HIGGINS,  
Executive Director,  
Montachusett Opportunity Council, Inc.,  
Leominster, Mass.

Present funding of Head Start is \$242,271 and will be cut 10% to \$218,044. Reduced appropriations was reason given. 30 children will be dropped, and staff and services will be adversely affected. 65%, or 270 children out of a possible 450 children, now being served, and an increase of 10% is needed to maintain present level.

JOHN F. LAVENDIER,  
Parent Coordinator,  
FRANK V. JONES,  
Head Start Director,  
Barnstable Head Start Community  
Action Committee of Cape Cod and  
Islands, Inc., Hyannis, Mass.

Present funding level of \$161,000 serving 120 children will be cut by 9-11% to \$146,500 or \$143,300. "Reduced House appropriations and deficit in return on unexpended funds from previous fiscal years" were reasons given. One class of 20 children will be dropped, and personnel and services will be adversely affected. 50% of current eligible 5-year-olds are being served, and a 5% increase in funds is necessary to maintain present level. OEO versatile funding has not been reduced, but 3 to 5% funding level increase would be necessary to maintain present level.

ARTHUR F. KIMBER, JR.,  
Executive Director, Lynn Economic Opportunity, Inc., Lynn, Mass.

Mr. MAGNUSON. Mr. President, I ask for the yeas and nays on the motion.

Mr. JAVITS. I ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator from Washington yield back the remainder of his time?

Mr. MAGNUSON. Yes.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Hampshire. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. CANNON), the Senator from Connecticut (Mr. DODD), the Senator from Tennessee (Mr. GORE), the Senator from Michigan (Mr. HART), the Senator from Hawaii (Mr. INOUE), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming

(Mr. MCGEE), the Senator from Georgia (Mr. RUSSELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from Ohio (Mr. SAXBE) and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Illinois (Mr. PERCY) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from South Dakota (Mr. MUNDT) would vote "yea."

On this vote, the Senator from Texas (Mr. TOWER) is paired with the Senator from Oregon (Mr. HATFIELD). If present and voting, the Senator from Texas would vote "yea" and the Senator from Oregon would vote "nay."

The result was announced—yeas 43, nays 35, as follows:

[No. 389 Leg.]

YEAS—43

Aiken	Ervin	Murphy
Allott	Fannin	Packwood
Anderson	Griffin	Pastore
Baker	Gurney	Pearson
Bible	Hansen	Prouty
Boggs	Holland	Proxmire
Byrd, Va.	Hruska	Scott
Cook	Jordan, N.C.	Smith
Cooper	Jordan, Idaho	Spong
Cotton	Long	Talmadge
Curtis	Magnuson	Thurmond
Dole	McClellan	Williams, Del.
Dominick	McIntyre	Young, N. Dak.
Eastland	Miller	
Ellender	Montoya	

NAYS—35

Brooke	Hollings	Nelson
Burdick	Hughes	Pell
Byrd, W. Va.	Jackson	Randolph
Case	Javits	Ribicoff
Church	Kennedy	Schweiker
Cranston	Mansfield	Stevens
Eagleton	Mathias	Stevenson
Fulbright	McGovern	Symington
Goodell	Metcalf	Williams, N.J.
Gravel	Mondale	Yarborough
Harris	Moss	Young, Ohio
Hartke	Muskie	

NOT VOTING—22

Allen	Gore	Russell
Bayh	Hart	Saxbe
Bellmon	Hatfield	Sparkman
Bennett	Inouye	Stennis
Cannon	McCarthy	Tower
Dodd	McGee	Tydings
Fong	Mundt	
Goldwater	Percy	

So Mr. COTTON's motion to table the first part of Mr. JAVITS' amendment was agreed to.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Is the remainder of the amendment still pending?

The PRESIDING OFFICER. The Senator from New York is correct; the remainder of the Javits amendment is still pending.

Mr. JAVITS. Mr. President, I think the Senate has expressed its desire to work its will on individual sections of the bill. I will submit amendments to

individual sections of the bill. So will others who join me in sponsoring this basic amendment. I should like to feel free for that purpose now, and would like to make this suggestion, with all due respect to the manager of the bill, that perhaps this is a useful time, considering the hour, to try to arrive at some agreement on all amendments. I would be willing, and perhaps others will, before I withdraw my own, as perhaps this could be a useful time to say that we will take 20 minutes on each amendment, 10 minutes on amendments to amendments, and try to lock up the bill, as we have argued just about everything.

Mr. MAGNUSON. Everything?

Mr. JAVITS. I submit that to the manager of the bill. Maybe I am saying this because I just got knocked down.

UNANIMOUS-CONSENT AGREEMENT

Mr. MAGNUSON. Mr. President, I ask unanimous consent that on all amendments the time be limited to 20 minutes, with 10 minutes to a side; and 10 minutes on any amendments to any amendment, with 5 minutes to a side.

The PRESIDING OFFICER (Mr. MATTHIAS). Is there objection to the request of the Senator from Washington?

Mr. COTTON. Mr. President, reserving the right to object, I think we should limit the time. We have discussed this matter and rediscussed it. The Senator from New York will probably come up with a substantial increase in funds for Headstart and then the committee will come up with something—

Mr. MAGNUSON. I am about to present an amendment.

Mr. COTTON. The Senator from Washington will come up with his amendment, and we only get, how much time?

Mr. MAGNUSON. I am going to present the amendment first and then other people can up it and can submit amendments to up it, and then we can vote it up or down.

Mr. COTTON. We can vote the amendments up or down, yes. That would be only 5 minutes to a side, then, under this agreement?

Mr. MAGNUSON. Twenty minutes on each amendment.

Mr. COTTON. I believe the majority leader just suggested that we could live very well within the request by using one hour on the bill. So I withdraw my objection.

Mr. MAGNUSON. Mr. President, I modify the request to include 1 hour on the bill, on final passage.

Mr. JAVITS. Mr. President, let us understand the request correctly now. There will be 20 minutes on each amendment, divided 10 minutes to the proponent and 10 minutes to the manager or whoever is the opponent; and 10 minutes on amendments to each amendment, divided 5 and 5, and then 1 hour on the bill.

The PRESIDING OFFICER. This will be in the usual form?

Mr. JAVITS. That means the rule of germaneness.

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

Mr. JAVITS, Mr. President, I think my amendment is still pending.

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS, Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. MAGNUSON, Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER (Mr. COOK). The clerk will report the amendment.

The legislative clerk read as follows: The Senator from Washington (Mr. MAGNUSON) offers the following amendment:

On page 33, line 16, strike out "\$346,417,000", and insert in lieu thereof "\$361,417,000."

On page 33, line 17, strike out "\$339,000,000", and insert in lieu thereof "\$354,000,000".

Mr. MAGNUSON, Mr. President, the amendment is now directed at one of the items in the bill; namely, Headstart, which is administered by the Office of Child Development in HEW. The amount of appropriation in 1970 was \$326 million. The Budget Bureau sent up the request for \$339 million. The House cut that back to \$321 million. We put that back up to \$339 million, or \$17.7 million more than the House figure.

The pending amendment would add \$15 million more, which would make it almost \$33 million over the House figure.

We have had lengthy testimony from the OEO on Headstart and also from five or six witnesses from my own State who testified.

Since the hearing there have been some problems, they say, at OEO with Headstart and in the field. They say that they might be from \$10 million to \$13 million short of coming up to the amount necessary to maintain their program. So we have recommended \$15 million instead of \$11 million so that they will have plenty. That would make the total amount \$354 million for Headstart.

Mr. President, I yield to no one in my dedication to Headstart since its beginning. It is one of the finer programs commenced by OEO. However, we are trying to be reasonable and keep it going as it should be kept going.

Mr. President, there will probably be some amendments to further increase this amount. The Senate can work its will on the matter.

The committee has worked hard and long. We think this is a reasonable figure to keep OEO moving and to provide for any increase they may need for this year.

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

Mr. MAGNUSON, I yield.

Mr. PASTORE, Mr. President, how much is the figure of \$354 million below the authorized figure?

Mr. MAGNUSON. That would be \$43 million plus below the authorized figure. The authorized ceiling is \$398 million.

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

Mr. MAGNUSON, I yield.

Mr. HOLLAND, Mr. President, do I understand that the amendment is offered jointly by the chairman of the subcommittee and the Senator from New Hampshire (Mr. COTTON)?

Mr. MAGNUSON. The Senator is correct.

Mr. HOLLAND. And in their judgment this will furnish everything that Headstart says it can use.

Mr. MAGNUSON. That is what they told us and what other witnesses have said.

I know that there will be an amendment to increase this amount and the Senate can vote on it.

I will not yield back my time until I have to. Someone may force me into using some time by some statements that may ruffle my feathers a little bit.

Mr. JAVITS, Mr. President, who controls the time in opposition?

The PRESIDING OFFICER. It would be the ranking minority member on the committee. That would be the distinguished Senator from New Hampshire.

Mr. COTTON, Mr. President, I yield 3 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 3 minutes.

Mr. JAVITS, Mr. President, here we have the classic result which is fine.

Mr. COTTON, Mr. President, I ask that the Senator from New York control the time in opposition.

Mr. JAVITS, Mr. President, I thank the Senator from New Hampshire. That is very generous.

The classic result has now been achieved in the Senate, in my judgment, by tabling the portion of the amendment. I am not insulted, because that is the way it should have been done. Now we are down to the idea of breaking it down into individual components.

The first item deals with Headstart. It is a good program. However, I do not think we realize how little of the target we are fulfilling. If the Senate goes along with us we will amend the amount to provide for 441,000 slots; 441,000 slots—in the most conservative estimate—is something like one-fourth or one-fifth of the total target population.

We did earmark up to \$398 million under the basic amendment.

The argument made by the Senator from Washington that this does away with the Appropriations Committee is not a proper argument. He says that the Appropriations Committee does not do anything if we go to the authorization every time. That is not so in this case, because the authorization falls so far short of what ought be done that we at least ought to go to the authorization. That is the argument here. It is not entirely a finite question. It is not a qualitative question. It is truly quantitative.

How much do we want to give of what ought to be given? Do we want to make it one-fifth or one-fourth? If so, how much do we want to give? We should at least give an amount up to the ceiling that has been established.

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

Mr. JAVITS, I yield.

Mr. PASTORE, Mr. President, will the Senator from New York admit that some of these programs have greater priority than others? Does he admit that?

Mr. JAVITS, I will admit that. However, I cannot let it go unchallenged, for this reason. We were not increasing this. This had relatively lower priority. The increases were perhaps \$1 or \$2, or \$3 million.

Mr. PASTORE. That is not the point.

Mr. JAVITS, Also, I cannot agree that only Headstart has a higher priority. I happen to feel that Legal Services ought to have the highest priority of any. I happen to feel that way. I think I understand the dynamics of the problem.

Mr. PASTORE, Mr. President, the whole argument of supporting the first part of the Javits amendment was that Headstart is a good program. I agree that Headstart is an excellent program and I intend to support it to its full authorization.

Mr. JAVITS, I thank the Senator.

Mr. PASTORE, I will do the same thing on manpower.

Mr. JAVITS, I thank the Senator.

Mr. PASTORE, And when it comes to the others, I will have to exercise my judgment.

Mr. JAVITS, The Senator is very gracious. When he is with us, we feel much better.

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

Mr. JAVITS, I yield to the Senator from California.

Mr. CRANSTON, Mr. President, I wish to offer a substitute amendment.

Mr. JAVITS, Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS, The amendment would not be in order until the time is yielded back.

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS, Mr. President, I suggest that the Senator argue the substitute now and we will submit it in due course.

Mr. CRANSTON. That will be agreeable.

Mr. JAVITS, Mr. President, I yield 5 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized for 5 minutes.

Mr. CRANSTON, Mr. President, on behalf of Senators JAVITS, NELSON, MONDALE, and myself, I plan to offer a substitute amendment.

Mr. PASTORE, Mr. President, will the Senator add the name of the Senator from Rhode Island?

Mr. MCINTYRE, Mr. President, will the Senator add the name of the Senator from New Hampshire?

Mr. HARRIS, Mr. President, will the Senator add the name of the Senator from Oklahoma?

Mr. CRANSTON, Mr. President, I ask unanimous consent that the names of the Senator from Rhode Island (Mr. PASTORE), the Senator from New Hamp-

shire (Mr. McINTYRE), and the Senator from Oklahoma (Mr. HARRIS) be added as cosponsors of the substitute amendment.

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

Mr. CRANSTON. The amendment would simply restore the authorized amount for this program. Instead of \$15 million as proposed in the committee amendment offered by the Senator from Washington, the substitute amendment would add \$59 million to bring it to the full authorized amount.

It seems difficult to contend that they cannot handle these additional funds, since even with the adoption of this amendment we would serve 134,000 children less than were served in 1969. The Headstart program has been going downhill despite the fact it is one of the most successful of our war on poverty programs. It gives a great opportunity to more underprivileged children who need a hand in the early days of their lives, in a way that involves their parents and families. The program has paid tremendous dividends in dealing with poverty in this country.

Mr. President, to be more precise, this is plainly not a reckless or rash proposal to add any vast sums. The administration budget request for fiscal year 1971 would have served nearly 200,000 fewer children than were served during fiscal year 1969, a reduction of nearly one-third in the total number of children served. Even the 529,000 children who would be served under our proposal is 134,594 less than were served in 1969.

My final point is that even with the adoption of my amendment we would still be reaching only 36 percent of the children who are eligible for and who could benefit significantly from the Headstart experience.

I do not see how it can be said we cannot handle the money that would enable us to meet the level of less than 2 years ago. And still under the amendment there would be 134,594 less children served than were in Headstart programs in fiscal year 1969. We should be offering an amendment to meet the needs of the 719,000 eligible children, who will not be served even at the \$398 million level, but we are not doing that.

Mr. President, I ask unanimous consent that the names of the Senator from New Mexico (Mr. MONTONA) and the Senator from Texas (Mr. YARBOROUGH) be added as cosponsors.

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

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

Mr. CRANSTON. I yield.

Mr. MONDALE. Mr. President, I have served on the Subcommittee on Employment, Manpower, and Poverty of the Committee on Labor for some years. I also serve as chairman of the Select Committee on Equal Education. I have spent a disproportionate percentage of my time on the question of why it is that this rich and powerful society somehow permits millions of children never to become full participants in the American system. We have reviewed thousands of pages of testimony about experiments, ideas, and notions to probe that single question. I

would say, without any doubt, that the most hopeful, the most widely agreed upon single strategy known today to reach the problem of poverty and solve it is a high quality, early childhood development program, which is what Headstart is all about. If we hope to do something about poverty, the Senate will agree to the amendment.

Mr. CRANSTON. Mr. President, the Senator from Minnesota has been a great leader for many years in the Headstart program and no one knows better than he the importance of this amendment. I have greatly enjoyed working with him on the Employment, Manpower, and Poverty Subcommittee and particularly in working on his bill S. 2060, the Headstart Child Development Act, which I am privileged to cosponsor.

Mr. COTTON. Mr. President, how much time is remaining to the chairman?

The PRESIDING OFFICER. The Senator from Washington has 6 minutes remaining.

Mr. COTTON. Mr. President, in the absence of the Senator from Washington I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. COTTON. Mr. President, I have great respect for Senators who want the full authorization for Headstart. I would be glad to vote for more money for Headstart than we have given. But I wish to call two things to the attention of the Senate. First, the President recommended this year \$2.257 billion more for HEW than was appropriated last year; and the House added to this nearly \$100 million and the Senate has added more than \$200 million.

It is easy, if one does not have the responsibility, and I am not being virtuous about it, to stand on the floor and let constituents at home know that a Senator fought for full authorization for Headstart. However, the authorization for Headstart is \$78 million more than the House approved and some of us will have to go into the committee on conference and do all we can to prevail to hold this figure up as high as we can. The fact remains that the folks back home will think \$78 million has been added to this matter.

It was never said, and I am sure the Senator from Washington intended to say, that this is all Headstart asked for; it is only what they said they could get along with. Let us be frank. I might be for more than that but I have to stay with the committee because to go \$78 million over the House is a futile gesture.

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

Mr. COTTON. I yield.

Mr. PASTORE. What do we say to our constituents when a request was made for \$250 million for aid to Cambodia and we cannot take care of our children in America? These are questions we will have to answer. I am not being critical of the Senator, but if this country can afford to give \$1 billion for foreign aid to foreign countries, why can we not afford to provide for the children in our country? That is the question in my mind.

Mr. COTTON. My good friend is asking the wrong Senator. I have voted

against every foreign aid bill for the last 4 years and I am one Republican and one administration Republican who does not approve giving that money to Cambodia. I would just as soon throw it in the sewer.

Mr. PASTORE. I was just giving the Senator an argument for him to use in the conference. The Senator will have a good argument when he goes to conference.

Mr. McINTYRE. Mr. President, I rise to wholeheartedly support the amendment of the Senator from California (Mr. CRANSTON) to provide additional funds for the Headstart program.

I have supported this program since its inception and have consistently voted for increases during the years of its existence.

The need to prepare our preschool children in low-income areas for full participation in the education process was high on the list of priorities of educators long before the introduction on Headstart. The years of Headstart's operation have proven the wisdom of such a program. Those children fortunate enough to participate have demonstrated achievement far beyond those who have not been able to benefit from Headstart.

The evidence of community acceptance of Headstart has been brought abundantly to my attention in recent days and weeks. Nearly 1,000 New Hampshire residents, mostly parents of Headstart youngsters and community leaders familiar with its results, have expressed their full support for these additional funds and their opposition to any cutbacks which would hamper the program.

I believe the necessity of this amendment is quite clear. All across the country, Headstart programs report cutbacks of 7 to 18 percent in their Headstart allocations at a time when they would require a 10- to 12-percent increase simply to continue serving as many children as they served last year. This at a time by and large they are serving less than 20 percent of the children in their areas in need of Headstart services.

If we do not provide these additional funds, it will mean that children will not be able to attend classes; working mothers will be forced to leave their jobs to care for their children at home and will thereby suffer the loss of needed income; essential medical and dental care of Headstart children will be stopped. In addition, special breakfasts, snacks, and hot lunches, which are important to the health of these children, will be eliminated and other services will be curtailed.

Mr. President, this must not happen. I urge that this amendment be adopted.

Mr. President, I will not burden my colleagues nor the RECORD at this point with length material which has come to me from the people of New Hampshire supporting Headstart. But, I would like to share one communication from one of the hundred I have received which I believe reflects the views of so many.

Mr. President, I ask unanimous consent that this letter from Mr. Jack Leonard of the Headstart program in Claremont, N.H., be printed in the RECORD at this point.

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

YEAR AROUND HEAD START,  
Claremont, N.H.

Senator THOMAS MCINTYRE,  
Senate Office Building,  
Washington, D.C.

DEAR MR. MCINTYRE: As a teacher aid in the Head Start Program in Claremont, I am appalled to learn of the recent cut in the budget for this program.

I think first of all of the thirty children that I will face each morning realizing that perhaps next year not so many will be this lucky. Due to present budget restrictions, we already turn away needy children each year; to add to that list of rejected young people seems nothing less than criminal. This is particularly meaningful in view of the recent industrial layoffs in the area that threaten to increase the number of children needing a Head Start.

Perhaps the appropriations decrease will affect the already inadequate service programs offered through Head Start. Where will the cut come? Shall we cut the length of the program, sending the children back home to their parents? It would mean an end to the jobs they are now able to hold, and a further drain on your welfare program. Financially, there is no real saving, and in terms of pride and independence there will be a tragic loss. Or shall we trim the essential medical care program, that these children receive?

It hurts on another level to recognize that once again the government is holding out one hand to the poor with help and stabbing them in the back with the other. To fight inflation for the working people by cutting back the very programs that offer them hope and reform for the future is hypocritical, near-sighted and blatantly political. When education is our best chance for real change and improvement in the future, why is it always the first to be considered in the budget decreases?

We would ask for an explanation for the budget cut and a clarification for the government's intentions and commitments to the poor people of this nation. What guarantees do we have against further cuts in this or other programs, guarantees that could begin to foster a real trust in our leaders and a hope for the future. We demand a restoration of the original budget when Congress reconvenes, and further ask an increase in the budget to meet the growing needs of the young people in this area.

Yours truly,

JACK LEONARD.

MINNESOTA SUPPORTS FULL FUNDING  
FOR HEADSTART

Mr. MONDALE. Mr. President, possibly the greatest cause for divisiveness and disillusionment with the Government by the economically depressed is the holding out of promises and help, then abruptly withdrawing it.

Headstart has offered help to many children, families, and communities. To seriously curtail its effectiveness by cutbacks is not good economy, but slow strangulation of a program that has offered the only real hope to so many thousands of children and parents.

Excerpts from a letter from a Headstart parent in Minnesota makes this point more dramatically and with more emphasis than the most articulate speechwriter:

My son Paul goes to Head Start. He is the only child I have, and because of a lot of happenings, pretty bad mishaps, Paul was sort of shy, afraid and unsure of people.

Head Start has given him assurance that he can make friends his own age to play with whereas before he had only older kids to play with. Then when we moved all the children on our block were too old for him to play with. He's learned to share his playthings a responsibility to his own property to property of others and to people.

He comes home after school and rattles off some new poem or song, brings me home a funny water paint or crayon colored picture. These things, these few simple things, warm my heart.

Your amendment might enable another's son to be happy, enable another mother to be happy. I'm a mother of whom if I could would give the world to my son. I am poor and must work hard for the few things I'm able to give him but Head Start has given him a lot I couldn't. Playmates to sing and be happy with. It's just so hard to define or describe how I feel for what I see in Paul since he's started. A little flesh on those ribs. He's hungry. I've never seen him so hungry before. I use to have to run behind him to pick up his toys with occasion help from him but now he picks them up right away because that's what all his friends do at school and the teachers say it is nice to do that. So tell me we should cut Head Start. We mothers of Head Start are praying your amendment goes through so that more children get the advantages of the Head Start as our children have.

What answer will we have for this mother, and thousands of others like her, if we do not pass the amendment that provides full funding of Headstart programs.

In Minnesota, Headstart programs already operating on minimum budgets have been told that cutbacks of up to 20 percent could be expected. In southeastern Minnesota, where only 40 to 60 percent of the eligible children are served, it would result in severely curtailing, if not eliminating, an effective program.

The Dodge-Steele-Waseca Citizens Action Council, Inc. in Waseca, Minn. reports:

The impact on our total program will be devastating. Our Agency is small. Further strangulation by the cutting of funds could make us nothing more than simple window dressing in the eyes of the low-income people we serve.

A Headstart parent in Shakapee writes:

Regional officials have said that our Head Start program may be cut as much as 10%. I refuse to understand this as I feel that they should be allowed more money not less. Right there serving only 50 children out of 300 or so eligible for Head Start. This program is the best thing that could be done for these children. It's just a shame that we cannot serve all the eligible children. And with the money they are receiving it's hard to serve properly the 50 they are serving. They're doing a wonderful job on the money they have—but there is no doubt they need more money.

The director of the Minneapolis Headstart program telegraphed:

As Director of the Minneapolis Head Start Program I would like to protest the proposed cutback in the funding level of Head Start.

Currently 288 disadvantaged children aged 5 are receiving preschool training, hot breakfast, lunches and essential medical care on a full year basis. We are serving less than twenty-five percent of the eligible families in Hennepin County. Recent surveys show more than 1,000 children in Minneapolis qualify and would benefit from our compre-

hensive services. A ten to fourteen percent cutback would equal twenty-five to thirty thousand dollars. How can Congress ask us to eliminate any children from our program or reduce the effectiveness of the services provided. I ask humbly for our children that you give this whatever attention is needed in priorities that we may continue to serve without fear of reprisals and cutbacks.

In a similar vein, Headstart parents in St. Cloud, Minn. state:

We are well aware of the tremendous cost increases in the last few years in such items as food, transportation, and health services, which are essential parts of our program. Yet for the past four years we have been required to operate at the same level of funding.

In the meantime, we have repeatedly heard and read about the high priority the administration has placed on early childhood programs. In view of this we find it extremely difficult to understand why we are now faced with funding cuts.

I have received other communications from participating parents, teachers, and concerned citizens from all over the State of Minnesota, including Angora, Avon, Buhl, Chisholm, Dear River, Alborn-Brookston, Moorhead, Northome, Orr, Virginia, Jordan, Shakapee, throughout all of the Twin-Cities area of Minneapolis-St. Paul, Crow Wing-Todd-Morrison Tri-County CAP, Beltrami, and Cass County CAC, St. Cloud, Grand Marias, and Meadowlands, to name only a few.

Similar appeals for full funding of Headstart have come from practically every State in the Nation. An Ohio pediatrician describes the Headstart program as "the most successful far-ranging program for our Nation's disadvantaged children that the Federal government has ever undertaken." He continues:

I have had personal contact with many pediatricians throughout the country whose views are similar to mine. I think that a de-emphasis of the Head Start Program, and certainly the proposed budget cuts must be considered a de-emphasis is exceedingly inappropriate. At a time when such basic rights as equal health opportunities and equal education for the nation's disadvantaged children are foremost in the minds of many, the de-emphasis of this widely accepted program must be viewed as a direct blow to the hopes of those concerned with orderly change.

As an example of the impropriety of such action the D.H.E.W. goals for 1971 place as the number one priority the following: "To intensify D.H.E.W. efforts and improve coordination of efforts at the Federal, State, local and private levels to benefit children during the first five years of life." The de-emphasis of the Head Start Program seems to be in complete contra-distinction to this stated D.H.E.W. goal.

Hon. John Dempsey, the Governor of Connecticut, says:

The proposed reduction in funds will affect many children throughout the nation by either reducing or eliminating the services available to them. The children of our country are too important a national asset for investments in their well-being to be decreased.

And strong support for this bill was expressed by Gov. Forrest H. Anderson, of Montana.

Each of these communities has reiterated that what we do with our children today, prepares them for the future. They emphasize the education, medical and dental services, and nutritional benefits

available under the Headstart program. In many of these communities, only one out of six eligible children is being served, and so successful has the program been that parents are demanding increases in funds.

The Senate must reject the effort to cut back on the Headstart program. We must increase funds so as to provide a real opportunity for our children. It is in the best interest of our future and our country that we increase, not decrease, funds for Headstart.

The PRESIDING OFFICER. Who yields time?

All time is yielded back and the Chair recognizes the Senator from California.

Mr. CRANSTON. Mr. President, on behalf of myself and Senators NELSON, JAVITS, MONDALE, GOODELL, HARRIS, HART, KENNEDY, MCINTYRE, MCGOVERN, METCALF, MONTAYA, MUSKIE, PASTORE, PELL, SCHWEIKER and YARBOROUGH, I call up a substitute amendment.

The legislative clerk read the amendment as follows:

On page 35, line 16, strike out the numeral and insert in lieu thereof "\$405,417,000".

On page 33, line 17, strike out the numeral and insert in lieu thereof "\$398,000,000".

Mr. CRANSTON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CRANSTON. Mr. President, I shall not belabor this matter. This would restore the authorized amount of \$59 million instead of the \$15 million added by the committee amendment. This would still reach 719,000 eligible children who are not covered. We would not be covering in the fiscal year this relates to as many children as were covered 2 years ago in Headstart, which is one of the best of the war-on-poverty programs.

I would, of course, have preferred adoption of our Amendment No. 1068 to insure funding through OEO until the authorization committee, the Committee on Labor and Public Welfare, can consider this matter thoroughly and insure that if direct appropriations to HEW are to be made that the law mandates a continued poverty orientation, community involvement and participation of parents.

However, the Senate has gone along with the Appropriations Committee's direct funding proposal and now I feel we must help the Office of Child Development to do the best possible job for the most children in need.

I trust that HEW will continue to follow the guidelines in the delegation agreement, and urge my colleagues to support this substitute amendment to give 20,000 more children a headstart.

Mr. HART. Mr. President, I will be brief.

My office has received more mail in recent weeks protesting cutbacks in Michigan poverty and Headstart programs than on any other item.

The message of these letters has been clear.

The services provided by these programs are needed and appreciated, whether they help the elderly get to doctor appointments or give a poor child a better chance to succeed in school.

And the people who benefit from these programs do not want the services cut back, as would happen under the President's budget requests.

Here are the mathematics of the situation:

Congress can appropriate up to \$2.245 billion for poverty programs this year.

The administration asks \$2.08 billion, including only \$339 million for Headstart.

The amendment we now consider, of which I am a cosponsor, would appropriate the full authorization of \$2.245 billion, including \$398 million for Headstart.

Here is what that amendment would mean.

Rather than a cutback in Headstart, the program could be expanded slightly.

Rather than a 2-percent cutback in local initiative programs as now envisioned by the administration, I have been informed that our amendment would provide the Office of Economic Opportunity enough money to match last year's allocations.

Let me stress that, in my correspondence with local OEO officials in Michigan, the plea has not been for increases, but only for enough funds to match last year's figures.

And, in my view, the cruelest aspect of the proposed 2-percent reduction is that the reduction was ordered because the local programs had become more efficient in spending their allocations.

Let me explain the situation as I understand it.

As many of these new programs got started, staffs, for one reason or another, were not able to spend their entire allocation.

Other new programs were funded with the leftover or carryover funds.

As the programs became more efficient, carryover funds were no longer available, with the result that OEO was left with more programs than funds.

In short, the reward for establishing useful, efficient programs is to be a cutback.

You do not have to be a member of SDS to recognize that something is out of whack in that approach.

If the reduction is allowed to stand, you do not have to be a person served by one of these programs to question the meaning of the Nation's commitment to help the disadvantaged.

And you do not have to be a Member of the Senate to know that whatever increase we approve in this body will be reduced in conference.

It is imperative then that we approve the full authorization of \$2.245 billion for OEO programs.

I ask unanimous consent that a telegram from Mayor Roman Gribbs of Detroit be printed in the RECORD.

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

DETROIT, MICH.,  
November 18, 1970.

Senator PHILIP HART,  
Old Senate Building,  
Washington, D.C.

DEAR SENATOR HART: I concur and support the efforts that have been made through the Economic Opportunity Act to eliminate poverty. Much needs to be done.

The appropriation bill for OEO will soon come before the Congress. This bill is extremely important to Detroit's effort to impact on the socio-economic problems besetting our city. We urge your assistance in support of the efforts of Senators Javits and Nelson for appropriations for fiscal year 1971-1972.

A letter is being sent under separate covers outlining the specific critical points for our OEO program and the basis of our need for additional funding.

ROMAN S. GRIBBS,  
Mayor.

Mr. KENNEDY. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. CANNON), the Senator from Connecticut (Mr. DODD), the Senator from Louisiana (Mr. ELLENDER), the Senator from Tennessee (Mr. GORE), the Senator from Michigan (Mr. HART), the Senator from Hawaii (Mr. INOUE), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Georgia (Mr. RUSSELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), and the Senator from Maryland (Mr. TYDINGS), are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "yea."

I further announce that, if present and voting, the Senator from Louisiana (Mr. ELLENDER) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from Ohio (Mr. SAXBE), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Illinois (Mr. PERCY) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Texas would vote "nay."

On this vote, the Senator from Hawaii (Mr. FONG) is paired with the Senator from South Dakota (Mr. MUNDT). If present and voting, the Senator from Hawaii would vote "yea" and the Senator from South Dakota would vote "nay."

The result was announced—yeas 44, nays 32, as follows:

[No. 390 Leg.]

YEAS—44

Anderson	Hughes	Pastore
Brooke	Jackson	Pell
Burdick	Javits	Prouty
Byrd, W. Va.	Kennedy	Proxmire
Case	Mansfield	Ribicoff
Church	Mathias	Schweiker
Cook	McGovern	Scott
Cranston	McIntyre	Spong
Eagleton	Metcalfe	Stevens
Fulbright	Montale	Stevenson
Goodell	Montoya	Symington
Gravel	Moss	Williams, N.J.
Harris	Muskie	Yarborough
Hartke	Nelson	Young, Ohio
Hollings	Packwood	

## NAYS—32

Alken	Eastland	Magnuson
Allott	Ervin	McClellan
Baker	Fannin	Miller
Bible	Griffin	Murphy
Boggs	Gurney	Pearson
Byrd, Va.	Hansen	Smith
Cooper	Holland	Talmadge
Cotton	Hruska	Thurmond
Curtis	Jordan, N.C.	Williams, Del.
Dole	Jordan, Idaho	Young, N. Dak.
Dominick	Long	

## NOT VOTING—24

Allen	Goldwater	Percy
Bayh	Gore	Randolph
Bellmon	Hart	Russell
Bennett	Hatfield	Saxbe
Cannon	Inouye	Sparkman
Dodd	McCarthy	Stennis
Ellender	McGee	Tower
Fong	Mundt	Tydings

So Mr. CRANSTON'S substitute amendment was agreed to.

The PRESIDING OFFICER. The question is now on agreeing to the amendment as amended.

The amendment as amended was agreed to.

Mr. JAVITS. Mr. President, I send to the desk an amendment and ask for its immediate consideration. It is cosponsored by the same Members as joined with me on amendment No. 1068, and also by Mr. HATFIELD.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 2, line 13, strike \$1,504,794,000 and insert in lieu thereof "\$1,546,694,000".

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. JAVITS. Mr. President, I yield myself 3 minutes.

Again, what we are now proposing is that piece of the original amendment which was laid on the table which relates to manpower training activities. It now fits in the part of the bill where it has been left by the Appropriations Committee, and is appropriated directly to the Department of Labor.

The \$41.9 additional million which is here provided for, Mr. President, will bring it up, not just to the authorization; in this case it brings it up to the amount requested by the administration itself, which has been cut by the Appropriations Committee.

We respectfully submit that most of this figure is in the Neighborhood Youth Corps, that is, JOBS with relation to our youth, where unemployment is even more difficult for them than it has ever been before, with rates of unemployment for teenagers running in the area of 24 percent for white teenagers and about 34 percent for blacks. This is especially crucial in the slums and ghettos of the country.

We felt that we ought to go at least to the point that the President himself requested in his budget. Instead of that, both the House of Representatives and the Senate—and incidentally, they have done exactly the same thing—have cut that figure by \$41.9 million, which my amendment seeks to restore.

Mr. President, the amount, if voted by the Senate, will be divided as follows:

For the Neighborhood Youth Corps, in school program: \$3.3 million.

For the Neighborhood Youth Corps summer job program, \$7.8 million.

For the Neighborhood Youth Corps out-of-school program, \$7.2 million.

For Job Corps there is \$9 million provided.

For the Concentrated Employment Program—where we have a set hard core program in a given slum area—\$6.5 million.

For public service careers, \$5.2 million.

For Mainstream, which as our colleagues know, is a program largely to help older people, \$2.2 million.

This all is according to the budgeting which has been done by the administration itself.

The total number of additional training slots which will be provided if this amendment carries is 33,950. The amount of improvement in overall terms—because we are dealing with more than 900,000 people who are being trained—is very small, in terms of percentage. But in the key areas for which this amount is budgeted, it becomes critical, very important, and extremely helpful.

Mr. President, following out the feeling of the Senate that it wished to vote upon each of these items separately, and bearing in mind that this one, like Headstart, is discussed in the greatest detail, I should like to submit—

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

Mr. JAVITS. I yield myself 2 additional minutes. I should like to lay it before the Senate on this basis.

One final point, Mr. President. Again I revert to what has been argued here in terms of the function of the Appropriations Committee.

Certainly, the Appropriations Committee has every right to feel that its function is one of screening, but it also has a function of determining what shall be the priority; and while the Appropriations Committee may feel that a committee set of priorities ought to obtain in respect to a particular situation, the Senate may have its own views as to the importance of the programs I have described.

Mr. President, I should like to point out again the target population and how much of it is reached. In respect of manpower training, it is estimated that the number reached in even so highly a desirable program is roughly only a tenth of those who ought to be reached if we really could do the job comprehensively. My amendment seeks to buttress and strengthen this program in given sensitive areas to the extent of the administration's budget request and no more. I hope very much that the Senate will look favorably upon it.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time? Does the Senator from Washington yield back the remainder of his time?

Mr. MAGNUSON. Mr. President, as I understand this—and I want to be very fair about it—the Senator from New

York has taken the section "work and training programs" all in one. Is that correct?

Mr. JAVITS. That is correct.

Mr. MAGNUSON. The total to be added is \$41,900,000. We approved the House amount on all these programs. I know there are many very important programs in here—in school and summer programs and the Job Corps. The big item is the Job Corps and CEP, which, I hasten to add, are being administered in the Labor Department.

We thought we had a pretty good figure, from the testimony of the people who run these things. The Senator from New Hampshire and I made an attempt to increase the dropout program, but we tried to spread the money equitably between the counseling services and the dropout, because we did not see how we could separate the two. There is a great dearth of counselors—one for every 1,200 students in the country, or something like that.

We have no more to say. We think that we have given a reasonable amount, and the House went over this with a fine-tooth comb, too. But the Senate can direct us, if it wishes, and that is its privilege, to go to the House with this extra amount.

Mr. JAVITS. I yield myself 1 minute.

Mr. President, this is very creditable, and I am grateful to the Senator. It bears out exactly how I felt about this whole debate. Once we got over this devolution question, I really felt that it became a finite issue, in which the members of the committee, especially the Senators from Washington and New Hampshire, did the best they felt they could, within the context of the Appropriations Committee; and if anything further was to be done, it would have to be done in the Senate.

I most respectfully submit that this is a well warranted increase, considering its purposes and considering that even if granted, it still is within the President's budget request.

SUPPORT OF JAVITS-NELSON AMENDMENT TO  
H.R. 18515

Mr. WILLIAMS of New Jersey. Mr. President, I also wish to express my strong support for the Javits-Nelson amendment to H.R. 18515, the fiscal 1971 Labor-HEW appropriations bill.

As chairman of the Senate Committee on Aging, I wish to direct my remarks to the funding provisions for work and training programs for older workers.

Last month our unemployment rate climbed to 5.6 percent—leaving 4.7 million Americans without jobs.

All age groups have been hard pressed during our economic slowdown, but older workers and their families have been especially hard hit.

Today there are nearly 1 million persons 45 and older who have lost their jobs.

For persons 55 and over, unemployment has jumped sharply by 72 percent since January 1969.

Once unemployed, these older workers run the greatest risk of long-term joblessness. Individuals 55 and older now represent about 17 percent of the civilian

work force. But, they constitute more than 23 percent of the very long-term unemployed—27 weeks or longer.

For these long-term jobless individuals, Mainstream has literally been a lifesaver.

Mainstream has helped provide employment opportunities in needed community services for the chronically unemployed poor who have limited prospects for jobs because of age or other disadvantages.

Several pilot programs funded under Mainstream—such as Green Thumb, Green Light, Senior Aides, and the Senior Community Service programs—have amply demonstrated that older individuals can make valuable contributions in their communities.

For example, participants in the Green Thumb program—sponsored by the National Farmers Union—have built more than 350 roadside parks, planted more than 1 million trees to beautify our countryside, and helped to develop and restore numerous historical sites.

The Senior Aides program conducted by the National Council of Senior Citizens has also provided new job opportunities for low-income elderly persons in the field of health, education, welfare, and outreach activities.

And the National Council on the Aging's Senior Community Service programs have rendered important and needed community services.

In my own State of New Jersey, these "senior aides" have provided valuable services as bilingual aides in elementary schools. As a result, the non-English speaking children have been able to make a better adjustment to the community, their schools, and the English language.

The Javits-Nelson amendment will help provide \$41.9 million in increased funding for employment and training programs. Of this total, an additional \$2.2 million would be used for Mainstream, increasing the Senate Appropriations Committee's recommendation from \$38.8 million to \$41 million.

This badly needed funding can help provide new employment opportunities for large numbers of older workers.

It can also be used to expand some of the successful pilot projects under Mainstream—such as Green Thumb, Senior Aides or the Senior Community Service programs.

And it can help many disadvantaged older workers back to the road of financial recovery.

The rewards of this action are many. For the individual, a job can be a passport to self-sufficiency and self-respect.

For his family, a regular paycheck can offer the promise of a fuller and better life.

And our society as a whole will benefit from the urgently needed community services provided by Mainstream workers.

Mr. President, I urge adoption of the Javits-Nelson amendment to H.R. 18515. Mr. JAVITS. I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Washington yield back the remainder of his time?

Mr. MAGNUSON. Yes.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from New York. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. CANNON), the Senator from Connecticut (Mr. DODD), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Tennessee (Mr. GORE), the Senator from Michigan (Mr. HART), the Senator from Hawaii (Mr. INOUE), the Senator from Louisiana (Mr. LONG), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Wyoming (Mr. MCGEE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Georgia (Mr. RUSSELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

I further announce that, if present, and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from Ohio (Mr. SAXBE), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Illinois (Mr. PERCY) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Colorado (Mr. DOMINICK) is detained on official business.

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Texas would vote "nay."

On this vote, the Senator from Hawaii (Mr. FONG) is paired with the Senator from South Dakota (Mr. MUNDT). If present and voting, the Senator from Hawaii would vote "yea" and the Senator from South Dakota would vote "nay."

The result was announced—yeas 42, nays 32, as follows:

[No. 391 Leg.]

YEAS—42

Aiken	Hollings	Packwood
Brooke	Hughes	Pastore
Burdick	Jackson	Pearson
Byrd, W. Va.	Javits	Pell
Case	Kennedy	Prouty
Cook	Mansfield	Proxmire
Cooper	Mathias	Ribicoff
Cranston	McGovern	Schweiker
Eagleton	Metcalf	Stevens
Goodell	Mondale	Stevenson
Gravel	Montoya	Symington
Griffin	Moss	Williams, N.J.
Harris	Muskie	Yarborough
Hartke	Nelson	Young, Ohio

NAYS—32

Allott	Byrd, Va.	Eastland
Anderson	Church	Ellender
Baker	Cotton	Ervin
Bible	Curtis	Fannin
Boggs	Dole	Gurney

Hansen	McClellan	Spong
Holland	McIntyre	Talmadge
Hruska	Miller	Thurmond
Jordan, N.C.	Murphy	Williams, Del.
Jordan, Idaho	Scott	Young, N. Dak.
Magnuson	Smith	

NOT VOTING—26

Allen	Goldwater	Percy
Bayh	Gore	Randolph
Bellmon	Hart	Russell
Bennett	Hatfield	Saxbe
Cannon	Inouye	Sparkman
Dodd	Long	Stennis
Dominick	McCarthy	Tower
Fong	McGee	Tydings
Fulbright	Mundt	

So Mr. JAVITS' amendment was agreed to.

Mr. JAVITS. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. GRIFFIN. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

Mr. ALLOTT. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows: The Senator from Colorado (Mr. ALLOTT) proposes an amendment for himself and the Senator from Colorado (Mr. DOMINICK) as follows:

On page 38, line 17, strike out "estimated" and insert in lieu thereof "actually expended."

Mr. ALLOTT. Mr. President, in the committee reported bill, section 208 provides that payments to State welfare departments for services, staff training, and administration not exceed 115 percent of the amount estimated for those purposes for such State for fiscal year 1970. The purpose of this section is to make administrative expenses controllable rather than open-ended. I believe that this purpose is admirable and justifiable.

I have never been in favor of "open-ended" appropriations. There are times when an "open-ended" appropriation is necessary because expenses which will be incurred are completely unpredictable. I do not believe that these instances occur frequently, and they should be avoided whenever possible. With the ever increasing Federal budget all measures which help to control the increase should be considered and implemented if possible.

With this background, I would like to say that while I applaud the intent of section 208, I am somewhat concerned with the procedure which has been used to implement the theory. Section 208 states in part that expenses under titles I, IV, X, XIV, and XVI, of the Social Security Act, in the aggregate, shall not exceed 115 percent of the aggregate amount estimated for these purposes for such State for fiscal year 1970. My concern stems from the fact that the 115 percent limitation which is to be applied is to be based on the estimated cost for fiscal year 1970. I am sure that when this provision was originally drafted the only figures available were those which the States had submitted as estimates. I now understand that HEW has the actual ex-

penses for fiscal year 1970, rather than only those used for estimating. Because of this I believe that the 115 percent figure should be applied to actual expenses rather than estimated expenses.

Our amendment is very simple. On page 38, line 17, strike out "estimated" and insert instead the words "actually expended." This in my opinion, is a fair and legitimate way of applying the intent of controlling expenses. If we have the actual costs it seems that it is much more accurate to apply the limitation to that figure. This is only fair and equitable in our responsibility to the States.

I hope that the managers of the bill will agree with this approach and accept my amendment. I have been informed that the administration has no objection with this change.

I have spoken with the manager of the bill, the Senator from Washington (Mr. MAGNUSON), the ranking minority member of the committee, the distinguished Senator from New Hampshire (Mr. COTTON), the Senator from Oklahoma (Mr. HARRIS), who has an amendment which he intends to call up shortly, and the Senator from California (Mr. CRANSTON). It is my understanding from all of these gentlemen that they are perfectly willing to accept the amendment.

I ask unanimous consent to have printed in the RECORD a statement by Senator DOMINICK who had to leave the floor temporarily.

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

#### STATEMENT OF SENATOR DOMINICK

Mr. President, section 208 of this bill would place a limit on the heretofore open-ended appropriation for matching Federal funds available to the states for costs incurred in delivering welfare services. I strongly support this concept, and think the arguments of the Appropriations Committee and the Administration for the inclusion of section 208 are sound. I have generally opposed open-ended authorizations and appropriations on the ground that they encourage fiscal irresponsibility. There are good reasons for leaving the appropriations for cash payments to welfare recipients open-ended. But, those reasons do not apply to appropriations for the associated costs of social services, staff training and administration. Placing a limit on Federal matching funds available for these costs would require State welfare agencies to streamline their programs and look for ways to increase their efficiency. I don't think the importance of this can be over-emphasized at a time when overall welfare costs appear to be soaring out of sight.

The report of the Appropriations Committee indicates section 208 was intended to limit Federal funds available for these associated costs in fiscal 1971 to 115% of those spent by the states in fiscal 1970 (i.e., a 15% increase). But, section 208 is worded so that the 115% figure is applied to the *estimated*, rather than *actual* costs for fiscal 1970. Section 208 reads:

"None of the funds contained in this title may be used for payments to any State for fiscal year 1971 for services, staff training, and administrative expenses under titles I, IV (part A), X, XIV, and XVI of the Social Security Act which, in the aggregate, exceeds 115 percent of the aggregate amount *estimated* for these purposes for such State for fiscal year 1970." (emphasis added).

I understand that estimates which would

be relied upon by HEW in administering this section were submitted by the States in May, 1969. Well, now we are into fiscal year 1971, and the *actual* figures for fiscal year 1970 are in. In Colorado, it turns out that the May, 1969, estimates were too low. Colorado's estimated costs were roughly \$11,305,000, while it actually spent about \$12,658,000, a difference of \$1,353,000. This is primarily due to unexpected increases in the AFDC and food stamp caseloads, and increased need for day care centers. I am sure the estimates for fiscal 1970 were low in many other States for similar reasons.

I am co-sponsoring with Senator ALLOTT, an amendment which would merely apply the 115% limit in section 208 to the *actual* figures in each State for fiscal 1970, rather than the *estimated* figures. This is not inconsistent with the concept upon which section 208 is based, and I am advised that the Administration does not oppose it. I hope the Appropriations Committee will accept it.

Mr. MAGNUSON. Mr. President, as far as I am concerned, I am glad to accept the amendment. I have consulted with the Senator from Oklahoma (Mr. HARRIS) and the Senator from California (Mr. CRANSTON). They are agreeable. I yield back the remainder of my time.

Mr. ALLOTT. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado.

The amendment was agreed to.

Mr. WILLIAMS of New Jersey. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New Jersey (Mr. WILLIAMS), offers on behalf of himself and Senators RANDOLPH, MONDALE, CHURCH, PROUTY, and GURNEY the following amendment:

On page 28, line 21, strike out "\$34,000,000" and insert in lieu thereof "\$34,650,000".

On page 28, line 22, strike out "\$1,000,000" and insert in lieu thereof "\$1,650,000".

Mr. WILLIAMS of New Jersey. Mr. President, I join in support of H.R. 18515, the fiscal 1971 Labor-HEW appropriations bill.

As chairman of the Senate Committee on Aging, I wish to direct my remarks to funding matters of vital concern for our 20 million senior citizens and others affected by problems related to aging.

The Older Americans Act;

The Age Discrimination in Employment Act; and

The White House Conference on Aging.

As a sponsor of these three measures, I can well appreciate the importance of adequate appropriations to carry out the intent of Congress as expressed in authorization legislation.

Yet, in spite of a compelling call for adequate funding for programs serving the aged, a psychology of retrenchment appears to have taken hold at certain high levels of Government.

Too often the elderly have been thrust in the front ranks in the fight against inflation, although they are probably least equipped to make this sacrifice.

And too often they have been caught in a vicious economic squeeze because of

these short sighted and ill advised decisions.

Fortunately there is a bipartisan movement in Congress to help change spending priorities for older Americans.

We have made some progress. But much more remains to be done.

Today the consideration of the Labor-HEW appropriations bill can be another important step forward.

First, however, I would like to congratulate the distinguished Senator from Washington (Mr. MAGNUSON) for his outstanding leadership in bringing this well-balanced appropriations measure to the floor for a vote.

Last June the ranking minority member of the Committee on Aging (Mr. PROUTY) and I helped lead a bipartisan drive for increased funding for human investment programs for older Americans. Several of these recommendations, I am pleased to say, were approved in the Senate Appropriations Committee bill.

In July the House of Representatives approved \$32 million in funding for the Older Americans Act and the White House Conference on Aging—the same amount as requested in the administration's budget. The Senate bill raises this amount by \$2 million from \$32 million to \$34 million.

RSVP

Of particular significance for the elderly is the \$1 million in funding for RSVP—the retired senior volunteer program.

In the House-passed bill and in the administration's budgetary estimate, no appropriations were recommended for RSVP.

Established under the 1969 amendments to the Older Americans Act—which I sponsored—RSVP is designed to provide new opportunities for needed community services for persons 60 and older. This corps of volunteers would perform services in their communities without compensation, but they would be reimbursed for their meals, transportation, and other out-of-pocket expenses.

Despite the virtually unanimous endorsement for RSVP, this is the second consecutive fiscal year that no funding has been requested.

The \$1 million in the Senate committee bill can help our Nation begin to take advantage of the wealth of skills and talent with which senior citizens are so richly endowed.

Leading experts in the field of aging have estimated that perhaps 1 million older American would be willing to volunteer their services in their communities.

This is a readymade resource of talent which is still largely untapped. These volunteers are also ready, willing, and able to serve their communities. And they can be used in productive and purposeful activities, such as:

Assisting schools as lunchroom supervisors;

Playground monitors and teacher aides;

Counseling and tutoring schoolchildren;

Rendering services in hospitals and nursing homes; and

Assisting elderly taxpayers in preparing their tax returns.

## FOSTER GRANDPARENTS

Another important change in the Senate committee bill is an extra \$1 million for the popular foster grandparent program—raising the administration's budget request of \$10 million to \$11 million.

Initiated in 1965 with 21 demonstration projects, the foster grandparent program has enabled low-income persons 60 and over to provide supportive services for disadvantaged young children.

Unlike RSVP participants, these individuals are paid wages for their services. Today the program has grown to 68 projects with 183 participating institutions in 40 States. More than 4,000 foster grandparents serve 8,000 children daily and about 16,000 annually.

In my own State of New Jersey, I have personally seen the work of these devoted elderly persons. There are now more than 250 New Jerseyites providing badly needed services for approximately 1,600 handicapped, dependent, neglected, or retarded children.

At a recent visit to the Woodbine State Hospital, I was most favorably impressed by the empathy between the foster grandparents and the children—to the point where many aged persons provide additional care for the youngsters beyond normal working hours.

We do not need any more proof that this program will work. We already have abundant and compelling evidence from elderly participants, individuals served, and community leaders.

What is needed now is a realistic financial commitment responsive to the growing needs of this successful program.

## AGE DISCRIMINATION IN EMPLOYMENT ACT

With unemployment reaching its highest level in nearly 7 years, millions of workers are finding it increasingly difficult to locate jobs. Many middle-aged and older workers are denied work because of their advancing age—in spite of the fact that we have a law prohibiting such discriminatory practices.

The committee bill will, however, provide vitally needed funding for more personnel to strengthen the enforcement of the Age Discrimination in Employment Act.

An additional \$206,000 is provided for the Wage and Hour Division in the Labor Department, increasing the House appropriations from \$27,953,000 to \$28,159,000.

This \$206,000 raise in the Senate bill will be used to provide additional personnel to achieve full compliance with the provisions in the Age Discrimination in Employment Act.

Section 5 of the age discrimination law also directs the Secretary of Labor to undertake a study concerning the institutional and other arrangements giving rise to involuntary retirement.

This mandate has still not been fulfilled, although the act was passed almost 3 years ago.

The language in the committee report makes it abundantly clear that this study should be undertaken expeditiously.

This study can help provide concrete answers and solutions for numerous employment and retirement problems affecting older persons. For example, it

may tell us why the number of labor force "dropouts" for men 45 and older has increased by 2 million in the last 10 years, from 5.8 million to 7.8 million.

## DELEGATE EXPENSES FOR WHITE HOUSE CONFERENCE ON AGING

Now I would like to turn to a matter I consider crucial for improving the committee bill.

This concerns appropriations for delegate expenses for the White House Conference on Aging, to be held next November.

It is my sincere hope that this Conference will come to grips with the real issues confronting older Americans, and will produce a national policy and commitment for the elderly during the 1970's.

But to do so, the attendance and participation of older persons from all walks of life and all income levels will be absolutely essential.

Only in this manner will there be a broadly based and representative group to zero in on the problems related to aging in the United States.

As chairman of the Committee on Aging, I have found that testimony at the grassroots level by elderly persons oftentimes describes the problems more eloquently than volumes of statements by experts.

Consequently, their participation will also be essential to assure an open Conference in which they can have a major role in shaping a national policy of action for older Americans.

Yet, many older persons will be precluded from participation because of inadequate financial resources.

For these reasons, I offer an amendment to H.R. 18515 to increase the appropriations for the White House Conference on Aging by \$650,000—from \$1 million to \$1.65 million.

This additional \$650,000 would help pay the travel expenses for elderly delegates who otherwise would not be able to attend the 1971 Conference.

This is a modest increase in funding, but it is crucial for effective grassroots participation.

My concern about participation at the Conference springs partially from the findings of a recent survey conducted by the Senate Committee on Aging.

Questionnaires were sent to each State agency on aging, asking for information about overall progress on planning for the White House Conference and for preliminary conferences to be held on county and State levels early in 1971.

Many State directors admitted that they have been unable to make definite plans for selection of participants in the Conference because of uncertainty about sources of funding.

For example, the New Jersey director, Mr. Edward Donohue, said this in his letter:

An attempt will be made to send elderly participants from New Jersey to the National White House Conference of November-December 1971, provided that some means of paying their expenses can be devised. At present, it is indicated that there is no assurance of provision for Federal funds for this purpose. Therefore, we will have to wait until such time as the budget for the coming fiscal year is developed in order to see whether or not said funds can be allocated.

Much the same mood of concern was expressed by Mr. Robert B. Robinson, director of the Colorado Division of Services for the Aging and president of the National Association of State Units on Aging. Mr. Robinson's letter said:

Every effort will be made to send the elderly to the National White House Conference in Washington . . . Should the National Administration or the State Legislature not provide funds, we will have to rely on private groups and National organizations for subsidies to assist the older persons. *Unless they are involved at all levels . . . there will be limited value in the November 1971 Conference.* (Emphasis added.)

Mr. Robinson also questioned the ability of many States "with the lack of supportive funds to carry out the directives they have already received or that are in process."

Other comments about payment of expenses for elderly participants:

Mr. James R. MacKay, chairman of the New Hampshire Council on Aging, said:

We will attempt to send elderly participants to the White House Conference on Aging in Washington; however, this Agency can offer no financial support for low-income elderly to go as delegates. An effort will be made to generate local community financial support, and we hope the Congress will appropriate the funds already authorized for expenses of Conference delegates.

Mr. Charles Chaskes, executive director of the Michigan Commission on Aging, described involvement of elderly participants in the White House Conference "as an almost insurmountable problem unless Federal funds become available for this purpose."

Quenten L. Emery, acting assistant secretary for the State of Washington Department of Social and Health Services, said:

Unless Federal funds are available, our delegation will include only persons who can pay their own way or who are sent as delegates of an organization which will pay their expenses.

Mrs. K. Rose Wood, director of the New Mexico Commission on Aging, said that no State or matched funds are available to send anyone to Washington. She said:

Efforts will need to be made to insure participation of the elderly poor and those in other income groups, but it would be too bad if only people who can afford to pay their own way are delegated.

Mr. President, the problem is not limited only to States which are many miles from Washington, D.C.; State officials from as nearby as Rhode Island and Pennsylvania also do not see how representation is possible unless Federal support is available.

Moreover, by making the money available now, older persons will know with much greater certainty that they will in fact be able to attend the Conference in Washington.

In May, State White House Conferences on Aging will be held to prepare for the National Conference in November. One of the functions at these State meetings will be to select representatives or at least to formulate a policy for selection of representatives.

But if funding is not requested for delegate expenses until the next fiscal year, the States will have no assurance that money will be available at all, to say nothing of its being available in time for the Conference.

During the past 2 years, the Labor-HEW appropriations bills have been considered in the Senate in November and December. If this occurs next year, it would be impossible for the States to assure their elderly delegates that their travel expenses will be covered.

In addition, there is strong precedent for this action. Payment of delegate expenses was authorized for the last White House Conference on Aging in 1961. And I might add that the 1961 Conference led to medicare and other important measures for older Americans.

Therefore, I urge adoption of this badly needed measure to assure meaningful participation by a broadly based group of older Americans.

**ADEQUATE FUNDING NECESSARY TO INSURE ATTENDANCE OF DELEGATES TO AGING CONFERENCE**

Mr. RANDOLPH. Mr. President, I join in support of the Williams amendment to provide an additional \$650,000 for delegate expenses for the 1971 White House Conference on Aging. This additional money is needed and will be well utilized.

In my home State of West Virginia, there is genuine concern over the uncertainty of Federal support for travel expenses for the National Conference next November.

Louise B. Gerrard, executive director for the West Virginia Commission on Aging, went to the heart of the problem when she said:

We certainly will feel that the meaning of the White House Conference will be lost if a large number of elderly do not go to Washington. How to pay their expenses is a major worry. It seems to us essential that we get some Federal money for this purpose.

Funding for delegate expenses is urgently needed. If we act today to appropriate funds for fiscal 1971, delegates can be selected with assurances that they will be able to attend the Conference in Washington.

In May there will be State White House Conferences on Aging to prepare for the National Conference. One of the functions at these forums will be to select delegates to represent the States.

If we postpone action until next fiscal year for funding for delegate expenses, the States will have no assurances that money will be available for the November Conference.

Further, during the last 2 years the Senate has not acted on the Labor-HEW appropriations bills until November and December. If this should occur next year, it would be impossible for the States to assure their elderly representatives that their expenses would be reimbursed.

Participation by the elderly will be absolutely essential if this Conference is to come to grips with the real problems of the aging—income, health care, housing, employment, and many others.

Their participation will also be necessary if they are to have an influential role in formulating a national action

policy for older Americans during this decade.

I urge passage of the Williams amendment to the fiscal 1971 Labor-HEW appropriations bill.

I ask unanimous consent to have printed in the RECORD a letter from the West Virginia Commission of Aging addressed to Senator WILLIAMS.

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

WEST VIRGINIA COMMISSION ON AGING,  
Charleston, W. Va., August 10, 1970.  
Senator HARRISON A. WILLIAMS, JR.  
Chairman, Special Committee on Aging,  
Washington, D.C.

DEAR SENATOR WILLIAMS: I am pleased to respond to your request for information on our participation in the White House Conference.

Questions One and Two. Our staff is so small (two professionals on duty, plus two vacancies) that it is not possible to assign one person to White House Conference duties exclusively. At present, and for the next several months, Conference activities will take the major part of all staff time. This will mean a major part of our operating funds (staff and travel) will go for this purpose.

Question Three. We will have two forums the week of September 20 in two out of the nine regions of the state. Thirteen of the state's fifty-five counties are in these two regions.

Major responsibility for the programs (aside from Commission on Aging participation) will be given to the directors of the senior centers in the areas, plus CAP and other agencies. We have approached key organizations for participation, and chose these two regions because of the opportunity to bring low income rural elderly into the program. We will definitely go out and approach representative groups, for otherwise the hearings will have only middle income elderly. (We have almost no high income elderly.) Material gathered before and during the forums will become an important part of our state plan, giving information on needs and resources.

We will operate on a shoe string, with donated facilities, and—hopefully—with donated lunches. We are having to limit our plans because of lack of funds. Our outreach will be seriously affected because we will be unable to pay transportation expenses for low income people we particularly want to come to the sessions.

Question Four. We can make no plans to use the questionnaire until we see it. Was there adequate pre-testing with elderly of limited educational backgrounds who have had no experience with "paper work?" We want to cooperate in gathering information which will be standard across the country, and hope the questionnaire will be suitable. If it is not, we'll do something on our own.

Question Five. All funding questions lead to the same answer: we will have to make do with what we have. We expect no special state appropriation for the conferences, and there is no local money.

Our plans are not far enough along to report on the January-April conferences, although we hope to have good representation from most parts of the state. The May meeting will be part of our observance of Senior Citizens' Month, with a three-day program at a state 4-H camp accommodating 500 people over-night, and a larger number during the day. Our May, 1970 meeting was very successful, and already there is interest in the 1971 sessions. Governor Arch Moore, Jr. and Senator Jennings Randolph were at the 1970 program.

Problems? Of course we anticipate them, primarily in assuring that all relevant groups

and individuals have an opportunity to participate in a meaningful way.

Question Six. We are looking forward to receiving early Census reports, in order to bring up-to-date the material we have been using. We are cooperating with the planning office in the Governor's Office of Federal-State Relations for material being collected in other state plans bearing on our own interests. We will use national data for comparative purposes, and would appreciate getting material from AoA or elsewhere in time to develop it in our displays and hand-outs.

Question Seven. We certainly will feel that the meaning of the White House Conference will be lost if a large number of elderly do not go to Washington. How to pay their expenses is a major worry. It seems to us essential that we get some Federal money for this purpose.

Question Eight. Aside from elderly from all parts of the state and from all economic levels (see Question Seven), we would like to have representatives from public and private agencies, and for a range of organizations. Here again, to some extent, representation will depend upon the availability of funds.

Question Nine. Some of the material coming from the Administration on Aging has been helpful, but it has come in such short supply that we cannot give it the distribution it needs. I feel we have been promised more than we have gotten. We have great need for a good basic brochure on the White House Conference, yet we have none. Some of the directives in the Guidelines are unrealistic, for our state at least, particularly because of the short time span between receipt of the material and the date on which programs are to be held. And I do hope we're not being swept up in the numbers game. I felt uneasy when a report praised one region for promising that at least 60,000 would attend each state's conference during the week of September 20. We don't plan large meetings where people are counted but have no opportunity to be heard. Mass meetings are one thing, but I thought our September conferences were for people to speak up. If the groups are to be heard in clusters of no more than 30 each, as the guidelines suggest, can a state really listen to 60,000 people during the week???

We're not going to hold to the time schedule 9:30-2:30 of one of the guidelines, at least not in the proposed form. Our people will definitely want a speaker at lunch (they come from a considerable distance and look forward to a "name" speaker), and they will want a summary in order to learn what went on in the other sessions.

Question Ten. I know what some of the states are doing because of informal reports from our regional representative (who has been very helpful.) I also follow state publications and see what they are reporting. I hope to learn more at the Michigan conference this week.

Question Eleven. No, of course I'm not satisfied, but I do feel we're on the road. Preparations for the White House Conference can have real meaning in our state, helping us see where we are and what our needs are. We are using this period to bring our program to the attention of interested groups and individuals (both in public and private life), and most of what we are doing will fit in well with our state plan. I just wish we were getting more help from AoA on materials, more help from the Federal government on finances. But we'll move ahead and hope that out of all this will come a better day for older West Virginians and older Americans.

Sincerely,

LOUISE B. GERRARD, Ph.D.,  
Executive Director.

Mr. MONDALE. Mr. President, I am happy to be a cosponsor of the Williams amendment to the Labor-HEW appropriations bill.

This measure would provide an additional \$650,000 to help pay delegate expenses for the 1971 White House Conference on Aging.

One of the purposes of this Conference is to bring together persons from public and private life, including the elderly, to develop a national policy of action for older Americans.

Quite clearly, the attendance and participation of senior citizens at the Conference next November will be critical for its success.

Their full and open participation must be assured—regardless of their economic status.

Only in this manner will there be a broadly based group to focus on their pressing difficulties and the problems for tomorrow's retirees.

In my own State of Minnesota, there is a special problem for elderly persons wanting to participate in the Washington Conference. Quite frankly, most older persons would not be able to afford a 2,200 mile round trip.

There is clear authority and a compelling need for payment of delegate expenses. At the last White House Conference on Aging in 1961, there was Federal support for travel expenditures for elderly participants. And it was the intent of the authorization legislation for this coming conference to cover such expenses.

But at the State level there is much uncertainty about the selection of elderly representatives for the Conference because there is no assurance that funding will be available.

In her response to the Committee on Aging questionnaire, Mrs. B. C. Leadholm, chairman of the Governor's Citizens Council on Aging in Minnesota, described this difficult problem.

Certainly, efforts will be made to send older persons as participants to the National White House Conference on Aging. However, the number who might attend will depend on funds that might be available and the resources of the older persons themselves. . . . Private funds are not available.

Passage of the Williams amendment would remove much of this doubt. Older persons would know with much greater certainty that they will be able to attend the National Conference.

The additional \$650,000 provided in the Williams amendment is a modest increase in funds. But it is badly needed to assure meaningful participation by a broadly based group of older Americans.

Mr. President, I urge acceptance of the Williams amendment.

I ask unanimous consent to have printed in the RECORD a letter I received from the Governor's Citizens Council on Aging.

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

STATE OF MINNESOTA, GOVERNOR'S  
CITIZENS COUNCIL ON AGING,  
St. Paul, Minn., August 19, 1970.

HON. HARRISON A. WILLIAMS, Jr.,  
Chairman, Special Committee on Aging,  
U.S. Senate, Washington, D.C.

DEAR SENATOR WILLIAMS: The following information is submitted in reply to your letter of July 24th:

1. No operating funds have been designated for White House Conference planning or activities. The costs to be considered are stationery, postage and staff time which currently we estimate would be between \$15,000.00 and \$20,000.00 per annum.

2. One person on our staff has been designated as the Coordinator for White House Conference Planning. The amount of time to be spent will be a minimum of half time. Three Field Coordinators on Aging are active in promotion in their particular regions of the state and will be devoting a portion of their time to White House Conference activities and planning.

3. Older American White House Conference community forums will be held in eleven officially designated regions of the state the week of September 20. No money is available for the conducting of these forums and expenses will be covered in local communities. We are promoting meetings of small groups of older persons who are members of Senior Citizens Clubs, Senior Centers and other groups of older persons. Dozens of these small "warm up sessions" will be held prior to the week of September 20th.

State Task Forces will be established in each major area of concern. This material will be used in re-defining and redeveloping our State Plan. The elderly will be encouraged to participate in local forums, regional forums, on various committees and task forces, including the White House Conference Planning Committee and the Advisory Committee to the Governor's Council on Aging.

Outreach efforts were planned by using the questionnaire, which would provide an opportunity for homebound persons and those not attending the forums to participate. However, this use of the questionnaire has now been discouraged by the White House Conference Planning Committee.

4. The use of the questionnaire in our state will depend on the questionnaire itself. It could be helpful to the State Legislature which convenes in January 1971. It could also be helpful to local groups in their planning efforts. The information gathered from the questionnaire could also be valuable in development of the State Plan.

5. No funds are available for funding of Community White House Conferences in the Spring of 1971. The State White House Conference will be held as part of our 13th Annual Institute on Aging at Gustavus Adolphus College, St. Peter, in May or June of 1971. This Institute is sponsored jointly by the Council, Gustavus College and Lutheran Brotherhood Insurance Society. One of the objectives of these conferences will be to report back to communities and community leaders the findings of the September forums, as well as material prepared by the State Task Forces and material made available from the White House Conference on Aging staff in Washington, D.C.

6. All statistical data that is available from the census and other sources will be used. However, we find studies are not possible with present resources.

7. Certainly, efforts will be made to send older persons as participants to the National White House Conference on Aging. However, the number who might attend will depend on funds that might be available and the resources of the older persons themselves. The Governor's Citizens Council on Aging is not disposed to seek state funds since the conference was initiated and called at the Federal level. Private funds are not available.

8. Representation at the conference will depend on the number of delegates allowed our state and on those persons nominated by whoever is Governor in our state after the election this Fall.

9. A series of directives from the Administration on Aging are of excellent quality. Recent discussions at regional meetings have also been most valuable.

10. We are somewhat aware of what other states are doing but not as knowledgeable as we would like to be.

11. We are generally not satisfied with the rate of progress. Endless delays have been encountered and some material is still in draft stage. We are very upset by the fact that the questionnaire will not be made available prior to September 1st and that the use of it is being so restricted. The directions for planning and programs for the conference seem too detailed in light of the fact that no money is being made available to states for such purposes.

Notwithstanding many frustrations, the Governor's Citizens Council on Aging is committed to maximizing whatever opportunities exist in relation to the White House Conference on Aging in order to advance the interests of older persons.

Sincerely yours,

Mrs. B. C. LEADHOLM,  
Chairman.

Mr. CHURCH. Mr. President, I support the Williams amendment to increase funding for the 1971 White House Conference on Aging from \$1 to \$1.65 million.

This additional \$650,000 would help pay the travel expenses for elderly delegates to the National Conference next November.

When the White House Conference on Aging legislation was considered in 1968, it was contemplated that the total authorization of \$1.9 million for the Conference would include approximately \$650,000 for delegate expenses.

Without such assistance, many older Americans will not be able to attend—particularly low-income persons or individuals who would be required to travel great distances.

In my State of Idaho, older persons will be required to travel nearly 2,500 miles to participate in the Conference. This will, of course, require a substantial outlay, which persons living on fixed incomes could not hope to undertake.

However, participation by the elderly will be essential for the success of the Conference. Their attendance will also be indispensable if the Conference is to be truly open and representative of older Americans from all sections of our Nation. And, their participation will be necessary if they are to have a meaningful role in formulating a national action policy in the 1970's for senior citizens.

The need for Federal funds to help pay delegate expenses has been stressed in responses to a questionnaire sent by the Committee on Aging to State units on aging.

For example, Mr. Herb Whitworth, director of the Idaho Department of Special Services, aptly described the problem when he said:

We need to know what funds will be available from the Federal level for participation in the White House Conference activities . . .

The Idaho Office on Aging now plans on sending 12 representatives, including eight elderly delegates, to the White House Conference on Aging.

But unless money is made available for this fiscal year, these senior citizens will not know with certainty whether their expenses will be covered.

For these reasons, I enthusiastically support the Williams amendment to the 1971 Labor-HEW appropriations bill.

Mr. MAGNUSON. Mr. President, I understand this conference is to be held in November 1971.

Mr. WILLIAMS of New Jersey. The Senator is correct.

Mr. MAGNUSON. Mr. President, I think this is for a very good purpose. I suspect that the reason they did not do this was because it looked as if it was too far in advance of the time we were holding the hearings.

The Senator now wants assurance that the money will be provided. I think that it is a good amendment. I hope that the Senator from New Jersey will see that this money is still there in November 1971. There has been a great tendency when we appropriate some money to use it up. Then we do not have it for the designated purpose despite the fact that Congress appropriated the money. They say that they will not spend it on anything else. No one can check on where the money is.

I hope that the Senator will watch this money and see that it is there.

We have had too many experiences in which they have done this. It gets down there to the Treasury and there it is.

I suspect that they will use it up to that time, but I want to be sure that it is there when they have to bring these people back.

As I understand it, these people are selected by organizations in the States and by perhaps State officials who are involved in the problems of the aging in their State.

Mr. WILLIAMS of New Jersey. The Senator is correct.

Mr. MAGNUSON. How many usually attend?

Mr. WILLIAMS of New Jersey. There will be approximately 1,700 or 2,000.

Mr. MAGNUSON. So the State representation would be a combination of non-profit organizations or State officials and I suppose perhaps in some cases those who were interested, maybe from the medical professions or people of that kind.

Mr. WILLIAMS of New Jersey. The Senator accurately describes the representation from the various States.

The Senator knows that there are many organizations of senior citizens. This is a fertile area from which to draw representation. The State governments have representatives, and other citizens will be appointed to come who are unaffiliated.

Mr. PROUTY. Mr. President, I understand that the amendment simply provides for the expenses of delegates to the White House Conference on the Aged.

Mr. WILLIAMS of New Jersey. The Senator is correct.

Mr. PROUTY. Mr. President, I appeared before the committee in support of the amendment and am a cosponsor.

Mr. WILLIAMS of New Jersey. Mr. President, I yield back the remainder of my time.

Mr. MAGNUSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey.

The amendment was agreed to.

AMENDMENT NO. 1076

Mr. HARRIS. Mr. President, I call up amendment No. 1076 and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Oklahoma (Mr. HARRIS) offers an amendment as follows:

On page 38, beginning with line 12, strike out through line 18.

On page 38, line 19, redesignate section 209 as section 208.

Mr. HARRIS. Mr. President, I ask unanimous consent that all of the cosponsors listed on the amendment, together with an additional cosponsor, the distinguished Senator from South Carolina (Mr. HOLLINGS) be listed in the RECORD at this point.

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

The cosponsors of the amendment are as follows:

Mr. HARRIS, Mr. CRANSTON, Mr. TALMADGE, Mr. RIBICOFF, Mr. BROOKE, Mr. MONDALE, Mr. JAVITS, Mr. BAYH, Mr. EAGLETON, Mr. GORE, Mr. GOODELL, Mr. GRAVEL, Mr. HART, Mr. HATFIELD, Mr. HOLLINGS, Mr. HUGHES, Mr. INOUE, Mr. KENNEDY, Mr. MCCARTHY, Mr. MCINTYRE, Mr. MCGOVERN, Mr. NELSON, Mr. PELL, Mr. PERCY, Mr. RANDOLPH, Mr. WILLIAMS of New Jersey, and Mr. YARBOROUGH.

Mr. HARRIS. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. HARRIS. Mr. President, I speak in support of amendment 1076, which I have introduced with Senators CRANSTON, RIBICOFF and others, to amend H.R. 18515, the Labor, HEW appropriation bill. This amendment has bipartisan support and is sponsored by 26 Senators. Amendment 1076 would strike section 208 of that bill, which limits Federal payments for fiscal year 1971 to any State for services, staff training and administrative expenses payable under titles I, IV(A), X, XIV, and XVI of the Social Security Act to 115 percent of the amount actually expended for that State for fiscal year 1970.

These limitations would cut down programs affecting the aged, the blind, the permanently and totally disabled, and needy families with dependent children.

This flat limitation of funds to a low percentage increase over the 1970 expenditure ignores the reality of the expanding need for appropriations in this area. States are faced with increased case loads in 1971, due to rising unemployment and overall welfare trends. This week HEW Secretary Elliott L. Richardson pointed out the current explosion of caseloads and costs, which have gone up 20 percent in the last year. Caseloads in the States of Washington, Oregon, and Texas have skyrocketed by more than 50 percent this year. As the number of cases show dramatic increase, administrative costs will have to keep pace with the number of welfare clients, or a mass breakdown in servicing cases will be inevitable. Obviously, the 15-percent growth limitation written into section 208 will not suffice to cover these administrative costs alone, to say nothing of improving and increasing the scope of

needed social services authorized under the Social Security Act.

Administration figures on estimates from the States and territories submitted last May as to fiscal year 1971 programs indicate that a total of \$150 million in social services, staff training and administrative costs will be jeopardized due to the effect of section 208. In my own State of Oklahoma, the amount of \$1,793,000 would be cut. The combined factors of unemployment and inflation have taken their toll since these estimates were made, and the latest State estimates for fiscal year 1971 show a \$211 million shortage in funds available to the States. Almost all States will fall short of having the necessary funds to carry out planned programs, training, and administration. This will be of particular harm to States which have been slow to develop programs, but at this time are expanding their services. The report of the committee on appropriations argues that disparity between the States in welfare services will result if the open-ended appropriation is not closed by section 208. The limitation would, rather, freeze any disparity now in existence, since those States with inadequate programs could not catch up with the limited increase allowed.

Mr. President, what is really important is the human need behind the statistics. Section 208 would not allow sufficient funds to administer current programs in many instances. Significant social services will be limited, including day care, employment counseling and family planning. Without adequate social services, such as day care and employment counseling, willingness to work can be a hollow shell. A recent study from the Department of Health, Education, and Welfare found that 44.5 percent of mothers on welfare in 1968 had high employment potential, due to education or previous job experience. Four out of five expressed an immediate desire to get a steady job. However, 80 percent of these willing potential workers were prevented from working due to a lack of child care facilities. Day care is a social service authorized under title IV(A) of the Social Security Act to families receiving AFDC payments, as well as to former and potential recipients. The enactment of section 208 will make provision of these services highly unlikely, and will help to keep willing workers unemployed. This is false economy of the worst kind.

In placing a ceiling on services to the aged, blind, disabled, and needy, we would be striking at those who have no other hope. A moral sense of basic priorities cries out against a decision based solely on dollars and cents.

Those most closely connected with delivering welfare services have joined in opposition to section 208. The National League of Cities, the AFL-CIO, the Conference of Governors, and the American Public Welfare Association have all taken a position against the provision. Their opposition is based on the realization that the limitation of Federal funds would place a burden on many States which they will not be able to assume, or would severely penalize many poor people in this country.

A number of States have initiated programs based on current levels of fund matching, not anticipating that severe restrictions might be imposed on Federal contributions. These States will have to cancel social services, or look to already overtaxed State revenue sources to fill the gap. Cancellation or curtailment of sorely needed services will leave program recipients even more frustrated than they now are. Section 208 of H.R. 18515 is a step backward, when we should go forward.

I urge that it be stricken.

Mr. President, I am pleased to yield to the Senator from California (Mr. CRANSTON) who has really done yeoman service in putting this matter together in attempting to strike this bad provision from the bill.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. CRANSTON. Mr. President, I rise to explain and urge support for amendment No. 1076 to delete section 208 from the committee-reported H.R. 18515, the Labor-HEW Appropriation Act.

I submitted this amendment Wednesday along with the Senator from Oklahoma (Mr. HARRIS) and a bipartisan group of 24 other Senators in order to eliminate the arbitrary 115-percent limitation which the committee-reported appropriation act seeks to impose on Federal grants to States for administration, training, and social services for all welfare programs. If adopted, the amendment would restore the open-ended nature of the Federal share for these programs established by the Congress in the Social Security Act.

This amendment is being taken up in lieu of amendment No. 1070, submitted by Senators HARRIS and RIBICOFF on November 17.

Before getting to the substance of this amendment, I want to express my deep appreciation to Senator HARRIS, Senator MONDALE, Senator TALMADGE, Senator BROOKE, and Senator JAVITS for their special help in gathering support for this amendment.

The background of the situation now before the Senate is as follows:

Under the Social Security Act, grants are made to the States for the cost of State and local administration of welfare agencies, for training of staff administering public assistance programs and preparing for employment in these agencies, and for social services for recipients—including day care, job counseling, homemaker services, employment and housing placement assistance, family planning and alcoholic and drug abuse rehabilitation. The act also provides for the development and implementation of a program of family services and child welfare services in support of welfare recipients and to assist former and potential welfare recipients in staying off welfare.

Under the act, all individuals wishing to make application for aid are guaranteed the right to do so, and the act requires that the aid be furnished with reasonable promptness to all eligible individuals. At this time of rising unemployment, and in the aftermath of the Supreme Court ruling invalidating resi-

dency requirements for public assistance, many States—including California—have been experiencing significant increase in new applications for assistance. Such increases are in turn escalating administrative costs for personnel to engage in determining and validating eligibility, programs management, and monthly payments to millions of recipients.

According to the President's own budget request:

The purpose of the grants for social services is—to enable each State, as far as practicable under the conditions existing in the State, to furnish rehabilitative and other services to recipients and potential recipients to help them maintain and strengthen family life and to attain or retain capability for maximum self-support, self-care and personal independence.

This puts it about as well as anyone can.

In the President's fiscal year 1971 budget, there was included a 110-percent freeze on the Federal share of welfare supportive costs—administrative, social services and personnel training expenses for all welfare programs—old age assistance, aid and medical assistance to the blind and disabled and AFDC—with authority in the Secretary of Health, Education, and Welfare to make exceptions, under certain circumstances. The House quite properly rejected this provision, but the Senate Appropriations Committee, at the request of the administration, inserted a compromise limitation—raising the ceiling to 115 percent and eliminating the exception language.

The administration submitted data to the Senate Appropriations Committee purporting to show the likely State-by-State effect of the 115-percent limit and asserting that under that limit 40 States would receive 90 percent or more of their spending requirements in these categories for fiscal year 1971. As I shall seek to demonstrate, these figures are extremely understated and unreliable.

In view of the fact that eligibility for aid and services is expressly open ended under the Social Security Act. Any limitation on Federal support for administration, training, and social services to carry out a State plan is clearly inconsistent with the basic purposes of the Social Security Act and with our desire to provide effective programs to assist welfare recipients in becoming independent—a purpose so well stated in the sentence from the President's budget which I have just read.

A major impact of the proposed limitation would fall on those States—such as Pennsylvania—which are planning to expand their services to bring them into line with current caseload demands. Under the proposed limitation, the burden of such necessary expansion would fall on already overextended State and county taxpayers.

In fact, the administrative as well as the supportive services monies are specifically targeted at keeping down the public assistance rolls by: First, seeking to assure the even-handed administration of public assistance regulations and the avoidance of administrative errors, and second, identifying programs and

moneys specifically aimed at moving welfare recipients off the welfare rolls into employment and providing services which are "welfare preventive" for those most in danger of needing welfare.

In addition to States seeking to expand their administrative welfare support, the burden of the freeze now proposed will also be borne by States—such as California—which are already expending substantial funds for administrative and supportive services but which can anticipate an overall welfare cost increase in fiscal year 1971 of well in excess of 15 percent. In California, the rate of increase could go as high as 25 percent.

In Los Angeles County, for example, the county board of supervisors estimates that the 115-percent ceiling will throw another \$6 million on already hard-pressed county and State taxpayers. And the comparable figure for San Diego County is predicted to be almost \$3 million. In Kern, Merced, and Tuolumne Counties, and Bakersfield, Calif., welfare costs have been rising at a rate of 22 to 30 percent. I have received letters of strong opposition to the ceiling from the following 29 California county boards of supervisors:

Alameda, Butte, Contra Costa, Del Norte, Glenn, Kern, Lake, Lassen, Los Angeles, Mariposa, Merced, Modoc.

Placer, Plumas, Orange, Nevada, San Bernardino, Santa Cruz, San Diego, San Joaquin, San Luis Obispo, San Mateo, Shasta, Siskiyou, Solano, Tuolumne, Yuba, and Yolo.

None of these jurisdictions has the available property tax base to raise the extra local share of funding without great hardship to already hard-pressed taxpayers if this arbitrary limitation is imposed. In light of the reforms proposed by the administration in its innovative family assistance plan, it is particularly incongruous for the Federal Government to adopt a position of preventing the initiation of much-needed improvements in State and local programs which would enable them better to meet these new demands.

Moreover, the Social Security Act in effect makes a pact with States and their local welfare programs for the Federal share of administrative as well as supportive expenses to be open ended and to be governed by the extent of State expenditures and payments. To default on this obligation in midfiscal year would cause absolute havoc throughout the land.

One crucial fact that must be recognized is that most administrative and services costs are in effect mandated on States under HEW regulations as part of their statutorily required State plan. There will thus be little choice for most States but to raise more revenue from already hard-pressed sources to cover at least basic administrative costs. Most likely to suffer—if there is any flexibility—are the very antiwelfare and welfare-preventive programs I alluded to earlier. The States will just have to accept the cost if the welfare system is not going to breakdown.

Under the 115-percent limitation, the typical State's share of total spending

will probably increase at least 25 percent in fiscal year 1971, and if the freeze were continued, for fiscal year 1972, another 25-percent raise in the State share is predictable. Under these conditions, total State spending by fiscal year 1972 would have increased about two and one-half times given present welfare growth patterns.

Bringing about such a drain on already overextended State and local resources seems a strange proposal for an administration which so strongly champions revenue sharing and a family assistance plan increasing Federal financial responsibility in this area. Rather, the administration's proposed 115-percent limitation in section 208 is a blueprint for "reverse revenue sharing."

Mr. President, I will conclude my remarks with a brief analysis of the administration-supplied State-by-State impact data on which the Appropriations Committee based its decision to recommend imposition of the 115-percent ceiling. That data appears to have been clearly biased toward the administration point of view for the following reasons:

First, early estimates of State-spending requirements for administration, services, and training—the types which were presented to the committee, and which formed the basis of administration arguments—have tended, historically, to be notoriously inaccurate and conservative. For example, the States' May 1970 estimates of their 1970 spending underestimated the actual 1970 costs by about 15 percent. Yet, these May 1970 estimates formed the basis for the States' fiscal year 1971 estimates submitted at the same time.

Second, recent year-to-year increases in spending in these accounts have been far above 15 percent per year. The administrative component of these costs has been increasing faster than the services component. Administrative costs—which are almost entirely a function of caseload size—have been rising phenomenally in the most recent 6 months due to rapid, uncontrollable increases in the costs of administration and services.

For example, from fiscal year 1969 to fiscal year 1970, total costs nationwide increased 36 percent; the administrative component of these costs increased 38.3 percent; the service component 34 percent. For 27 States the fiscal year 1970 increase in expenditures for administration, training, and services was between 32.5 and 135.5 percent over fiscal year 1969.

The administration, based on these demonstrably understated fiscal year 1971 estimates, has projected a shift to the States of \$150 million in welfare supportive costs. However, merely by projecting into fiscal year 1971 the nationwide rate of increase—36 percent—experienced in fiscal year 1970 over fiscal year 1969 experience, a fair, and, even then conservative, estimate of the shifted burden to the States would be \$187 million. I say conservative because, as I have noted, the rate of increase over the last 6 months—the fastest growth in history according to HEW Secretary Richardson—has been even greater than the 36-percent fiscal year 1970 rate of increase.

Projecting into fiscal year 1971 this conservative fiscal year 1970 growth rate for these cost categories, we find that under the proposed 115-percent limitation 45 States would receive less than their fiscal year 1971 requirements, and 39 of these States would experience cost increases in their State share of expenditures ranging from 30 to 150 percent in fiscal year 1971, with the State expenditure share for the median of these 39 States increasing 63.6 percent.

Looking at this another way, under these projections, 34 States would lose at least one-half million dollars in Federal funds.

However, the real point seems to be that no one can at this point estimate the fiscal year 1971 State expenditures with any degree of accuracy. The States' latest revised projections, taking into account fiscal year 1970 actual experience, projections which HEW has not released, show a total switch to the States of \$211.5 million and that 29 States would lose a half million Federal dollars or more.

To give a clear picture of the great uncertainties surrounding these three sets of estimates and therefore the overall effect of the proposed 115-percent limitation, let us look at the projected loss of Federal funds under the freeze for eight States in fiscal year 1971:

State	State May 1970 fiscal year 1971 estimate	Projection of fiscal year 1970 increase into fiscal year 1971	State revised fiscal year 1971 estimate
Minnesota		\$8,352,000	\$2,357,000
Georgia	\$5,478,000	2,285,000	5,012,000
California	38,605,000	25,982,000	78,700,000
New York		35,361,000	16,515,000
Washington	4,520,000	20,832,000	4,249,000
Pennsylvania	59,874,000	5,069,000	29,202,000
Colorado		5,577,000	826,000
North Carolina	659,000	4,779,000	

Mr. President, what we have here is a counterproductive provision which, without rhyme or reason, threatens to impose intolerable tax loads on the already hard-pressed taxpayers of most States and localities or to greatly disrupt administration and provision of services—and therefore the effectiveness—in most welfare programs. This freeze also will stifle in administration and services in those States now relatively deficient in allocation of resources and energies to those categories.

That is why this amendment is strongly supported by the National League of Cities—U.S. Conference of Mayors, the Governors' Conference, the AFL-CIO, and the Public Welfare Association of America.

I ask unanimous consent that recent letters to me from the Mayors and Governors Leagues be printed in the RECORD at this point.

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

NATIONAL GOVERNOR'S CONFERENCE,  
Washington, D.C., November 18, 1970.  
HON. ALAN CRANSTON,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR CRANSTON: I understand that you will be offering an amendment to

delete Section 208 of H.R. 18515, the Department of Labor and Health, Education, and Welfare and Related Agencies Appropriation Bill, 1971. Many Governors have indicated that if Section 208 is enacted it would be extremely costly to their State by decreasing the federal participation in state costs of administering welfare and providing social services. They therefore support efforts to delete Section 208.

I have attached information which indicates the fiscal impact on each State if Section 208 is enacted.

Sincerely,

ALLEN JENSEN,  
Special Assistant.

Estimates of the loss to States under section 208 of H.R. 18515 of Federal share of State and local expenditures for income maintenance administration, social services, and State and local training

(From information provided to HEW in August 1970 and in the case of some States as indicated\* estimates made by States in November 1970)

States:	Loss Estimates
*Alabama	\$1,449,000
Alaska	566,000
Arizona	0
Arkansas	0
*California	78,700,000
Colorado	826,000
Connecticut	0
Delaware	0
District of Columbia	0
*Florida	4,397,000
Georgia	5,012,000
Guam	26,000
Hawaii	1,237,000
Idaho	376,000
*Illinois	7,413,000
Indiana	0
Iowa	906,000
Kansas	1,129,000
Kentucky	0
Louisiana	2,292,000
Maine	0
Maryland	5,589,000
Massachusetts	0
Michigan	15,374,000
Minnesota	2,357,000
Mississippi	0
*Missouri	2,884,000
*Montana	81,000
Nebraska	878,000
*Nevada	591,000
New Hampshire	534,000
New Jersey	3,113,000
New Mexico	0
New York	16,515,000
North Carolina	0
North Dakota	14,000
Ohio	1,623,000
Oklahoma	0
*Oregon	2,274,000
Pennsylvania	29,202,000
Puerto Rico	568,000
Rhode Island	0
South Carolina	0
South Dakota	0
Tennessee	2,304,000
*Texas	6,102,000
Utah	0
Vermont	0
Virgin Islands	8,000
Virginia	810,000
Washington	4,249,000
West Virginia	2,189,000
*Wisconsin	7,074,000
Total	211,478,000

EXAMPLES OF SOCIAL SERVICE PROGRAMS THAT MAY BE CURTAILED IF SECTION 208 OF H.R. 18515 IS ENACTED

MISSOURI

Section 208 would mean the complete elimination of several large proposed day care projects under Model Cities and other

auspices. The state welfare agency, for more than a year, has been working with the Model City agencies in St. Louis and Kansas City, and in both areas they are at this moment ready to establish rather large day care projects in the slum areas of the two cities. The total federal funds which they expected to receive for the first fiscal year for expanding day care facilities so that ADC mothers could be trained for and accept employment would be \$3,992,813.00.

## FLORIDA

The following special projects in Florida are being funded through the public assistance titles and in all probability it would be necessary to cancel these projects if the proposed legislation becomes law:

Model State Project—Jacksonville	\$354,445
Pearson Project—Day Care—Jacksonville	90,750
Family Aid Project—Jacksonville	100,883
Homemaker Project—District 3	50,560
Youth Opportunity Coordinator Project	16,845
Tampa Child Care Project—Tampa	57,609
Comprehensive Service Delivery System—West Palm Beach	254,987

NATIONAL LEAGUE OF CITIES,  
U.S. CONFERENCE OF MAYORS,  
November 18, 1970.

HON. ALAN CRANSTON,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR CRANSTON: On behalf of the National League of Cities and the U.S. Conference of Mayors, we urge the deletion of Section 208 of the pending Department of Health, Education, and Welfare Appropriations Bill (H.R. 18515). This section would limit increases in Federal payments for social services, staff training and administrative expenses (Public Assistance Titles I, IV-A X or XIV of the Social Security Act) in fiscal 1971 to 115 percent above the amount allocated in fiscal year 1970. Presently these Titles have "open end" accounts which are a source of funds for vital ongoing programs within our cities providing for: the treatment of alcoholics and narcotics addicts; services assisting the mentally ill and retarded to their homes from institutions; services which assist the elderly in finding housing, medicare and other community resources. These Titles also provide funds for other human resource services including family planning, day care and childhood educational services. In addition, these Titles provide the only funds specifically targeted for programs which are "welfare preventive"—since the funds are directed toward securing employment for those individuals who are about to be added to the welfare rolls.

Another potential impact that has caused concern to be expressed by many mayors throughout the country is the adverse effect the proposed limitation will have on the Model Cities Program. You are no doubt aware that the limitation came up in the House earlier this year but was rejected by that body due to concerted action on the part of local officials and other concerned groups. The threat to the Model Cities Program by the limitation at that time impelled HUD Assistant Secretary Floyd Hyde to write to Patricia Hitt, Assistant Secretary for Community and Field Services for HUD, to express her "grave concern over the adverse effect Section 208 would have on the Model Cities Program."

We concur with Assistant Secretary Hyde's conclusion in his memorandum:

The passage of Section 208 of the HEW Appropriations Bill would reduce the effectiveness of the Model Cities Program by substantially decreasing HEW involvement in a key program area. It would disrupt patterns of interagency cooperation and coordination which have been carefully nurtured in

local communities. Furthermore, it would inhibit the development of service programs which would serve as vital support mechanisms for any future Family Assistance legislation.

Some states have already announced to city officials that if Section 208 remains in the bill all of the presently funded programs will have to be renegotiated and probably discontinued. Estimates indicate the proposed limitation would force states to reduce social services by one-fourth in the next two years, while the costs of administration of public assistance will be rising 90 percent. These announcements coupled with the new evidence that an increasing number of welfare families are moving to our cities cause many city officials to express concern as to how needed services will be provided to our citizens if the limitation is retained.

Again, on behalf of the nation's mayors, we ask you to do what is necessary in removing this drastic proposed limitation on the costs of programs outlined above which continue to provide needed services to citizens within our cities throughout the country.

Sincerely,

JOHN J. GUNTHER,  
Executive Director, U.S. Conference  
of Mayors.

PATRICK HEALY,  
Executive Vice President, National  
League of Cities.

MR. CRANSTON. Mr. President, section 208 is not an economy move. It is ax-wielding. I urge all of my colleagues to resoundingly reject it by supporting this amendment to delete it, with its 115-percent ceiling, from the bill.

MR. HARRIS. Mr. President, I ask unanimous consent that the name of the Senator from Oregon (Mr. HATFIELD) be added as a cosponsor of the amendment.

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

MR. YARBOROUGH. Mr. President, will the Senator yield?

MR. HARRIS. I yield the floor to the Senator from Texas.

MR. YARBOROUGH. I thank the Senator.

THE PRESIDING OFFICER. The Senator from Texas is recognized.

MR. YARBOROUGH. Mr. President, as one of the cosponsors of the amendment, I wish to point out that 27 of the 50 States would be adversely affected if section 208 is left in the bill. It was not in the House bill. The States that were slow to implement will be penalized and that includes a majority of the States.

As a cosponsor of the amendment to delete this general provision from the Labor-HEW appropriations bill, I urge my colleagues to support us in this action which is designed to preserve social rehabilitation programs across the country. We should continue to adequately assist the States in their efforts to extend programs to the disadvantaged people of our Nation.

If we allow section 208 to take effect, it would place an arbitrary ceiling on the amount of money that the Federal Government could contribute toward State expenditures for the administration, training, and social services which are connected with their public welfare programs such as old-age assistance, aid to the blind, aid to the disabled, and aid to families with dependent children. Under section 208, the Federal grant for admin-

istrative expenses during fiscal 1971 would be limited to 115 percent of the aggregate amount spent by each State during fiscal 1970 for these purposes. This means that each State would be allowed an increase of only 15 percent over the 1970 allotment regardless of their individual needs. Perhaps the objective of this sort of standardization is noble, but the effects could be catastrophic in a large number of our States.

Although the arbitrary 115 percent would have serious implications in all but 23 of the 50 States, the consequences for the State of Texas and its citizens would be particularly harsh. There has been a "caseload explosion" in my home State. For example, the number of cases under the aid to families with dependent children has more than doubled during the past 2 years from 31,587 families to 71,209 families. The number of recipients under the program is presently increasing at a rate of 8,000 persons per month.

There are those who will argue that section 208 is merely aimed at cutting unnecessary administrative costs. While this is a commendable goal, it must be recognized that it is the people in need of expanded programs of social service who would suffer the most from the penny wise and pound foolish ceiling on Federal matching funds.

Under section 208, the State of Texas stands to lose \$6.1 million in Federal money which is required to finance administrative, training, and social service programs in fiscal year 1971. This financial burden would force the elimination or substantial curtailment of day-care education, family planning, and consumer education programs in Texas which are presently either operating or planned in the cities of Houston, Dallas, Edinburg, San Antonio, Crockett, Laredo, Eagle Pass, Texarkana, El Paso, Tyler, Plainview, Galveston, Austin, Waco, Orange, and Beaumont. Many of these programs in Texas are still in their embryonic stage and must not be left to perish for lack of Federal support.

We in the Congress cannot expect the States to expand programs designed to rehabilitate the poor, if we insist on depriving the States of the financial support which is necessary to implement these programs. Promises have been made that should not now be repudiated. I urge my colleagues in the Senate to support this proposed amendment which would delete section 208 from the Labor-HEW appropriations bill.

MR. MAGNUSON. Mr. President, I think I made a fairly complete statement about the history of this amendment earlier today. I expressed the personal feeling that I do not like a flat percentage, but I would say that we have to do something and I hope the Committee on Labor and Public Welfare will take a very close look at this and that this not be kept open. I know the Governors are all very concerned about this. Naturally, they are. Anything that costs them money they are against. I do not blame them because all the States are pretty well strapped for money.

I thought the amendment of the Senator from New Hampshire (Mr. COTTON) was a pretty good compromise on this

matter, but in view of the fact that the Cotton amendment was rejected I am going to vote for this amendment. We could have accepted it and the Senator could withdraw the request for a roll-call vote, but I think some Senators would like to vote against it.

That is my position. It is a little difficult for me, after the committee worked long and hard, and I did not particularly favor this ceiling. As a matter of fact, it was 110 percent when it started out.

Mr. HARRIS. Mr. President, I am grateful to the Senator from Washington for expressing his willingness to support this amendment. I appreciate what is attempted to be accomplished by this provision we hope to have stricken.

I repeat on the floor of the Senate what the distinguished chairman of the Committee on Finance said earlier. The committee that has jurisdiction over the substantive law in this field. The chairman of that committee said that we will be quite happy to hear any statement from the Secretary of Health, Education, and Welfare. I am a member of the Committee on Finance.

If there is need for additional help to cut down on what it is felt are unnecessarily high costs in these areas, we will be open to any suggestion he has, but as of now the case is unproved and this is not the way to go about it.

Mr. President, I hope the amendment is agreed to.

The Senator from California addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. I yield the Senator such time as he may require.

Mr. CRANSTON. Mr. President, I thank the Senator from Washington for his very helpful approach on this amendment and for his willingness to accept it. I am very grateful to the Senator. I thank the chairman of the committee for his thoughtfulness and for his courtesy throughout the day even when we have been on opposite sides. He has been thoughtful and generous. I also thank the Senator from Oklahoma for his help and his cooperation throughout this effort. Actually, a team of us worked together on this matter, including Senators MONDALE, TALMADGE, BROOKE, JAVITS, RUBINOFF, and others. The Senator from Oklahoma (Mr. HARRIS) who had a similar amendment, in which he was joined by the Senator from Connecticut (Mr. RUBINOFF) was generous in merging his amendment into my No. 1076.

Many, many people around the country have joined in this effort, and it is most satisfying that we are now about to have this amendment adopted.

Mr. BROOKE. Mr. President, I am pleased to be a cosponsor of the amendment, introduced by my distinguished colleague, the junior Senator from California, and others.

I can certainly appreciate the concern of the administration and of the Appropriations Committee that the costs of administering welfare programs be held to an absolute minimum: I do not believe there is anyone in this body who would question this worthwhile objective.

But many of us do have legitimate questions over the means, particularly when we consider the extremely harmful effects which section 208 of the bill, as presently drafted, would have on many of our States. I, for one, would have no difficulty in supporting a limitation on expenditures if the Secretary of HEW were given discretion to make exceptions in cases of great hardship.

In the Commonwealth of Massachusetts, for example, the State welfare agency has just begun to assume responsibility for administering a variety of welfare programs. Previously, these were administered by the local governments. In such a situation the service, training, and administrative costs are quite naturally increasing at a rapid rate. Yet if the committee amendment prevails, the Commonwealth of Massachusetts will not be able to spend any more in fiscal 1971 than 115 percent of the amount which it spent in fiscal 1970—when most of the costs were borne by the local governments.

According to the administration's own figures, Massachusetts would be set back nearly a million dollars under the proposed limitation. If, however, one projects a similar rate of increase in the State's burden for fiscal year 1971 as was sustained in 1970, then the Commonwealth of Massachusetts stands to lose \$3.5 million, an amount which it can ill afford.

The Federal Government has encouraged, promoted, and largely funded this great program for many years. I sincerely hope that an arbitrary ceiling will not be imposed at this time, but rather, that such matters will be left to the Finance Committee which presently is considering a complete reorientation of our entire national system of social welfare.

For these reasons, I urge the adoption of the Harris amendment, deleting section 208 from the bill.

Mr. HART. Mr. President, at a time when we are trying to improve public assistance programs, at a time when we want to emphasize training programs to prepare people for employment, it makes no sense to set arbitrary limits on Federal participation in welfare programs which undermine the effectiveness of these efforts.

Equally important, to change the rules of matching-fund agreements with States this late in the fiscal year can be described only as fiscal irresponsibility.

And yet that is what section 208 of the appropriations bill for the Department of Health, Education, and Welfare would do.

The section provides that Federal matching funds for administration, services and training in public assistance programs be limited to 115 percent of actual expenditures for these programs last fiscal year.

Mr. President, in those States with a continuing and rapid increase in public assistance cases, such a limit would force a cutback in projected assistance programs or require an increase in State and local funds.

For example, depending on estimates of caseload increases in Michigan, the

proposed limit would mean that non-Federal sources in my State would have to come up with from between \$8 million and \$15 million.

Quite frankly, the State of Michigan's economy and treasury will not support an increase of that magnitude.

The other alternative would be to cut back on public assistance programs. That would mean, in many instances, a reduction in funds for such activities as day-care, homemaker services, family planning, work readiness, and employment counseling.

Many States have expended these activities at the urging of the Federal Government.

For the Federal Government to cut back on its commitment at this point would be to break faith with both State governments and the poor of the Nation.

Mr. President, I, for one, am not prepared to vote to break that faith. It has happened too often already.

As a cosponsor of the amendment to remove this provision, I urge a favorable vote.

Mr. COTTON. Mr. President, a proposed revision to section 208 of the President's budget is as follows:

None of the funds contained in this title may be used for payments to any State for fiscal year 1971 for services, staff training, and administrative expenses under titles I, IV (part A), X, XIV, and XVI of the Social Security Act which, in the aggregate, exceed 115 percent of the aggregate amount estimated for these purposes for such State for fiscal year 1970.

If the Senate, and subsequently the Congress, should fail to adopt section 208, the May State estimates indicate that an additional appropriation of \$150 million would be required for the cost of services, administration, and training.

According to the May State estimates, over 75 percent of the additional \$150 million would be received by three States: \$39 million would go to California, and more than half of the remaining \$111 million would be received by Pennsylvania and Michigan.

#### PURPOSE OF SECTION 208

The original justification for making public assistance an open-ended appropriation was to protect the rights of individuals who were entitled to and in need of cash assistance. In other words, the Congress did not want to see a person in need denied assistance because an appropriation had not been passed at the Federal level. This concept of an open-ended appropriation was later extended to program administration, training, and social services aspects of the overall public assistance program. The administration believes that appropriations for these activities should be controllable. The Executive and the Congress should make deliberate choices—in advance—as to their size and character and as to the Federal financial commitment for any given fiscal year. As it stands now, the Federal Government does not exercise this control—it merely pays the bills as rendered by the States. This is what section 208 was intended to correct.

**EFFECT OF SECTION 208 ON STATES' ESTIMATED REQUIREMENTS**

The wording of the limitation requires that the increase in 1971 be limited to 115 percent of the 1970 level for the aggregate payments for social services, administration of cash payments to welfare recipients, and training made to the States for 1970. This would permit the State to decide which of the program elements could be constrained and still effectively carry out those of highest priority.

Based on the May data from the States for 1971 requirements, application of the 115-percent limitation, without exception, would produce the following:

First. Twenty-two States will have no problem since the limitation would provide more than their current estimate;

Second. Eighteen States would receive 90 percent or more of their requirements;

Third. Nine States would receive between 80 and 90 percent of their requirements;

Fourth. Five States would receive less than 80 percent of their requirements.

These States include Georgia, Hawaii, Michigan, New Hampshire, and Pennsylvania.

I ask unanimous consent to have printed in the RECORD some pertinent tables.

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

**SOCIAL AND REHABILITATION SERVICE**

*Listing of States by percentage of FY-1971 request for services, administration, and training allowed under 115% limitation*

(Dollars in Thousands)

Received—Total request (22 States):	
Alabama	Mississippi
Arizona	Missouri
Arkansas	Montana
Colorado	Nevada
Delaware	New Mexico
District of Columbia	New York
Indiana	North Dakota
Kansas	Rhode Island
Maine	South Carolina
Maryland	Utah
Minnesota	Vermont
90 to 99.9% of request (18 States): Savings	
Illinois	\$3,717
Iowa	699

Kentucky	\$451
Louisiana	1,309
Massachusetts	998
Nebraska	239
New Jersey	816
North Carolina	659
Ohio	1,528
Oregon	532
Puerto Rico	87
South Dakota	181
Tennessee	1,499
Virgin Islands	4
Virginia	404
West Virginia	147
Wisconsin	427
Wyoming	116
80 to 89.9% of request (9 States):	
Alaska	\$349
California	38,605
Connecticut	1,163
Florida	2,774
Guam	16
Idaho	293
Oklahoma	1,793
Texas	4,313
Washington	4,520
Less than 80% of request (5 States):	
Georgia	\$5,478
Hawaii	1,237
Michigan	15,680
New Hampshire	490
Pennsylvania	59,874

**ESTIMATED FEDERAL SHARE OF STATE AND LOCAL EXPENDITURES FOR INCOME MAINTENANCE ADMINISTRATION, SOCIAL SERVICES, AND STATE AND LOCAL TRAINING, AS FURNISHED BY THE STATES IN MAY 1970**

(Dollars in thousands)

	Fiscal year 1970		Fiscal year 1971 estimate	Fiscal year 1971 allowance under limitation		Estimated savings	Fiscal year 1970		Fiscal year 1971 estimate	Fiscal year 1971 allowance under limitation		Estimated savings	Allowance as percent of 1971 estimate
	estimate	times 115 percent		estimate	limitation		estimate	times 115 percent		estimate	limitation		
United States.....	833,081	958,043	1,077,836	927,425	150,411								
Alabama.....	7,297	8,392	8,170	8,170	0	100	Montana.....	2,712	3,119	2,986	2,986	0	100
Alaska.....	1,748	2,010	2,359	2,010	349	85	Nebraska.....	4,391	5,050	5,289	5,050	239	95
Arizona.....	3,181	3,658	3,632	3,632	0	100	Nevada.....	1,636	1,881	1,776	1,776	0	100
Arkansas.....	3,500	4,025	3,600	3,600	0	100	New Hampshire.....	992	1,141	1,631	1,141	490	70
California.....	251,039	288,695	327,300	288,695	38,605	88	New Jersey.....	21,181	24,358	25,201	24,385	816	97
Colorado.....	9,683	11,135	10,801	10,801	0	100	New Mexico.....	5,768	6,633	6,346	6,346	0	100
Connecticut.....	6,145	7,067	8,230	7,067	1,163	86	New York.....	122,579	140,966	120,285	120,285	0	100
Delaware.....	948	1,090	1,034	1,034	0	100	North Carolina.....	7,476	8,597	9,256	8,597	659	93
District of Columbia.....	6,101	7,016	6,278	6,278	0	100	North Dakota.....	2,557	2,941	2,812	2,812	0	100
Florida.....	15,280	17,572	20,346	17,572	2,774	86	Ohio.....	19,500	22,425	23,953	22,425	1,528	94
Georgia.....	12,651	14,549	20,027	14,549	5,478	73	Oklahoma.....	7,936	9,126	10,919	9,126	1,793	84
Guam.....	102	117	133	117	16	88	Oregon.....	8,398	9,658	10,190	9,658	532	95
Hawaii.....	1,780	2,047	3,284	2,047	1,237	62	Pennsylvania.....	32,897	37,832	97,706	37,832	59,874	39
Idaho.....	1,605	1,846	2,139	1,846	293	86	Puerto Rico.....	5,955	6,848	6,935	6,848	87	99
Illinois.....	33,375	38,381	42,098	38,381	3,717	91	Rhode Island.....	3,972	4,568	3,267	3,267	0	100
Indiana.....	6,419	7,382	6,545	6,545	0	100	South Carolina.....	4,428	5,092	4,523	4,523	0	100
Iowa.....	6,898	7,933	8,632	7,933	699	92	South Dakota.....	2,146	2,468	2,649	2,468	181	93
Kansas.....	6,672	7,673	7,222	7,222	0	100	Tennessee.....	11,481	13,203	14,702	13,203	1,499	90
Kentucky.....	7,019	8,072	8,523	8,072	451	95	Texas.....	17,994	20,693	25,006	20,693	4,313	83
Louisiana.....	14,514	16,691	18,000	16,691	1,309	93	Utah.....	3,755	4,318	4,006	4,318	13	100
Maine.....	4,141	4,762	4,267	4,267	0	100	Vermont.....	1,569	1,804	1,423	1,423	0	100
Maryland.....	16,275	18,716	18,555	18,555	0	100	Virgin Islands.....	188	216	220	216	4	98
Massachusetts.....	14,638	16,834	17,832	16,834	998	94	Virginia.....	6,885	7,918	8,322	7,918	404	95
Michigan.....	15,586	29,424	45,104	29,424	15,680	65	Washington.....	21,802	25,072	29,592	25,072	4,520	85
Minnesota.....	8,408	9,669	8,609	8,609	0	100	West Virginia.....	8,522	9,800	9,947	9,800	147	99
Mississippi.....	5,250	6,038	5,343	5,343	0	100	Wisconsin.....	16,462	18,931	19,358	18,931	427	98
Missouri.....	18,425	21,189	19,630	19,630	0	100	Wyoming.....	1,219	1,402	1,518	1,402	116	92

<sup>1</sup> This is a revised estimate for California.

Mr. MONDALE. Mr. President, I think the limitation on day care and related social services which is proposed by section 208 is most unfair and unwise. I understand that the administration exerted heavy pressure in support of this provision. But there seems to be no justification, on the merits, for this unprecedented ceiling on Federal matching of State welfare services. It is simply another case where the administration is attempting to cut costs.

So it comes down to a matter of priorities. What are the announced priorities of the President, himself, that affect this issue?

First, the President proclaimed a strong national commitment to the first 5

years of a child's life. Second, he recommended a new family assistance program with the emphasis on "workfare, not welfare."

But here we are, trying to put a lid on the day-care services which the children so desperately need. And which make it possible for their mothers to work. I admit that I am somewhat confused by the administration's support for this provision, which undermines two of its objectives.

It is certainly clear that we are experiencing great growth in day-care services under the welfare program. Apparently, the administration supplied the Congress misleading data which understated this growth. But the hard

work which was put into gaining acceptance of the provision suggests that the administration really knew that the costs were going up more rapidly. For example, HEW told the Congress that Minnesota would not lose any funds under section 208. But estimates by outside experts show that my State would lose \$8.3 million. The estimates for many other States show the same disparity.

Mr. President, I strongly protest the attempt by the administration to pull the wool over the eyes of the Congress. I object, particularly, because these programs are so valuable and so necessary. I hope the Senate will strike the provision.

Mr. PEARSON. Mr. President, I will

oppose the pending amendment to delete section 208 of the committee bill and I urge my colleagues on both sides of the aisle to also oppose this amendment.

Section 208 of the General Provisions of the Labor-HEW-related Agencies appropriations bill (H.R. 18515) for fiscal 1971 places a limitation on the funds that may be used for social services, staff training, and administrative expenses under the appropriation "Grants to States for Public Assistance." The wording of this limitation requires that the increase in 1971 be limited to 115 percent of the 1970 level for the aggregate payments for social services, administration, and training made to the States in 1970, this present fiscal year.

I agree with the Senate Appropriations Committee that the services, administration, and training aspects of public assistance should no longer be open-ended. The original justification for making public assistance an "open-ended" appropriation was to protect the rights of individuals who were entitled to and in need of cash assistance. In other words, the Congress did not want to see a person in need denied assistance because an appropriation had not been passed at the Federal level. I still feel—and I cannot emphasize this point too much—that open-ended appropriations are still needed in the areas of money payments to recipients. But section 208 of the committee bill has absolutely nothing to do with money payments to recipients—these would not be affected. Section 208 deals strictly with services and administrative costs.

After 1962, when "open-ended" appropriations for services, administration, and training in relation to public assistance were adopted, we have seen these costs skyrocket. In the last 5 fiscal years alone—fiscal year 1965 through fiscal year 1970—the costs for these administrative and service costs have grown from \$0.3 billion to \$1.3 billion—an increase in almost unbelievable proportions of 324 percent. Admittedly, welfare costs generally have gone up over this period and the numbers on the welfare rolls have also increased. In fiscal year 1965 there were 7.1 million recipients on the welfare rolls and they received maintenance payments amounting to \$4.4 billion. By this present fiscal year, we have 10.5 million recipients receiving maintenance payments amounting to \$7.1 billion. This is an increase of 48 percent in the number of people and an increase of 62 percent in payments—but these increases come nowhere near the outlandish increase of 324 percent in services, administration, and training costs shown during the same 5 years.

As the Senator from Washington (Mr. MAGNUSON) pointed out in his opening statement, the Appropriations Committee is greatly concerned about the spiraling costs of welfare services and welfare outlays in general. There have been some valid complaints that the administration of welfare services are costing too much. The Executive and the Congress should be able to make deliberate choices—in advance—as to the size and character and as to the Federal financial commitment for any given fiscal year in

the area of welfare services administrative costs.

As I understand it, Mr. President, the executive and the Congress make such choices in relation to other Government programs—the administration of the social security program, for example. The social security money comes from a trust fund, yet the items dealing with administration, et cetera, are budgeted and Congress sets these amounts. Why should it be that different for the administrative costs of the welfare program?

Let us take a close look at what the deletion of section 208 of the committee bill will mean:

First, it would add \$183 million to a bill that comes out of the Senate Appropriations Committee \$311,587,000 over the President's budget request for 1971. Without the limitation of section 208, the States automatically have the green light to spend \$183 million more than is appropriated in this bill. Under the public assistance legislation, the expenditure of this amount becomes automatic unless we include the section 208 limitation.

Second, without the section 208 limitation, the States would be free to hire staff—and I emphasize again that is essentially what is involved here, staff working for State welfare agencies—without any restriction, any limitation, and, for that matter, without the Federal Government even knowing why they might have hired the staff in the first place. The staff in question are welfare administrative staff and social workers. The funds also include the cost of their training and, in some cases, even advancement of their basic education. Without the section 208 limitation, the Federal Government has no choice but to match 75 cents of every dollar that the States choose to spend for this kind of staff and staff training. I know of no other case where the Federal Government has permitted such an open-ended and unlimited opportunity to add to the payroll of State and local agencies as exists in this one case. We certainly would not allow it in the agencies operating at the Federal level. Why should we place no restriction or limitation on State and local staffing financed largely from Federal funds? I point out—again—that staffing in this area has grown over 300 percent during the last 5 years.

We are trying to hold down a runaway expense. While cutting \$183 million from the budget, this limitation does permit each and every State to increase its 1971 activity in this area by a full 15 percent.

It is most important that everyone understand that the limitation does not have anything whatsoever to do with cash assistance to the poor, the aged or the disabled. It does nothing to control these costs—which, as I have already shown, are also rising, but at a lower rate.

Again, I urge my colleagues to defeat the pending amendment which would delete section 208 of the committee bill.

Mr. CASE. Mr. President, at the annual New Jersey Conference of Mayors in Atlantic City yesterday Gov. William T. Cahill announced that New Jer-

sey faces an imminent crisis in its welfare system as the result of a very sharp rise during the past few months in its welfare caseload.

If this rate of increase continues, as seems likely, New Jersey's welfare budget is estimated to go up next year by approximately 30 percent. Currently approximately 8,000 cases per month are being added to the State welfare rolls, according to the State welfare director.

The imposition of a limitation on the costs of administration, services, and training in public assistance programs at a time when caseloads are rising so rapidly will cause severe hardship to New Jersey and other States faced with similar problems, many of whom are already halfway through the fiscal year which the limitation would affect.

I ask unanimous consent to have printed in the RECORD a letter I received from Governor Cahill this morning concerning the effect of the section 208 limitation on New Jersey.

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

STATE OF NEW JERSEY,  
WASHINGTON OFFICE,  
November 19, 1970.

HON. CLIFFORD P. CASE,  
United States Senate,  
Washington, D.C.

DEAR SENATOR CASE: It is my understanding the Senate is currently considering H.R. 18515, the Labor-HEW Appropriations Bill for fiscal year 1971. This measure, as reported by the Senate Appropriations Committee, contains a provision, Section 208, limiting the federal reimbursement to 115% of what a state received during fiscal 1970 for administration, services, and training in the public assistance programs. As you know, the House passed this bill on July 23rd without such a limitation.

We are now nearly midway through the 1971 fiscal year which this 115% limitation would affect. Due to rapidly increasing caseloads, the costs of administration alone have been rising proportionately, thereby making such a limitation completely untenable. The situation becomes even more infeasible when program extensions and improvements, as well as the cost of inflation, are also taken into account. Current estimates show that this limitation would cost the State of New Jersey an additional \$6,159,000 by July 30, 1971.

As I pointed out to the New Jersey Conference of Mayors today, New Jersey is faced with an imminent crisis in its welfare system. Our state cannot continue to maintain its present level of services nor expand under the existing mandates. Enactment of the 115% limitation would have a crippling impact on our state. I therefore urge you to support the effort to delete Section 208 during the debate on the Senate floor.

Sincerely,

WILLIAM CAHILL, Governor.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. HARRIS. Mr. President, I yield back my time.

Mr. MAGNUSON. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. CANNON), the Senator from Connecticut (Mr. DODD), the Senator from Tennessee (Mr. GORE), the Senator from Hawaii (Mr. INOUE), the Senator from Louisiana (Mr. LONG), the Senator from Minnesota (Mr. McCARTHY), the Senator from Wyoming (Mr. McGEE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Georgia (Mr. RUSSELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from Ohio (Mr. SAXBE), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Illinois (Mr. PERCY) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from South Dakota (Mr. MUNDT) would vote "nay."

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 57, nays 20, as follows:

[No. 392 Leg.]

YEAS—57

Alken	Hart	Murphy
Baier	Hartke	Muskie
Boggs	Hollings	Nelson
Brooke	Hughes	Packwood
Burdick	Jackson	Pastore
Byrd, Va.	Javits	Pell
Byrd, W. Va.	Jordan, N.C.	Prouty
Case	Kennedy	Proxmire
Church	Magnuson	Ribicoff
Cranston	Mansfield	Schweiker
Eagleton	Mathias	Scott
Eastland	McClellan	Spong
Ellender	McGovern	Stevens
Ervin	McIntyre	Stevenson
Fulbright	Metcalf	Symington
Goodell	Miller	Talmadge
Gravel	Mondale	Williams, N.J.
Gurney	Montoya	Yarborough
Harris	Moss	Young, Ohio

NAYS—20

Allott	Dole	Jordan, Idaho
Anderson	Dominick	Pearson
Bible	Fannin	Smith
Cook	Griffin	Thurmond
Cooper	Hansen	Williams, Del.
Cotton	Holland	Young, N. Dak.
Curtis	Hruska	

NOT VOTING—23

Allen	Gore	Randolph
Bayh	Hatfield	Russell
Bellmon	Inouye	Saxbe
Bennett	Long	Sparkman
Cannon	McCarty	Stennis
Dodd	McGee	Tower
Fong	Mundt	Tydings
Goldwater	Percy	

So Mr. HARRIS' amendment was agreed to.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARTKE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JAVITS. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that further reading of the amendment be waived.

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

Mr. JAVITS' amendment (for himself, Mr. KENNEDY, Mr. MONDALE, Mr. NELSON, Mr. HATFIELD, Mr. CRANSTON, Mr. BAYH, Mr. CHURCH, Mr. CASE, Mr. HARRIS, Mr. HART, Mr. MCGOVERN, and Mr. GOODELL) is as follows:

On page 42, line 1, insert the following: strike "\$894,400,000" and insert in lieu thereof "\$900,400,000."

On page 42, line 1 after "Provided," insert the following:

"That of such amount \$65,400,000 shall be for the Legal Services program under section 222(a)(3) of the Economic Opportunity Act and \$39,100,000 shall be for the Special Impact programs under part D of Title I of the Economic Opportunity Act of 1964, provided further."

Mr. JAVITS. Mr. President, this amendment adds an earmarked \$4 million to the provision for legal services, and \$2 million to the provision for the special impact program.

After conferring with all those who joined in the first effort to bring the bill up to the authorized amount, which was tabled, and taking very seriously the mandate of the Senate, the Senate having acted affirmatively on the two major items of the package, Headstart and work and training, we felt that it was our duty, then, to turn around and carefully scrutinize our package, and see what part of it—by no means even a large part—we felt was really so essential and deserving as to impel us to concentrate upon it.

We decided that, in view of the critical importance of the legal services program to the poor—the fact that unless more funds are provided, legal service offices will be closed down in a number of areas of the Nation, and the special impact program, which has some very desirable activities going, like those at Bedford-Stuyvesant in New York, and again taking into account the sentiment of the Senate, we would offer this amendment, and hope that it may be accepted, after consultation with both the ranking minority member and the chairman of the committee.

Then, as far as I am concerned, that will end the amendments which I propose to offer to this bill.

Mr. MAGNUSON. Mr. President, it is true that, on legal services, this amendment brings the amount only to just slightly over the amount of the recommendation.

As to the special impact program, we did not have as much testimony as we

should have had on it, but I think it is a successful program, and we will be happy to accept the amendment.

Mr. JAVITS. I thank my colleague.

Mr. President, before we vote, and yielding myself 1 further minute, I call attention to a controversy that has almost erupted between the legal profession and the OEO Director, about whether the legal services program should function, as it is now, as a unitary program under the direction of an official at the OEO office here in Washington, or whether it should be regionalized.

I noted with great satisfaction, in deference to the views of the bar, that the committee came out very strongly against regionalization.

We had hoped that Mr. Rumsfeld agreed with that, because he withdrew his proposal for regionalization. Now we read in the newspapers that he is trying to do it administratively. I just use the occasion when we have the matter before us to hope that the committee and our colleagues will be alert to the situation and will, as it were, keep Director Rumsfeld's feet to the fire—that we mean what we say.

Mr. MAGNUSON. I say to the Senator from New York that we were alert to the confusion down there, and that is one of the reasons why we agreed with the House cut. If they can clear up the confusion, it is worthwhile and a vital program.

I am like the Senator from New York. I read one day one thing and the next day another thing. There has been considerable confusion and it would appear there are those who want to kill this program.

One other thing, for the RECORD. I am sure they will read the RECORD down there tomorrow or Monday. Under one of these services, they had planned to take a young fellow going to law school, who did not have too much wherewithal, and have him do some laboratory work and we would pay him. We said, "Well, what about the law firm paying him?" I know I did that when I went to school. You go to a law firm and they give you \$50 a month or something like that, often less than that.

But the good part of the program is when they go out and get themselves involved with legal services in the community, or with local things, where they can render their services, or with some community group that is trying to do something. I hope they will adhere to that and that they will hear the message down there. The law firms can help pay for this program.

Mr. JAVITS. I agree with the Senator.

The matter I raise, however, relates to the question of whether legal services shall be run through legal directors or through a legal services program in the Office of Economic Opportunity. The Committee on Appropriations has expressed itself firmly on that, and I just checked with the chairman now because we hear that in some administrative way the Director is trying to recede from that. But the committee means what it says and insists that any regionalization idea is out the window. Is that correct?

Mr. MAGNUSON. Yes, that is definitely correct.

Mr. JAVITS. I thank the Senator.

Mr. MAGNUSON. So that we will have a firm policy down there and we will know what we are doing.

Mr. JAVITS. I yield to the Senator from Massachusetts, at whose request I included in the amendment a provision for the special impact program.

Mr. KENNEDY. Mr. President, I am pleased to cosponsor this amendment to add \$2 million to special impact programs and \$4 million to legal services. This will bring the appropriations level to \$39.1 million for special impact and \$65.4 million for legal services.

Special impact was initiated and added to the Economic Opportunity Act by Senator Robert F. Kennedy in 1966 and was cosponsored by Senator JACOB JAVITS. It is perhaps unique in the antipoverty effort through its creation of multipurpose community development corporation which are partnerships between the poverty and business communities. The corporations have involved local residents in their own economic development, reducing economic dependency, and lessening community tensions.

Special impact concentrates grants in particularly poor and geographically limited areas, attacking the problems of economic development as well as the social consequences of poverty.

Bedford-Stuyvesant has been the leading example of the potential of special impact funds for involving the poor in the decisions affecting their own future. More than 2,500 men and women in Bedford-Stuyvesant who were unemployed or severely underemployed have joined in the renovation of 45 city blocks in Bedford-Stuyvesant. These efforts have shown the tremendous possibilities which still exist to rebuild our cities' slums.

However, despite the response from virtually every State in the Union to the progress being made in Bedford-Stuyvesant, the administration requested only \$32.1 million for fiscal year 1971. This was \$4.7 million less than spent in the previous fiscal year. I congratulate the Senate Appropriations Committee for agreeing to a level of \$37.1 million; but I believe there is ample justification for further augmenting this program to bring 1971 funding to \$39.1 million.

To fail to provide the necessary funding for this antipoverty program would be to fail in our commitment to the poor of this Nation. We must not permit that to occur.

Mr. JAVITS. I thank the Senator.

I think it is only fair to say, under these circumstances, that Robert Kennedy's initiative in Bedford-Stuyvesant, which goes on and prospers, was one of the most gifted taken in the whole poverty field. I am honored to be able to help that program wherever I can, and I think the Senate really should feel the same way.

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

Mr. JAVITS. I yield.

Mr. MONDALE. I was glad to hear the colloquy between the Senator from New York and the distinguished floor manager, the Senator from Washington, not

only about the need for these funds but also about the solid opposition which the Senate has toward regionalization of the legal services program.

The Senator from New York participated in hearings in which we heard from the leadership of the American Bar Association, the Federal Bar Association, and the representatives of the clients being served by the OEO legal services program and by the attorneys themselves. I have never heard such unanimity in any hearing we have held against the efforts to compromise the integrity and independence of the legal services program.

So I am hopeful that we will not only have this additional amount, which is needed, but also that the Director of the OEO will see how strongly the Senate feels in opposition to these reorganization efforts. Even with new money, these new arrangements could destroy the integrity and meaning of the program and, incidentally, be contrary to the canons of legal ethics.

I am grateful to the floor manager for his response to the question posed by the Senator from New York, because I think it is an indispensable position, and one which I fervently hope the Director of OEO will take.

Mr. JAVITS. I thank the Senator.

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

Mr. JAVITS. I yield.

Mr. GOODELL. I thank the Senator for yielding.

Mr. President, I strongly support this amendment. I commend my senior colleague for offering it. It is an excellent program.

For 6 years, I have maintained a deep interest in the national program of legal services for the poor. I have visited many legal services offices and talked with many people who have benefited by this program. Most recently—in fact, less than 6 weeks ago—I visited a legal services office in Harlem, which is scheduled to be closed down shortly because of inadequate Federal financing. At that time, I met with representatives of Harlem Assertion of Rights, Inc., of Community Action for Legal Services, of the United Black Coalition, and the Harlem Tenants League. They told me how the legal services program had helped residents of their community. However, they were fearful that the Federal Government was about to pull the rug out from under them.

I urge my colleagues to vote in favor of this amendment and by so doing affirm the Federal Government's commitment to assist poor people who seek to improve their situation in life by helping themselves. We must demonstrate with actions, not with words, that we are not about to pull the rug from beneath the feet of America's poor.

The situation facing the legal services program in New York City is particularly serious. An additional \$500,000 is needed simply to maintain legal services in the city of New York at the current level offered by the Office of Economic Opportunity. Without these additional funds, seven of 26 legal assistance offices in the five boroughs will be forced to

close down and 10 percent of the lawyers employed in OEO's legal services program in the city will be dismissed.

Ironically, the legal services program of OEO is one of the most vital Federal antipoverty programs. It provides free legal assistance to the indigent who have nowhere else to turn for help in difficult and complex actions, including landlord-tenant disputes, consumer-fraud and personal-injury suits and marital and child-custody cases. The fact that the program reaches less than 17 percent of the 5 million poor nationally who require legal assistance is inexcusable; the prospect of cutting back these legal services even further is unconscionable. The major means of lawfully airing grievances will be withheld from those who need it the most. In this period of increasing alienation and violence, the result would be in the worst interest not only of the poor, but of the community as a whole.

I, therefore, urge my colleagues to vote for this amendment.

LEGAL SERVICES FOR THE ELDERLY—WILL THEY  
END?

Mr. WILLIAMS of New Jersey. Mr. President, attention to legal problems of the poor has increased dramatically in recent years with the establishment in 1964 of the Legal Services Division in the Office of Economic Opportunity.

Unfortunately, however, many low-income elderly persons have been forced to shift for themselves.

In far too many instances, they have become bogged down in a legal morass of intricate procedures which completely bewilder them.

Too often their claims have been trapped in a legal labyrinth.

And too often large numbers of older Americans have suffered needless anxiety, deprivation, and injustice simply because they do not know what help is available.

But, they should be entitled to the same competent counsel which is available to wealthier clients. Their needs are just as urgent. And their claims are just as meritorious.

Approximately 2 years ago the Office of Economic Opportunity funded a legal research and services for the elderly program, sponsored by the National Council of Senior Citizens.

This is the only project in the Nation which deals exclusively with the legal difficulties encountered by the aged.

Moreover, this project has amply demonstrated the valuable assistance which can be provided elderly clients when competent and dedicated counsel is available.

At hearings conducted at an American Bar Association conference in August by the Senate Committee on Aging, we heard firsthand what can be done and what should be done.

We heard, for example, about disabled aged women who were unaware of Federal assistance. But with the help of legal advocates, they qualified for disability benefits. And now their financial position has improved markedly.

Yet, the very existence of this highly successful research and demonstration

project is in doubt. Today LRSE staff members and elderly poor employees are working in uncertainty and perhaps in despair—not knowing whether their program will be refunded.

Instead of curtailing efforts on behalf of older Americans, OEO should be strengthening legal services.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

Mr. MAGNUSON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

AMENDMENT NO. 1074

Mr. YARBOROUGH. Mr. President, I call up my amendment No. 1074.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 21, line 16, strike "\$295,000,000" and insert in lieu thereof "\$332,650,000".

Mr. YARBOROUGH. Mr. President, this amendment, which has broad bipartisan support, is directed towards perhaps the most crucial aspect of the health care crisis—medical manpower. It is perfectly clear that we must produce more doctors more efficiently and effectively if we are to have any hope of bringing rationality to the health industry.

In my extensive efforts to urge this country's medical schools to increase their enrollments, I have determined that the major obstacle has been the lack of resources on their part to respond to this challenge. If we are to reasonably expect them to fulfill these largely public responsibilities, we must insure that they have sufficient resources to do the job.

As I pointed out yesterday, the Senate Labor Committee attempted to do just that. We amended the Health Training Improvement Act, S. 3586, in order to authorize a 1-year \$100 million disaster relief fund for medical schools in financial chaos. That effort was blunted at the time S. 3586 went to conference with the House. However, with the efforts of the distinguished ranking minority member of the Labor Committee, Senator JAVITS, we did work out with the House conferees a reasonable compromise. Since existing law, section 770 of the Public Health Service Act, already authorizes funding for medical schools in financial distress, and since the authorization ceiling for that program is substantially in excess of the President's budget for 1971, we agreed to deal with this problem by seeking full funding under the existing authority.

As I pointed out yesterday on the Senate floor, that action by the legislative committee occurred after the Senate Appropriations Committee had marked up the HEW appropriations bill and filed its report on that bill. Accordingly, the Appropriations Committee was not apprised of the manner in which we might have the opportunity to further assist these academic health centers.

I do want, though, to make a special point of complimenting the floor man-

agers of this bill—Senator MAGNUSON and Senator CORTON. They have done yeoman service in bringing out a comprehensive bill. I am not unaware of the fact that it substantially increases appropriations for a wide variety of health programs. Only by placing the health of all of our people above partisan political considerations could they have brought out such a good bill. I am confident that, had the Appropriations Subcommittee known of agreement with the House conferees in time, it would have recommended an appropriation substantially in excess of the level now in the bill. I am hopeful that this rather unique set of circumstances will make it possible for the distinguished Senators from Washington and New Hampshire to join with those of us who are attempting to prevent a national tragedy—the collapse of our academic health centers.

Let us be clear about the facts, Mr. President. That these institutions are on the brink of economic disaster is an established fact. Article after article has been published to document this sorry state of affairs. The latest was published in the National Observer this past Monday. Written by James Hampton, it is entitled, "Sick Medical Schools Seek Emergency Help." Mr. President, I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. YARBOROUGH. In general, it makes the point that we are faced with a truly national problem and one of great magnitude. There are over 100 medical schools in virtually every State. Affiliated with them are almost 400 major teaching hospitals which provide about 25 percent of all the hospital care in the country. These institutions are beleaguered. As the Federal budget has shrunk, medical costs escalated, and as public and private agencies and organizations vacillated, these great institutions have been brought to their knees.

Mr. President, we cannot have it both ways. We cannot expect that excellence will continue to be the hallmark of this Nation's medical education while we permit a profound funding crisis to cause medical schools to sacrifice quality or close their doors.

Mr. President, this amendment is no panacea. It is clearly a stopgap measure intended to stave off disaster for an additional year. The basic legislative authority under which the Federal Government assists medical schools, the Health Professions Educational Assistance Act, expires next June. The 92d Congress will, of course, have to extend and improve that authority. Already there is considerable evidence that it will be necessary to think in innovative and possibly quite different ways about updating this program. The Carnegie Commission on Higher Education has just released a report entitled "Higher Education and the Nation's Health" which is both provocative and highly beneficial. I commend it to my colleagues. Furthermore, the Association of American Medical Colleges has recently published a paper called "A Bi-

centennial Anniversary Program for the Expansion of Medical Education." It, too, makes far-reaching recommendations which are for the most part parallel to the Carnegie Commission Report. Mr. President, I ask unanimous consent that the AAMC report be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. YARBOROUGH. Mr. President, this issue here is clear. We need time to refashion this legislative instrument. And as each of us knows, time costs money. This amendment we offer today will provide that necessary money. I urge the adoption of the amendment, Mr. President.

EXHIBIT 1

[From the National Observer, Nov. 16, 1970]

SICK MEDICAL SCHOOLS SEEK EMERGENCY HELP

(By Jim Hampton)

The nation's medical schools are sick and getting sicker. Unable to cure their ills, some are close to giving up the ghost. It is hard to exaggerate the distress—or minimize the effects the crisis could have on American medicine.

The immediate, most obvious problem is money. Medical schools have been badly lacerated by sharp cutbacks in Federal funds at the same time that their costs have been zooming. Sixty-one of the country's 107 medical schools (with 379 affiliated teaching hospitals) have received or are receiving Federal "distress" funds to help meet operating deficits.

A quick money transfusion would help; in fact, it may be the difference between life and death for some schools. But the root causes of the distress go deeper. The schools are finding it increasingly difficult to keep up with demands being made upon them: more doctors, more and better health care, maintaining research on medical frontiers, and more effective methods of administering resources.

Ironically, one reason for the upsurge in costs is that medical schools have been increasing enrollments in response to Government pleas for help in solving the nation's doctor shortage. It's figured the country needs 50,000 more physicians than it has today.

Among the schools hardest hit are:

Case Western Reserve University, Cleveland, which dipped into endowment funds for \$12,000,000 before being rescued—temporarily at least—by a \$3,000,000 grant this year from the Ohio legislature.

St. Louis University, which is keeping its medical school afloat with funds freed up by closing its dental, aviation technology, and engineering schools. The 140-year-old school is so pinched, says Dean Robert H. Felix, that it may not be able to admit a first-year class in 1971.

New York Medical College, which required a \$500,000 Federal distress loan to break even this year even though it mortgaged property for \$10,000,000 and is spending \$6,000,000 in endowment money.

Georgetown University and George Washington University, both in Washington, D.C., say their schools may close unless Congress, which is the District of Columbia's "legislature," antes up money to cover Georgetown's projected \$1,420,000 deficit and George Washington's \$1,991,159 anticipated deficit.

Marquette University's medical school became the Medical College of Wisconsin after it was rescued from bankruptcy by a \$3,200,000 emergency grant from the Wisconsin Legislature.

Financial anemia, respector neither of age nor of reputation, threatens the Johns Hop-

kins University School of Medicine, for 70 years one of the world's premier medical schools. The school ran \$910,000 into the red last year. This year its deficit will more than double, to an anticipated \$2,234,000.

This rate of deficit spending would bankrupt the medical school if left unstemmed. "If you take the most conservative view, we could only continue a few years at the present rate," says Dr. Lincoln Gordon, the university's president. Adds Dr. David E. Rogers, medical-school dean at Johns Hopkins: "It may take the closing of several medical schools to get the [Nixon] Administration to take notice."

In 1958-59 the Federal Government gave medical schools about \$95,000,000, approximately 30 per cent of their budgets, in grants for research, training of specialists, teaching and the like. A decade later the Federal contribution was around \$700,000,000. Research grants had increased 426 per cent, training and other grants had zoomed 613 per cent.

The Federal share of all medical schools' budgets thus rose to 53 per cent. At some schools—notably the better ones, like Hopkins, with big-name faculty—it was somewhat higher. Moreover, at some schools—Hopkins included—the Federal Government was putting up \$4 of every \$5 spent for medical research.

Things began souring in the twilight of the Johnson Administration. Pressed by inflation, costs of the Vietnam War, unanticipated spending on Medicare and Medicaid, and a general decline in enthusiasm for scientific endeavors, the Government dropped medicine's priority several notches.

#### "SPECIAL GRANTS" KEEP DOORS OPEN

Last year HEW gave 72 medical schools 95 "special projects" grants totaling \$34,700,000. These grants were conceived primarily for curriculum improvements, but 61 of the schools applied them to operating costs. Among them were 32 schools deemed in "serious financial need." This year HEW spread a total of \$15,000,000—about the same given the 32 schools last year—among 43 schools in similar straits.

NIH is the conduit through which most Federal money flows to medical schools. Congress has not yet passed this fiscal year's HEW appropriation bill. The White House budget recommended \$1.5 billion for all NIH purposes, which was \$529,668,000 less than the medical schools had requested. The House upped the NIH funds to \$1.6 billion, and the Senate Finance Committee raised the House to \$1.75 billion.

In its report to the Senate, where the bill awaits action, the Finance Committee said that "for the second successive year, the committee must express grave concern about the apparent downgrading of health as reflected by the [President's] budget request." The cutbacks are "tantamount to balancing the Federal budget by the sacrifice of human lives."

At Johns Hopkins in Baltimore, the effects of Federal cutbacks show up dramatically. Hopkins' experiences probably also illustrate, as well as any one school can, what the reliance on Federal money has wrought.

#### "WE ARE PRETTY VULNERABLE"

Hopkins is spending \$34,000,000 this year. Of this, \$22,000,000—or 60 per cent—comes from NIH, mostly for research. "We're pretty vulnerable," says Dean Rogers. "The better the medical school, the higher the percentage of federal funding."

Last year Johns Hopkins lost \$1,600,000 in Federal money, including \$600,000 for projects that were approved by NIH but never financed. The other \$1,000,000 was lost through "negotiated reductions."

In happier days, NIH approved Hopkins' grant applications 70 to 75 per cent of the time, says Dr. Rogers. No more: The rate is now 40 to 50 per cent. This has two disturbing effects. First, it makes grants harder to

get by young, unknown doctors. Second, it jeopardizes projects to which Hopkins has committed itself for years on the basis of previous NIH support.

"It takes 15 to 20 years to build up a top-flight biomedical team," Dr. Rogers stresses, "but you can tear one down in six months." That's in danger of happening here now. One professor has been working since 1950 on research involving metabolism, heart disease, and diabetes.

But now his NIH grant has been cut off. Several assistants have had to be dropped and, when the school's emergency funds run out shortly, his work will come to an end.

#### FUTURE LEADERSHIP CRIMPED

Training programs also are hurting. Last year Hopkins lost \$375,061 in Federal training grants. This money would have supported post-residency training in cardiology, physiology, and pharmacology. "This has been our underpinning for training the new leadership of medicine, the future teachers and future researchers," Dr. Rogers says.

Medical schools generally are making tremendous efforts to admit more students from working-class backgrounds and minority groups. Last year Hopkins had 391 students, of whom 55 per cent had to have loans or grants to meet expenses. This year's class is up to 420, and 45 per cent of its students come from families with incomes of less than \$12,000 a year.

The U.S. Public Health Service estimates that the nation needs 50,000 more physicians now to have an adequate ratio of 175 per 100,000 population. To reach that goal by 1975, the nation's medical schools need to graduate 20,000 doctors a year (taking attrition into account).

In 1970 they graduated 8,367 reports the Association of American Medical Colleges. At that, medical schools have increased their enrollments 34 per cent since 1964. This year's first-year class of 11,360 is up 9 per cent over last year's, says Dr. John A. D. Cooper, the AAMC president.

"Not only that," Dr. Cooper adds, "but we have increased the number of minority-group students almost 50 per cent this year," to 1,084 compared with 727 last year.

Making medical education accessible to poor people and minorities is a social imperative, authorities agree. But it also exacerbates the medical school's financial problems. "It usually costs about twice as much to keep these students in school because their financial background is not as good," says Dr. Cooper. "With inadequate loan and scholarship funds," because of Federal cutbacks in those categories, "the schools have been digging into whatever reserves and endowment funds they have."

#### "A CRUNCH" FOR SCHOLARS

Here at Hopkins, the loan-scholarship situation is creating a "terrific crunch," Dean Rogers says. Tuition is \$2,000 a year now and will rise to \$2,500 next fall, but tuition pays only a fraction of a medical student's education.

Maryland Gov. Marvin Mandel agreed recently to ask the state's General Assembly to appropriate \$2,000 per student to both Hopkins and the University of Maryland's medical school. That will help if it comes, Hopkins officials say. But they emphasize, as does the AAMC, that the only long-range solution is more Federal aid to all medical schools.

"Medical schools are a precious national resource," says Dr. Rogers, "and to pretend that they could float along on money available from the private sector is silly. It just couldn't be done."

Some medical educators think it was a mistake for the schools to become so dependent on Federal money. Not Dr. Rogers. "Without Federal money, a lot of private medical schools would have withered on the vine; they would have closed."

Many medical schools, like Hopkins, are preparing for lean years. Dr. Rogers has let six faculty members go and will not fill other posts when they become vacant.

"Deficits don't only show up in dollars, you know," says pipe-smoking Dr. Gordon. To which Dr. Russell Nelson, president of Johns Hopkins, adds:

"There is an enormous bill that has to be paid here, sometime, by some generation."

#### EXHIBIT 2

#### A BICENTENNIAL ANNIVERSARY PROGRAM FOR THE EXPANSION OF MEDICAL EDUCATION

##### INTRODUCTION

Establishing a national goal for the education of physicians is a complex, multivariate problem. The educational process itself is dichotomous, involving on the one hand the formal academic qualification for the MD degree, and on the other, graduate training, which is the principal determinant of the availability of physicians by function and specialty. Many of the other critical variables extend into political and social realms outside of the narrow confines of medicine. The objectives established by the American public for the quantity, quality, equality, and types of health services they desire exert a dominant influence. Increasingly, however, the priority of health services will be measured against other needs such as housing, nutrition, education, etc., that also contribute to improved health and the meeting of other important social goals.

In planning for medical education, there must be clear understanding among all that are involved of the diverse dimensions of the matter, the scope of the variables at play, and, most importantly, the specific area which is being selected for action in the context of the overall problem of the need for physicians. Otherwise, there will be confusion and disagreement in establishing objectives and failure to provide a sound basis for cooperation among all the parties that must act to meet the pressing needs to achieve better health for all Americans.

Thus, in the interest of clarity, it is to be emphasized that the purpose of this paper is to examine briefly the major considerations that bear upon the capacity, dimension, and distribution of institutions for the education of MD candidates as a significant and discrete element of the broad attack upon the problem of medical manpower and improving the health services of the nation. However, it must be clear that merely increasing the number of MD degrees awarded will not in itself solve the problem of a more even geographical distribution of physicians nor physician services for the urban and rural poor. Neither can action taken to secure such an increase assure a more appropriate and rational pattern of specialty services or an immediate and direct improvement in health services.

Overcoming the limitations, the inadequacies, and maldistribution of the nation's health services is dependent upon the development of some systematic means to modulate the whole process of investment and resource distribution in health in some rational and purposeful way. The distribution of physicians by specialty and their availability is determined by the graduate training process now subject to a variety of separately acting forces, many of which are presently beyond academic control and unrelated to health service needs. Further stages in the evolution of national policy for academic medicine must engage these problems in a much more direct way.

Thus, the issues engaged in in this paper are those involved in the further development of national policy and programs aimed at a fundamental and predetermining segment of the overall problem of the availability of physician services; namely, the size of the annual cohort of entering MD candi-

dates and the actions supportive of that process.

#### THE BASES FOR PROJECTING THE CAPACITY FOR MD EDUCATION

There are two fundamental approaches for establishing the number of MDs to be educated in American medical schools:

1. *The Educational Opportunity Basis.* Providing an entering place for all qualified students who wish to study medicine.

2. *The Health Service Needs Basis.* Educating the number of MDs considered necessary to meet the needs of the nation for physician services.

In a rapidly responding supply and demand system, the differences between the dimensions of our medical education plant derived from these two bases would probably be small. However, as Rashi Fein (1) among others has pointed out, supply and demand adjustment is sluggish and incomplete in medicine, so that in the short run, projections derived from these two approaches may be substantially different. Some of the more important considerations bearing upon the results obtained from these different approaches are discussed below.

#### EDUCATIONAL OPPORTUNITY

In 1967, the Association of American Medical Colleges and the American Medical Association issued a joint policy statement recommending that the national objective should be to provide a medical school place for every qualified applicant. (2) Although it is a prime goal in the United States to make available undergraduate college education for every interested and qualified student, this policy has not been explicitly applied in medical education; in part because of the very high capital investment required, and in part because medical educators have attempted with considerable success to maintain a low attrition rate for a program that is notably expensive.

To our knowledge, projections have never been made on the number of places that would be needed to accommodate all qualified students. The number probably cannot be estimated simply by the size of the current application pool. In a study of medical school applicants, Pothoff (3) showed that the number seeking admission has varied in a narrow range around twice the number of places available since the beginning of this century. This view that the size of the applicant pool parallels opportunities for admission is given some support by the falling percentage of eligible college graduates applying to medical school. The number of medical school entering places has not kept pace with the increasing number of college students. This cannot be explained entirely on the development of other opportunities for college-educated youth and probably represents the students' adjustment to a practical consideration of the odds in the situation.

Over the short term, the number of qualified applicants can be estimated on the basis of the size of college enrollment and the historical percentage of these students interested in medicine. Information on college graduates and the applicant pool for the period 1960-1971 are given in Tables IA through IC (attached) with two projections of the estimated number of qualified applicants for the period 1970-1980. In the projections, the following assumptions have been made:

1. The percentage of college graduates applying for medical school in the future will be at a rate of 3.9%, as in 1960, for one series of projections, or 2.9%, as in 1970, for an alternate series of projections, taking into account differences between the application rates of men and women.

2. Three-fourths of the applicant pool is qualified for admission to medical school with an acceptable attrition rate and without a serious compromise of the quality of the

education provided. This, of course, is an arbitrary proportion, but it does seem reasonable to assume that desire and capability are not perfectly congruent.

The set of estimates projected on the basis of these alternative assumptions are as follows:

Academic year:	Estimated total number of qualified medical school applicants at—	
	1960 rate	1968 rate
1970-71.....	21,322	16,749
1972-73.....	22,870	17,965
1974-75.....	24,708	19,409
1976-77.....	26,544	20,891
1978-79.....	28,115	22,085
1980-81.....	30,695	23,005

It is apparent that the entering places required to satisfy the demand for educational opportunities would substantially exceed those now available. (1970 medical admissions in the fall of 1970 are estimated at 11,000).

These estimates would have to be increased if a larger proportion of women became interested in medicine or the availability of opportunities stimulated more men to apply. However, if the low 1968 interest level of college graduates prevailed, the projection would not differ remarkably from projections made below on the basis of health service system demand.

Annual increments in entering class size of the magnitudes indicated in the above projection would create unprecedented problems of program and facility expansion which, in the short run, are probably insuperable in the context of the present pattern of medical education. Any serious attempt to meet this requirement for medical school places would require a substantial redesign of the present structure, process, and institutional forms of medical education plus an enormous investment in additional educational resources. While such a series of changes may be possible and perhaps even desirable, the time involved in accomplishing them would seriously delay the process of expanding the MD pool of the nation in the immediate future.

#### HEALTH SERVICE DEMAND

It is even more difficult to project the number of MDs that should be educated to meet the needs of health services. This is due to the many variables involved and particularly to the nature of medical practice and the delivery of health services today in the United States. Present arrangements are essentially free floating with few restrictions on the number of physicians in each of the specialty areas, their geographic distribution, and the organization of medical practice. In such a situation, as has been pointed out above, there is no assurance that an increased number of MDs will result in a distribution of physician services that will meet the most pressing needs for health care. Assuming that the number of MD graduates could be increased to a level where the sheer pressure of numbers would, by itself, force physicians into areas and types of practice where major shortages exist does not seem to be a rational basis upon which to formulate public policy in medical education.

On the other hand, some experts, including Ginzberg (4) and McNerny (5), have argued that the current number of physicians is adequate and that the solution to the problem of the shortage of physician services rests with modifications in the health care system. These changes, they believe, will be stimulated by the developing crisis in health care, the continuing rapid rise in costs, and the growing role of the Federal government in the payment for care. Changes in so complex a matter as health care, however, do not occur rapidly. Although the

academic health centers and others are increasingly involved in experimentation, innovation, and demonstration in health care systems, the effects of these efforts on a national scale will probably not be felt soon enough to meet the needs. Thus, dependence upon changes in the health service system as an immediate and sole means to overcome the overall physician shortage also does not seem to be a reasonable basis for planning for medical education, at least at this time.

In addition to the influence of health services and medical care organization, the nation's need for MD graduates is affected by a series of additional factors whose magnitudes are subject to varying assumptions, and which will interact in a complex manner upon the need for physician services. Among such factors are population growth and change, the changing patterns of health and disease problems, the advance of medical science and technology, the rising public expectations of the level of which health needs and wants will be met. That the net effect of these influences upon the number of physicians needed will be positive and additive seems both a valid and necessary assumption.

Therefore, we believe that a responsible national health policy must provide for a continued expansion of the nation's capability for educating MDs to meet the inevitable increase in physician services required for the quantitative future health needs of the nation. The most recent projections of this requirement have placed the number of MDs that should be added to the nation's pool, above that required to maintain present MD-population ratios, at 50,000 (6). An increase in medical school entering classes to 15,000 by 1976 would make it possible to achieve the 50,000 MD increase by 1980 and provide for anticipated population increase. Our examination of the bases for projecting needs do not convince us that present data make it possible to develop a more exact or meaningful prediction based on health service needs.

We believe this projection to be a valid basis for designing the terms of a Federal support program for the expansion of MD production in the 1970s. While it is of a lesser magnitude than the pattern of increase that would derive from the educational opportunity projection, it would involve less fundamental change in the present structure and process of medical education and thus less uncertainties. Furthermore, the rate of increase would appear reasonable and realistic in terms of the processes of planning, construction, and program development that must be carried out, as well as permitting maintenance of adequate quality in the expanding programs.

#### THE BICENTENNIAL CHALLENGE PROGRAM FOR THE EXPANSION OF MEDICAL EDUCATION

We think that expanding the total entering class size for MD education in the U.S. to 15,000 by 1976 would be an appropriate goal for the Bicentennial of the Nation. An increase by this date would furnish the additional physicians by the early 1980's. The physician population ratio would increase to more than 175 per 100,000 population, a level at present exceeded only by the USSR and Israel. The health care system would have access to this increase even sooner as the students began to participate in medical care as interns and residents.

Properly challenged and with assurances of adequate Federal support, we believe the nation's institutions of higher learning will respond effectively to the call for more physicians and other health care personnel. We recommend the adoption by the Federal government of a clear cut, adequately financed program for growth, a program which will constitute a challenge to our institutions and which would, if implemented promptly, permit us to be well on the way to the realization of our long-range goal by the time of

our Bicentennial Celebration. We believe that a program with features described below will constitute such a challenge.

Before describing the features of such a program, however, we must emphasize three important points:

*First*, any meaningful program for the expansion of the nation's academic health centers must take account of the difficult financial circumstances—desperate, in many instances—in which they find themselves today. Thus, the availability of substantial and continuing operating support to present operations is essential to a program for expansion.

*Second*, it must be kept clearly in mind that the education of a physician takes place in a most complex environment, one that involves concomitant instruction of other health personnel, as well as the conduct of biomedical research and the provision of health care. The costs of these interrelated services are not fully separable. Current public interest understandably focuses on the number of physicians produced. Thus, this number tends to become the single gauge of productivity and the sole measure of return for the public investment. It deserves emphasis, however, that amounts suggested for support of medical education, on a capitation basis, are also productive of services, research, and other educational experiences that contribute materially to health care, and the ultimate public good derived is the stability and vigor of a set of social institutions: the academic medical center.

*Third*, we believe that the best interests of the nation will be served if a portion of the required increment of production of physicians, is met by the development of new schools. Special attention should be given to the development of new schools in geographical areas that are at present without medical schools and that have universities with graduate programs in the physical and biological sciences, in order that such resources could be used as the basis for the development of the new medical schools. The effective utilization of clinical resources already existing in such areas, with appropriate and necessary modifications, must be encouraged in order to minimize the need for additional teaching hospitals and other clinical facilities, which are notoriously costly. It is recognized that the presence of a medical school in an area favorably influences the attractiveness of the area for physicians and the level of medical practice. It is for this reason that geographic distribution of medical schools is stressed.

#### OBJECTIVES OF THE PROGRAM

The objectives of this program would be:

1. To increase the nation's pool of MDs by 50,000 by 1980 to permit achieving an overall physician-population ratio of 175:100,000 and make it possible for every state to have at least 100 MDs per 100,000 people.
2. To assist in achieving a better geographic distribution of medical capability by selective location of new medical schools in areas without medical schools or with limited access to academic medicine.
3. To diminish dependence upon the importation of foreign-trained MDs.
4. To provide an adequate annual cohort of MDs as a base for more rational distribution of physicians for graduate training in the various specialties and functional areas.
5. To provide adequate financial stability for the continuing operating requirements of medical schools.

#### THE OVERALL PLAN

As indicated in introductory paragraphs, our overall plan is aimed at having 15,000 entering places in the nation's medical

schools by 1976. At present, there are 11,000 entering places, and 800 more are in prospect on the basis of currently planned expansion programs. Thus, our objective is an additional expansion of 3,200 entering places by 1976. We believe that this increment should be met by:

1. The development of 12 new medical schools, with 100 students in the entering class of each; a total of 1,200 new entering places; and

2. The expansion of the entering classes of existing medical schools by a minimum of 15 students each, up to a total of 2,000 additional entering places.

We believe that the modification of the Health Professions Education Assistance Program utilizing the following approach and presented as a challenge to the nation's institutions of higher learning will bring about the realization of this objective.

#### PROGRAM TERMS AND CONDITIONS

*Participating Institutions.* Institutions and other public or private agencies, would be invited to submit proposals for Federal grant support for (a) the development of new medical schools and/or (b) the expansion of present medical schools, on a competitive basis. Proposals would be evaluated by competent site visiting teams and subject to judgment by an appropriate Advisory Council in procedures currently operative with respect to various Federal grants in the health fields. Judgments would be based on institutional strength, available facilities and faculty together with prospects for their further development, geographic location, the degree of innovation in the educational program, community interest and support, and rapidity with which the prospective program could be developed. Successful applicants would receive support as indicated below and would be expected to reach the stated goal of entering class size within six years of the time the award was made.

*Capital Costs.* An institution approved for the development of a new school or a significant expansion would receive a Federal award of \$200,000 per entering student for capital costs, with the obligation to provide at least \$50,000 per student or more from non-Federal funds.

Thus, a substantial but not extraordinary amount would be provided as a package to each participating institution, with the institution expected to obtain at least a modest contribution from non-Federal sources but with the opportunity to make as large a contribution as it may wish in order to provide more elaborate facilities.

*Start-up Costs.* New or expanded institutions under this program would receive, in recognition of start-up costs inherent in the initiation of any new program, a one-time allocation of \$20,000 per new entering class place, whether in a new school or in a program of expansion of an existing school. That would become available as soon as firm arrangements for the new school or expansion program have been completed.

*Operating Expenses.* An institution approved for the development of either a new school or an expansion under the terms of this program would receive \$9,000 per year per student toward annual operating costs.

*Operating Support of Existing Schools.* As indicated in an earlier paragraph, stability or support of present programs in medical education is essential to the realization of a program of expansion. For this reason, we recommend that a program for the continuing operating support of medical education be inaugurated and that it provide to institutions currently engaged in education of physicians \$5,000 per year per student and, in recognition of costs that rise 7%–8% per year, that this be increased gradually to \$9,000 per year per student a decade hence. At

that point, then, it would equal the support level proposed for the new and expanded programs.

#### BASIS FOR PROGRAM TERMS

The recommendations for support of ongoing programs, expansion of existing schools, and establishing new schools are based on costs of present programs.

It has been determined in the Cost Allocation Study that the marginal costs for undergraduate medical student instruction, exclusive of research and patient care is about \$4,000 per year. The costs of the total enterprise required to educate physicians has been estimated to be \$15,000 to \$20,000 per year. The Canadian provinces provide in excess of \$13,000 a year per undergraduate medical student for the core operations of the medical schools.

The average costs of expansion under the Physicians Augmentation Program was \$10,000 per student after an initial additional start-up cost which was given for four years. The expansion support of \$9,000 after a single start-up allocation of \$20,000 to cover increased expenses attendant with the initiation of new programs is in keeping with this experience.

Although capital costs for most new medical schools developed over the last decade or existing schools undertaking major expansion have substantially exceeded those recommended, the levels suggested are consistent with the growing recognition that existing clinical facilities and resources of the University can be used to a greater extent for medical education. The construction costs are in line with those envisioned by new schools adopting this philosophy.

#### RELATIONSHIP TO EXISTING PROGRAMS

The provisions of the proposed Bicentennial Anniversary Program for the Expansion of Medical Education would replace the existing provisions of the HPEA program for the construction of new, and the expansion of existing medical schools. The program of construction funds for renovation, alteration, and replacement of existing facilities would continue.

In like manner, the provision of this new program for operating support would replace the formula component of the existing Institutional Grant program under HPEA. The Special Project program would continue in respect to innovation and program development. Projects in the expansion of enrollment would be largely obviated by the terms of this new proposal.

Programs for research, graduate training, and student assistance would continue as an essential part of the support structure for academic medical centers. Their funds' requirements, however, would reflect the expanded institutional structure that this new program would bring into being.

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ASSOCIATION OF AMERICAN MEDICAL COLLEGES—MEDICAL SCHOOL APPLICANTS AND FIRST-TIME ENROLLEES IN RELATIONSHIP TO BACCALAUREATE DEGREES AWARDED

TABLE IA—ACTUAL 1960-68

Item	Number by academic year				
	1960-61	1962-63	1964-65	1966-67	1968-69
<b>Baccalaureate degrees:</b>					
Total	365,337	410,421	492,984	562,369	734,129
Men	223,427	239,108	279,777	324,236	412,932
Women	141,910	171,313	213,207	238,133	321,197
<b>Medical school applicants:</b>					
Total	14,397	15,847	19,168	18,250	21,118
Percent of baccalaureate	3.9	3.9	3.9	3.2	2.9
Men	13,353	14,646	17,437	16,554	19,021
Percent of baccalaureate	6.0	6.1	6.2	5.1	4.6
Women	1,044	1,201	1,731	1,696	2,097
Percent of baccalaureate	.7	.7	.8	.7	.7
<b>1st-time medical school enrollees:</b>					
Total	8,069	8,242	8,587	8,775	9,740
Percent of applicants	56.0	52.0	44.8	48.0	46.1
Men	7,343	7,500	7,814	7,985	8,864
Percent of applicants	55.0	51.2	44.8	48.2	46.6
Women	726	742	773	790	876
Percent of applicants	69.5	61.8	44.7	46.6	41.8
<b>Qualified applicants:</b>					
Total	10,798	11,885	14,376	13,688	15,839
Men	10,015	10,984	13,078	12,416	14,266
Women	783	901	1,298	1,272	1,573

TABLE I-B.—ESTIMATES 1970-80

Item	Number by academic year <sup>1</sup>					
	1970-71	1972-73	1974-75	1976-77	1978-79	1980-81
<b>Baccalaureate degrees:</b>						
Total	764,000	819,487	885,312	951,138	1,007,424	1,049,400
Men	435,480	467,107	504,628	542,149	574,232	598,158
Women	328,520	352,379	380,684	408,989	433,192	451,242
<b>Medical school applicants (calculated at 1960 percentage of degree recipients): <sup>2</sup></b>						
Total (3.9 percent of baccalaureates)	28,429	31,960	34,527	37,094	39,290	40,927
Men (6.0 percent of baccalaureates)	26,129	28,026	30,278	32,529	34,454	35,889
Women (0.7 percent of baccalaureates)	2,300	2,467	2,665	2,863	3,032	3,159
<b>Medical school applicants (calculated at 1968 percentage of degree recipients): <sup>3</sup></b>						
Total (.9 percent of baccalaureate)	22,156	23,765	25,674	27,583	29,215	30,433
Men (4.6 percent of baccalaureate)	20,032	21,487	23,213	24,939	26,415	27,515
Women (0.7 percent of baccalaureate)	2,300	2,467	2,665	2,863	3,032	3,159
<b>Qualified applicants (calculated at 1960 percentage of degree recipients): <sup>3</sup></b>						
Total (3.9 percent of baccalaureate)	21,322	22,870	24,708	26,544	28,115	30,695
Men (6.0 percent of baccalaureate)	19,597	21,020	22,709	24,397	25,841	26,917
Women (0.7 percent of baccalaureate)	1,725	1,850	1,999	2,147	2,274	2,369
<b>Qualified applicants (calculated at 1968 percentage of degree recipients): <sup>4</sup></b>						
Total (2.9 percent of baccalaureate)	16,749	17,965	19,409	20,851	22,085	23,005
Men (4.6 percent of baccalaureate)	15,024	16,114	17,410	18,704	19,811	20,636
Women (0.7 percent of baccalaureate)	1,725	1,850	1,999	2,147	2,274	2,369

<sup>1</sup> Estimate.  
<sup>2</sup> U.S. Office of Education, National Center for Educational Statistics, actual figures from USOE publications; estimates from USOE personnel.

<sup>3</sup> Study of U.S. medical school applicants for each year.  
<sup>4</sup> Estimated at 75 percent of total applicant pool for each year.  
 Source: Division of Student Affairs, Aug. 31, 1970.

TABLE II.—NEW SCHOOL PROJECTIONS

School	Projected date of 1st class	Number in 1st class	Date of information
1. East Carolina College	1971	16	June 29, 1970; letter from Edwin W. Monroe, M.D.
2. Florida State University	1971	30-35	July 13, 1970; memorandum from Dr. Nicholson.
3. University of Massachusetts	1970	16	Presurvey material of June 8, 1970.
4. Mayo Clinic	1972	40	July 28, 1969.
5. University of Missouri	1971	(1)	Sept. 22, 1969, report.
6. Northern Association for Medical Education	1972	(2)	July 1970; N.A.M.E. "progress notes."
7. University of Nevada, Reno	1971	24	Oct. 19-21, 1969, report.
8. Rush Medical College	1971	60	July 17, 1970.
9. South Florida University	1971	24	Apr. 27-28, 1970, report.
10. Southern Illinois University	1972	72	1969.
11. Texas Tech University, Lubbock	(3)		
12. University of Texas at Houston	1970	19	May 1970 presurvey material.

Note: Several schools (South Alabama in Mobile, Minnesota-Duluth, Tennessee-Knoxville, and the Ohio schools of Kent, Cleveland, and Akron) do not have definite projections of entrance of a 1st class and for the size of that class. 3 of the schools—Mayo, N.A.M.E., and Southern Illinois—have projected dates of 1972 as opposed to 1971.

<sup>1</sup> 12 for first 3 classes.  
<sup>2</sup> No number but will be clinical teaching only.  
<sup>3</sup> No projections to date.

TABLE III.—ESTIMATE OF FUND REQUIREMENTS BY YEAR—  
FOR THE EXPANSION OF MEDICAL EDUCATION

Academic year	Number of students		Amount (in millions) of expense		
	Enter- ing	Total	Capital	Operat- ing	Total
1971-72	11,166	39,300	\$180	\$200.7	\$380.7
1972-73	12,378	41,817	460	241.9	701.9
1973-74	13,978	45,330		292.0	292.0
1974-75	15,078	49,122		328.2	328.2
1975-76	15,078	52,286		378.0	378.0
1976-77	15,078	55,081		420.0	420.0
1977-78	15,078	56,096		458.0	458.0
1978-79	15,078	56,096		484.0	484.0
1979-80	15,078	56,096		518.0	518.0
Total			640	3,320.8	3,960.8

COMMITTEE OF EXPANSION OF MEDICAL  
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Mr. MAGNUSON. I believe that both House and Senate amounts were too low in trying to help the crisis of our medical schools. Another problem we had was over which schools could use the money and the arguments over operations and construction. When we begin to get into the problem constructing medical schools, we get into a great deal of money. Some of these schools are still not ready. We have this great shortage of doctors. We are not catching up. We are standing still, or falling further behind.

The Senator from New Hampshire (Mr. Cotton) and I are happy to accept the amendment and will take it to conference.

Mr. YARBOROUGH. I think the distinguished managers of the bill, and the minority leader. They are as fully conversant of the problems here as I am.

Mr. MAGNUSON. We are 50,000 doctors short right now. We are not making any progress.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that Senators MONDALE, HUGHES, HART, and CASE be added as cosponsors of this amendment.

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

Mr. JAVITS. Mr. President, I strongly support the amendment offered by Senator YARBOROUGH for me and other Senators who had written Senators MAGNUSON

and COTTON informing them of our intention to offer this amendment to H.R. 18515, the Labor-HEW appropriations bill. The amendment increases by \$37,650,000—over the committee's recommendation of \$130,350,000 for institutional support—the appropriation for medical and dental schools and other academic health centers, institutions traditionally committed to standards of excellence in the care of the sick, in the training of new physicians, dentists and other health professionals, and in the expansion of medical knowledge.

At this time of a burgeoning health care crisis we can ill afford the loss of a single resource for training medical manpower. In response to this crisis, with the gravest humanitarian implications, the Senate, in passing S. 3586, the Health Training Improvement Act of 1970, included my amendment to establish a 1-year \$100,000,000 disaster relief program for medical schools in financial distress. This was to be a special 1-year program of assistance. It was designed to allow them to survive for an additional year in anticipation of the renewal and improvement of the basic legislative authority for medical and other health profession schools. In Conference with the House, that proposed authority was deleted. However, the Conferees did make two very important provisions:

(1) The Congress finds and declares that Nation's economy, welfare, and security are adversely affected by the acute financial crisis which threatens the survival of medical and dental schools which provide the highest quality of teaching, medical and dental research, and delivery of health care for the Nation.

(2) Existing law authorizes appropriations up to \$168 million for formula grants and project grants to health professions schools covering a wide variety of purposes. The budget submitted by the Administration calls for the appropriation of \$113 million of these authorized amounts, leaving approximately \$55 million in authorization for appropriations for fiscal year 1971. Among the purposes for which funds may be appropriated pursuant to this remaining \$55 million authorization, as described in section 772 of the Public Health Service Act, are appropriations for providing assistance to "any such schools which are in serious financial straits to meet their costs of operation or which have special need for financial assistance to meet the accreditation requirements."

The conference substitute would provide authority to meet the purposes of the Senate amendment by providing that funds appropriated for fiscal year 1971 to meet the needs set out in the previously quoted language are authorized to remain available until expended, or until June 30, 1972, whichever first occurs. To the extent that funds are requested by the Administration for this purpose, this authority will permit added flexibility in the use of these funds. The managers on the part of the House also wish to point out that section 601 of the Hospital Construction and Modernization Amendments of 1970 will apply to funds appropriated pursuant to this authorization, and therefore are not subject to administrative cutbacks or withholding from expenditure, so that if appropriated, these funds will be used for aid to these schools.

Mr. President, when I testified before the Senate Appropriations Committee urging increased medical manpower ap-

propriations these facts were not available nor did the committee have these facts at the time it marked up the Labor-HEW appropriations bill. The Senate did not adopt the conference report on S. 3586 until October 14, the 11th hour prior to its recess. The HEW appropriations bill had been reported out the day before. Had they had benefit of the action of the legislative committees earlier, they might very well have revised substantially upward our appropriation under the existing authority. I am gratified to note that the Senate committee increased the appropriation for medical schools over the President's budget by about \$17 million, I think the circumstances now indicate that we need to do even more. It seems reasonable that these changed circumstances justify a reexamination of the appropriateness of the recommended appropriation level as now contained in this bill.

The amendment now before this body is designed to make clear our commitment to stand behind these great centers of medical excellence. It raises the appropriation to the limit of the authorization, \$168 million. That amounts to an increase of about \$38 million above the committee's bill. To do any less, amounts to nothing less than false economy. Imagine the costs associated with revitalizing these institutions after they have collapsed. The proposed course of action is, therefore, sound and prudent. It gives us an additional period of time in which we of necessity must address this problem on a far more comprehensive basis. Until then, however, this amendment averts disaster.

Mr. President, this amendment makes sense and I urge my colleagues on both sides of the aisle to overwhelmingly cast a vote of confidence for medical education in America and support this amendment.

Now, Mr. President, after a hard-fought conference, the House yielded and extended it \$55 million in their conference report by pointing out that by really earmarking that much out of the general appropriation we could rescue the medical schools.

Mr. MAGNUSON. The reason for that is we did not have that evidence before us.

Mr. JAVITS. Exactly right. So it is appropriate and typical of the understanding of the managers of the bill that they will accept this amendment. The situation is very grave and I am very much pleased that this has been done.

Mr. KENNEDY. Mr. President, I strongly support this amendment to provide full funding for one of our most important Federal health manpower programs—the program of "institutional and special project" grants for medical schools, dental schools, and related schools of health professions.

The amendment would appropriate a total of \$168 million for this vital program—the full amount authorized to be appropriated. The figure is \$38 million above the appropriation requested by the Senate committee, and \$67 million above the amount requested in the administration's budget submission for the current fiscal year.

It is my understanding that the entire amount of the additional funds requested in this amendment will be used for assistance to medical schools in financial distress and other schools of the health professions in similar circumstances. I believe that these funds are urgently needed. The fiscal problems facing our medical schools are extremely serious, and it is vitally important that Congress act now to help alleviate the difficulty.

Of all the aspects of the health crisis now confronting the Nation, the most serious is the crisis of health manpower. The facts of the manpower crisis are well known. Today, we have a health gap of 50,000 doctors and 20,000 dentists in the Nation, and the gap is even wider in the cases of nurses and allied health professionals. By 1980, the problem will be even more serious, unless we take the steps now that are necessary to insure a greater supply and better geographic distribution of our health manpower.

Yet, ironically, as our medical schools are responding to the need and are beginning to increase their enrollment, they are also facing increasingly severe challenge to their financial stability.

Last June, the Appropriations Subcommittee was told that 61 of the Nation's 107 medical schools—or more than half of the Nation's total—have already been awarded special project grants because of their condition of financial distress. A number of these schools are on the verge of bankruptcy. Indeed, the situation has deteriorated to the point where the immediate need to provide emergency financial relief to medical schools is threatening to exhaust the Federal funds available for curriculum changes, minority enrollment programs, and other innovative approaches to the problems of health manpower.

Only through full funding of this crucial manpower program—\$168,000,000—can we minimize the inherent conflict in our existing Federal legislation between funds needed to hold the line against imminent financial crisis, and funds needed to move forward to attack the overall problem of the Nation's shortage of health manpower.

Three weeks ago, the Carnegie Commission on Higher Education released a major report emphasizing the inadequacy of our health delivery system and calling for an urgent 10-year program to increase the Nation's supply of doctors and upgrade the quality of health care in the country. A key link in the Commission's recommendations is the medical school, which would play a central role in developing and providing high quality care in its surrounding geographic area.

I fully support the recommendations of the Carnegie Commission. In large part, we have a health crisis today because we failed to act on such recommendations in the past. The graveyard of proposed health reforms is filled with the progressive recommendations of distinguished commissions, buried by the apathy and neglect of the existing health system. The Carnegie report will suffer the same fate unless we take more effective steps today.

The problem is especially acute in the case of our efforts to upgrade the role of our medical schools. Unless we act now to strengthen their financial stability, many medical schools will simply be unable to participate in developing a strong health care program for the Nation.

Much of the impetus for the present amendment has come from our efforts on the Senate Health Subcommittee to alleviate this aspect of our national health crisis—the plight of medical schools in financial distress. As a member of the Health Subcommittee, I was pleased to support the proposal originally offered by Senator JAVITS earlier this year, to authorize \$100 million in special emergency grants to such schools. Although the proposal was approved by the Senate, it was opposed by the House conferees, and was not included in the bill signed into law by the President earlier this month.

In large part, the objections of the House conferees were based on their view that such grants could already be made under the "institutional and special project" grant program in existing law. Yet, the House conferees pointed out, the administration had not even requested full funding of this program. In light of this recent legislative history and the obviously grim financial plight of many of our Nation's medical schools, I believe that a strong case can be made for full funding of the program, as proposed by the pending amendment.

I would prefer, of course, that we deal separately with the special problem of the growing financial crisis in our medical schools, instead of requiring this difficult problem to compete for the same Federal funds with proposals for new program development in such schools. But at this late date we cannot afford the luxury of developing a separate legislative approach. We must work with the tools we have. The opportunity is at hand to make a major contribution to shore up the stability of our most priceless national health resource—the medical schools of America, on which we depend so heavily for achieving our goal of improving the quality of health care in the Nation.

We simply cannot continue to ignore the crisis confronting our medical schools. We cannot wait for the tragedy of a bankruptcy or the death of a great medical school before we are shocked into action. The dollars we allocate today can give us the leverage we need to head off the crisis that threatens us. The cost of not acting is far greater. It is the only real cost we cannot afford to pay.

Mr. MATHIAS. Mr. President, because of the desperate financial situation now facing many of our Nation's medical schools, I feel not only pleased, but indeed compelled, to cosponsor this amendment. This measure would raise the amount available for aiding medical schools in financial distress. This increase can only be described as essential when, already, cuts in federal support have spelled death for two of the country's 55 dental schools. Many other medical schools are close to financial collapse. Unless met with quick and sub-

stantial relief, another six dental schools and 10 to 15 medical schools, now on the verge of bankruptcy, will soon be irretrievably doomed.

The crisis in medical education blatantly adds fuel to the fire of health-cost inflation. The spiraling of health costs will level off only when we have an adequate supply of medical manpower and facilities to meet the burgeoning demand for health care.

In my own State of Maryland the Johns Hopkins School of Medicine will alone run a deficit of \$2.23 million. One of the Nation's leading medical centers, the school has lost \$1.6 million in Federal support during the past year, either for projects unrenewed or severely cut back. In addition, the school has lost about \$440,000 in funding for postdoctoral medical training. This amounts to a lion's share since about 60 percent of the Hopkins' budget comes from Federal sources.

Despite this, the School is striving to maintain and even to expand both its enrollment and its community services. This past summer it conducted a special program aimed at recruiting minority and disadvantaged students. It is now planning to construct a new 200-bed community hospital in economically deprived East Baltimore, and is providing enormously successful with a pioneering group health-care plan in the new town of Columbia, Maryland. This experiment may well be the embryo for health care of the future, and yet it is being undercut at the roots.

At the University of Maryland, cuts in Federal funding are sharply curtailing and even forcing the dismantling of extremely productive biomedical research teams. The grant for an important cancer project involving six full-time researchers, for example, has recently been terminated.

In the District of Columbia, the Georgetown and George Washington University Medical Schools are facing enormous deficits—over \$2 million per school for the current fiscal year. Both schools are having to eat into their unrestricted endowments. By 1971 these precious funds will in fact be completely exhausted. And yet both schools are making courageous efforts to increase their enrollment.

The District of Columbia is particularly fortunate in that the chairman of the Health Appropriations Subcommittee, the distinguished Senator from Washington (Mr. MAGNUSON) has undertaken to see that funds are directed to the District government for the support of these schools. For this courageous and far-sighted action, the Senator is to be highly commended.

Also deserving of the highest praise for this is the ranking minority member of the subcommittee, the distinguished Senator from New Hampshire (Mr. CORTON), and the distinguished Senators from Delaware and Nevada (Mr. BOGGS and Mr. BIBLE) for their efforts in moving to cope with the crisis facing, these institutions.

At Howard University Medical School, where over 85 percent of the students seek financial assistance, officials are be-

ing forced to deny it to an increasing number. Unfortunate also is the school's shortage of staff, the student-staff ratio being 20 percent below the national average.

As I stressed in recent letters to the Secretary of Health, Education, and Welfare and to the Director of the Office of Budget and Management, this dismal picture of blight is not limited to one area of the country alone. All across the Nation medical schools are being wracked with crippling erosion of their financial bases.

The 540-student school of medicine at St. Louis University in Missouri is very near insolvency, with a \$750,000 deficit. Two New York schools are teetering on bankruptcy.

All across the country we are being swamped with a burgeoning health crisis. Skyrocketing costs, obsolete and inadequate facilities, and greatly increased health expectations are threatening to deny proper care to millions of Americans. Particularly in jeopardy is the progress of plans to expand medical care to the countless disadvantaged persons in rural and urban areas.

What exacerbates this all the more is the critical shortage of doctors. With a present national need for more than 500,000 additional physicians and an annual output of but 8,000 or so, the economic strangulation of our medical schools—which surely rank as one of our most precious national resources—represents a bizarre form of suicide, fiscal as well as physical, since it blatantly adds fuel to the fire of health-cost inflation.

Statistics of the American Hospital Association show that the average cost of a day in a hospital went up more than 300 percent during the 1960's.

The most serious shortage of personnel in any major occupational group in the United States is in the health care area. Recent comparative data shows that eight countries have higher ratios of physicians to population than the United States, including Czechoslovakia, Hungary, the Soviet Union, and Israel.

One important survey indicates that one American in six has never visited a dentist. And the ratio of dentists to population is getting worse: from one per 1,677 Americans in 1953 to one per 2,100 in 1970.

Medical schools are fighting to increase their enrollments. Since 1964 they have increased their capacity by over 32 percent. But further expansion is being constrained for lack of funding. Cuts in Federal student assistance are especially devastating to the attempts by schools to recruit minority students.

The squeezing of funds out of health education thus reeks of false economy. What is more, it is a transparent prescription—tantamount to balancing the budget by sacrificing human lives.

I urge Senate support of this amendment for medical school rescue aid not as a final or long-term solution, but as an emergency, stop-gap measure. Indeed, there is an almost equally compelling need for a whole new system for financing medical education. We must develop a scheme that will depend on

State and private, as well as Federal support.

We must embrace this short-term remedy while at the same time seeking a long-term solution—if indeed there is to be any use for long-term solutions. Unless more of our schools are to falter and die, unless our already mushrooming health crisis is to become a corpse crisis, we must move now to make available this transfusion to our sorely ailing medical schools.

Mr. MAGNUSON. Mr. President, I yield back the remainder of my time.

Mr. YARBOROUGH. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Cook). The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

#### AMENDMENT NO. 1077

Mr. MONDALE. Mr. President, on behalf of the Senator from Hawaii (Mr. Inouye), who could not be here today, I call up amendment No. 1077.

The PRESIDING OFFICER (Mr. Cook). The amendment will be stated.

The assistant legislative clerk read the amendment as follows:

#### AMENDMENT

On page 21, line 16, delete the figure "\$295,000,000" and insert in lieu thereof "\$298,000,000".

Mr. MONDALE. Mr. President, this amendment calls for \$3 million additional to the funds to be made available for schools of public health.

I believe the Senator from Hawaii has discussed this matter with the Senator from Washington.

Mr. MAGNUSON. Yes.

Mr. MONDALE. The Senator from Hawaii (Mr. Inouye) could not be here today and asked that I raise this issue with the Senate.

Mr. MAGNUSON. Mr. President, this covers some of the same programs as the amendment just adopted. There is a great shortage of personnel in the health manpower field, particularly in the schools of public health and administration.

Mr. MONDALE. As I understand the Yarborough amendment which was just adopted, it does, in fact, involve the same line item as does, the Inouye amendment. What the Senator from Hawaii wishes to assure is that public health training will be on a par with other medical professions such as nursing, dentistry, and other allied health professions.

In light of the fact that there have been two new schools of public health accredited in the past year, and adding to that the inflationary factors, this modest increase would seem to be necessary in order to maintain any kind of progress in the public health services field.

Mr. MILLER. Mr. President, a point of order. The amendment that was just adopted is identical to the amendment that is now being offered, except that it exceeds the amount. The Senate already has acted on this particular part of the bill by its voice vote.

I am not trying to be unduly technical here, but I think the Senator from Minnesota should redraft the amendment

to provide something else, because I think that the amendment is out of order.

The PRESIDING OFFICER (Mr. Cook). The Chair would advise that he was about to advise the Senator from Minnesota that his amendment is out of order unless he wants to ask unanimous consent.

Mr. MONDALE. Mr. President, I ask unanimous consent that this amendment be considered.

Mr. MILLER. Mr. President, reserving the right to object, the amendment that has just been agreed to previously goes from \$295 million to \$332 million. The amendment the Senator is talking about goes up to only \$298 million, so the amendment that has been adopted is already more than what the Senator's amendment calls for.

Mr. MONDALE. Mr. President, I am advised that the objective sought by the Senator from Hawaii (Mr. Inouye) can be met by the previous amendment offered by the Senator from Texas (Mr. Yarborough).

Mr. HART. Mr. President, will the Senator from Washington yield?

The PRESIDING OFFICER (Mr. Cook). The Chair would advise the Senate that time is under control, and that time for the Senator from Michigan to speak will therefore have to be yielded from the bill or from the amendment.

Mr. MAGNUSON. I yield time to the Senator from Michigan (Mr. Hart) from the bill.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. HART. Mr. President, I rise only to ask the Appropriations Committee staff personnel if we are correct in our understanding that the effort reflected in the Inouye amendment, to insure more adequate funding of Public Health schools, has been taken care of in the Yarborough amendment.

I do this for a variety of reasons, but basically the University of Michigan School of Public Health is the largest in the country. There is great urgency that we insure adequate funding not alone for that institution but for the other tragically too few schools of public health in this country.

Are we certain that we have, indeed, made the provision intended by the Inouye amendment under the Yarborough amendment?

Mr. MAGNUSON. I understand that this would require the Senator from Texas (Mr. Yarborough) to agree. The problem we have here is that it is in the institutional support programs for schools of public health. The \$38 million was not earmarked. It has to be brought down from institutional support for medical, dental, and related matters, and take \$3 million out of that and bring it down to line C for schools of public health. That would pin it down.

Mr. YARBOROUGH. It was not earmarked in the \$38 million that my amendment added. I will consent, hoping that we can hold that \$38 million in the bill in conference.

Mr. MAGNUSON. Well, of course, I do not know what we can hold in conference.

Mr. YARBOROUGH. I agree to earmarking the \$3 million.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that that be done.

Mr. MILLER. Mr. President, could not this all be taken care of by asking unanimous consent that the Senate express its purpose to do what the Senator is asking for? Then the conferees will know what we have in mind without going through the details of further amendments and parliamentary procedures.

Mr. BYRD of West Virginia. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER (Mr. Moss). The Senate will be in order.

Mr. COTTON. Mr. President, will the Senator yield me 1 minute there?

Mr. MAGNUSON. I yield.

Mr. COTTON. Mr. President, there is no question in this country being more hotly contested and subject to sharper competition than what medical schools are going to receive in assistance. I have one in my State that must either expand or go out of business. I find with respect to the allocation we had last year that practically all of it went to five huge western and midwestern universities.

When we start earmarking on the floor of the Senate, we must remember that the department has a backlog of applications far in excess of any money we have provided in the bill even if we were to add some more. When we start earmarking, we do not know what we are doing.

I feel very strongly about this matter. I want to see the money in here. I want to see it go to medical schools and I want to see more doctors. However, I feel that I must object to a haphazard, off-the-cuff earmarking of money for any particular schools or particular purposes on the floor of the Senate at the last minute.

Mr. MONDALE. Mr. President, may I inquire of the manager of the bill whether the objectives sought to be achieved by the amendment which I am offering on behalf of the Senator from Hawaii can be achieved without the necessity of pressing the amendment. I understood him to say that it could be.

Mr. MAGNUSON. Mr. President, it is my understanding that we could get a unanimous-consent agreement that we could take out of the addition for institutional support for medical, dental, and related items, the line item, item 1(a), take \$2 million and place it under public health on line 1(c), page 90 of the report and under student assistance traineeships place an additional \$1 million, for public health traineeships.

We could so adjust it.

Mr. MONDALE. Mr. President, I ask unanimous consent that that change be made.

Mr. MILLER. Mr. President, reserving the right to object, I did not hear the request.

Mr. MONDALE. Perhaps the Senator from Washington could state it.

Mr. MAGNUSON. Mr. President, the Senator from Minnesota can ask unanimous consent, or I will, that, of the \$38 million placed in the bill by the last amendment, \$2 million of that amount be added to the line item, page 90 of the report 1(c) public health, and under stu-

dent assistance, No. 2 line item, under 2(a) traineeships, \$1 million, which would come from the \$38 million just added. We would adjust the bill accordingly.

Mr. MILLER. Mr. President, reserving the right to object, perhaps I do not have the correct figures. The Senator has been talking about \$38 million. As I understand it, we had \$37,650,000 added by the Yarborough amendment, the difference between \$332,650,000 and \$295 million.

If that is correct—and the Senator from Texas can confirm this—we have added \$37,650,000 by his amendment.

Mr. YARBOROUGH. The Senator is correct. But it was under the limitation that was explained yesterday under the report of the managers of the conference on the Health Training Improvements Act of 1970. That was passed on the 14th of October—the 13th of October in the House, and on the 14th here.

The manager of that bill reported that they had stricken out the Javits amendment with \$104 million in it for the medical schools that were in distress.

Mr. MAGNUSON. Mr. President, my interpretation of the amendment was that it added \$38 million. But whether it was \$38 million or \$37,650,000, we could have a unanimous-consent agreement to use that, whatever it is, and take \$2 million and add it to institutional support for schools of public health, the line item, and \$1 million to student assistance and traineeships, so that the Yarborough amendment would distribute \$3 million of that amendment to those two items.

Mr. YARBOROUGH. Mr. President, I agree to that request. But if in conference with the House the gross amount of \$38 million is reduced, the portion going to public health will be in the same proportion that we are placing in the bill if there be a reduction.

Mr. MAGNUSON. That is correct. We do not need unanimous consent. We will make legislative history.

Mr. MONDALE. Mr. President, with that understanding, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

#### AMENDMENT NO. 1073

Mr. MONDALE. Mr. President, I send to the desk amendment No. 1073 and ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

On page 29, line 9 and 10, strike out the numeral and insert in lieu thereof: "\$79,435,000".

Mr. MONDALE. Mr. President, amendment No. 1073 would increase funds for the rehabilitation research program of the social and rehabilitation service by \$2,000,000. This amendment is intended to provide badly needed support for the 19 rehabilitation research and training centers.

The administration requested \$81,435,000 for the program which includes these centers. The Appropriations Committee has recommended only \$77,435,000, or

\$4 million less than the budget request. Thus, approval of this amendment would still leave the appropriation \$2 million under the budget.

I am sure that my colleagues are familiar with the great value of the vocational rehabilitation program. This program has restored many hundreds of thousands of badly injured persons to useful and happy lives. Last year alone, about 250,000 persons were rehabilitated and placed in jobs.

This is a program which pays for itself many times over by keeping the disabled from becoming welfare charges and by making taxpaying, productive workers of them. The economic return of this program, solely from increased Federal income taxes, is estimated at \$7 to \$10 for each \$1 spent.

The research and training centers, which would be aided by this amendment, provide the medical and technological backup to the rehabilitation program. They also furnish a significant portion of the highly trained personnel needed to make the program work so well, providing rehabilitation services to many patients at the same time.

I should like to point out that the rehabilitation research and training center program was actually initiated by the Congress in 1961 in order to achieve a very special purpose. At that time, we were concerned about the lack of integration and coordination among research, training, and service programs to individuals. We therefore conceived a program of research, training, and community service to advance the cause of rehabilitation.

I am pleased to note that one of the first two centers supported under this program was in my State at the University of Minnesota. There was established an excellent collaborative effort between the University and the Kenny Rehabilitation Institute. The objective of the center program was to cut the timelag between discovery or research and the training of future generations of practitioners through an improved and viable service program. Since those modest beginnings less than 9 years ago this program has advanced to the point where there are 19 of our outstanding universities and rehabilitation centers participating in a joint and mutually enforcing effort.

We are all aware of the fact that there have been increases in costs on every hand and the research and training center program is no exception. Yet, the \$10,275,000 allotted to this program has been on dead center since the 1968 fiscal year. According to the participating institutions, inflation is starting the research and training center program on a precipitous downhill slide. Already I understand research activities in these programs have had to be cut back so that fewer research projects can be undertaken.

The number of participants in training has started to decline. In 1968, there were about 33,000 in training but this had declined to approximately 32,000 by 1969. A similar drop appears to have taken place in 1970 and 1971. It would appear as though there would be no recourse for

these centers in the 1972 fiscal year but to cut back further on their training activities if additional funding is not made available. Such unwise retrenchment in research and training exacts a heavy toll in future years.

One illustration of the serious shortage of trained personnel is that the State rehabilitation agencies have indicated a 1971 requirement for 12,000 additional counsellors. At present, we have only 5,600 in the 2-year training programs. Thus, we are turning out each year less than one-fourth of those needed by the States.

The shortage of trained physicians is even worse. We have only 166 in graduate training programs, usually of 3 years' duration. And yet the need for additional physician personnel is estimated at 2,300 for this year.

I am sure that none of us wishes to be identified with a diminished effort in centers of excellence such as these. I feel that this program, which was created at the specific request of this body, is in serious jeopardy unless additional funds can be made available.

One of the areas of research which will have to be cut back is that of spinal cord injuries. About 9,000 individuals who have such disabilities are receiving services under the State-Federal vocational rehabilitation program. We have from 5,000 to 10,000 new cases each year and the majority of these are in the young adult age group, 18 to 25 years, mostly because of accidents. A life of productivity lies ahead for this group, but only if we can continue to develop and expand the techniques and services needed by this group.

It has been well documented that such a program can save many times the cost of rehabilitation. We can ill afford to lose the potential for reaping this human and economic gain by reducing the capacity of our research and training centers to respond.

This is but one example of what may well happen without additional funds. Therefore, I strongly urge the approval of this modest increase in funding for the research and training center program of the Social and Rehabilitation Service.

I ask unanimous consent that a list of these centers be printed in the RECORD.

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

REHABILITATION RESEARCH AND TRAINING  
CENTERS

New York University, New York.  
University of Minnesota, Minnesota.  
University of Washington, Washington.  
University of Southern California, California.  
Emory University, Georgia.  
Tufts University, Massachusetts.  
Temple University, Pennsylvania.  
George Washington University, District of Columbia.  
University of Colorado, Colorado.  
University of Alabama, Alabama.  
University of Wisconsin, Wisconsin.  
University of Texas, Texas.  
Baylor University, Texas.  
University of Oregon, Oregon.  
University of Arkansas\*, Arkansas.

\*Center includes both a university and a State or non-profit, private component.

University of Pittsburgh\*, Pennsylvania.  
West Virginia University\*, West Virginia.  
New York University (special deaf center), New York.  
Northwestern University, Illinois.

I think the Senate is fully aware of the importance and value of the program. Two basic arguments justify the increase. First, the funding level for these 19 centers remained level for 3 years. Inflation has sharply reduced the value of these programs. Second, some new centers have been added in the interim. So, if we wish to keep the programs of these centers at their present levels, it will be necessary to increase the funds. That is the purpose of the amendment.

Mr. MAGNUSON. Mr. President, this represents 11 regular medical centers, one development medical center, three medical retardation centers, three vocational rehabilitation centers, and one center for the deaf.

They had to cut it back in 1970 due to the fact that, as we know, the Senate cut back the total budget. This was cut back.

Mr. MONDALE. The Senator is correct.

Mr. MAGNUSON. This brings it up to where they can operate. The committee accepts the amendment.

Mr. MONDALE. Mr. President, I ask unanimous consent that the name of the Senator from Texas (Mr. YARBOROUGH) be added as a cosponsor of the amendment.

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

The question is on agreeing to the amendment of the Senator from Minnesota.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 18515) was read the third time.

Mr. JAVITS subsequently said: Mr. President, I would like to call attention of the Senate to a provision in the bill for a Cabinet committee on opportunities for Spanish-speaking people. This is a desirable activity. The Senate committee, indeed, increased the appropriation from \$537,000 to \$675,000 over what the other body did.

I want very much to express the need for seeing that, among the Spanish-speaking people who are recognized as being in the care of the committee, Puerto Ricans should be an important element. They represent a significant element of the total Spanish-speaking people in our country. They are heavily concentrated in the New York area and other areas of the United States. They are extremely productive. Indeed, they are responsible for many industries, like the hotel industry, which, without them, could not function at all in my part of the country.

I hope that the Chairman, Mr. Martin Castillo, who has testified on this par-

ticular matter, and who has also testified before us in other respects, may have that fact very much in mind. He has put together a staff under the appropriation bill.

Mr. MAGNUSON. Mr. President, may I say to the Senator from New York that when we heard testimony on this matter we had present—and he also testified in the hearings—the Resident Commissioner from Puerto Rico, who, as the Senator knows, is a very able and articulate person. Everybody, including the chairman and the other members of the committee, was agreed that they would do exactly what the Senator from New York has said. So I hope there is no question about what our intention was.

Mr. JAVITS. I thank my colleague.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the clerk of the Senate be authorized to make any technical changes in the bill that are necessary. There are one or two typographical errors.

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

Mr. COTTON. Mr. President, I want to call attention, so that the RECORD will show, to the fact that the Senate committee added to the bill \$218,661,078, and that on the floor of the Senate, the Senate has added \$168,550,000, in addition to what the House added and in addition to the President's request.

Mr. HARRIS. Mr. President, I had intended to offer an amendment to H.R. 18515, the Labor-HEW appropriation bill, which would have recommended a \$3.5 million increase for child development research under the Office of Child Development.

As a cosponsor of amendment No. 1068 offered by the distinguished senior Senator from New York (Mr. JAVITS) and others, and after consultation with other Senators I have decided to withhold the amendment because it appears that we have gone as far as we can this year to increase appropriations for the OEO section of the bill under which funds for child development research are provided.

At this time, however, I ask unanimous consent that the statement which I would have made in introducing the amendment be printed in the RECORD. I would hope that the Congress will give this matter serious consideration when subsequent appropriations are considered. At that time I intend to support such efforts.

I ask unanimous consent that a statement I had prepared for delivery on this matter may be printed in the RECORD at this point.

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

STATEMENT OF SENATOR HARRIS

Mr. President, at present there are more than 55 million children in the United States under fourteen years of age. During the decade of the 70's it is estimated that there will be at least 4 million new births each year. Over 60 percent of the children under 14 years live in metropolitan areas. During the 70's mothers of school and pre-school children are more likely to work than ever before. In 1960 twenty percent of the mothers of children under six years of age worked. In 1969 this number increased to thirty per-

cent. Consequently, it is expected that substantially more children under age six will be enrolled in some kind of day care or child development program during the 70's. Between 1964 and 1969 public nursery school enrollments increased by 169 percent. More public pre-school programs were started during this period.

Partially as a result of the increasing enrollment of children in pre-school programs, many significant and far-reaching discoveries have been made about the learning, physical, emotional and social development of children under six. This was especially true of disadvantaged children participating in the Headstart program. For example, some of these activities led to studies which have shown that there is a very significant relationship between nutrition and pre-natal care and the learning ability of a child. We have learned that malnutrition in expectant mothers results in retarded fetal growth. Studies suggest that malnutrition, even in a mild form and for a short period of time, if present during a critical period, may produce irreversible brain damage to an unborn child.

During the pre-school years, the child becomes increasingly exposed to the community beyond the home. This is the critical stage in his development. Place of residence and family economics affect his health, cultural enrichment, and learning.

A child is constantly learning. Hopefully, he is curious, creative, and motivated by his learning experiences. But, too frequently our educational system hinders the curiosity and desire for learning. Moreover, the educational system is frequently unable to compete effectively with other sources of learning which hold the interest of the child.

Despite numerous research efforts and experimental programs, far too many children are still unable to read or solve simple arithmetic problems. For example, one out of seven elementary school children, more than one out of five pupils from low-income families, and up to one-half of students in large school systems have serious reading disabilities.

While we know that these disabilities are greatest among poor families, we don't know as much as we need to about overcoming them.

One research project now being conducted with funds provided by the Office of Child Development is an attempt to measure the distortions built into intelligence and achievement tests, which penalize children of poor and minority backgrounds by testing not their true capacities but their familiarity with middle-class culture.

Another important ongoing research project is testing the impact on children and their parents of different types of day-care centers—some located on industrial plant sites where mothers can leave their children nearby while they work; others located in neighborhood centers near residences of parents. The size of such centers, the number of children cared for in each, the qualities of each center and facilities provided, frequency of contact with parents during the day, all have very critical implications for the future of day care centers and child development programs in this country. We simply need to know as much as we can about the effects on children of our new, experimental programs before we commit ourselves to the large investment I think is necessary in the day care and child development field, and that is what this research program is all about.

In its 1971 budget the Office of Child Development requested \$8.5 million to conduct a number of specific projects designed to study and develop new techniques for improving the learning process for our children. The amount recommended by the Senate Appropriation Committee would limit the

OCD's 1971 research to little more than half of the projects it would like to conduct, the effect of which would be a serious setback for child development research and important experimentation projects.

The amendment I intended to offer would merely increase the Senate Appropriation Committee's figure by \$3.5 million to the level originally requested by the Office of Child Development. This is a very small amount, and, without question the purposes for which it will be used are crucial to the early educational development of all American children. What better investment can we make than one which is concerned with the future development of generations of young Americans?

Mr. President, I would hope that in the future, this nation can have a program of research and development which will place early childhood education on a more secure footing.

Dr. Sheldon White, professor of educational psychology at Harvard University, in testimony before the House Select Subcommittee on Education stated that there is a need for several specific studies in the development of early childhood education. Among these he listed the need for:

1. Careful comparisons of the effectiveness of different kinds of teaching techniques with different kinds of children.
2. The development and testing of prototype programs in early education.
3. The orderly and effective dissemination of successful prototypes into general use.
4. Background activities designed to recruit resources and personnel necessary to such development.

In the field of early childhood or pre-school education, many questions have gone unanswered. For example, what techniques can be used to release and enhance creative expression by a child and engage him in the creative process. How do we determine whether a child has learned to read? What are the effective strategies for teaching different kinds of children to read? How should the reaching of teachers be changed to better come to grips with the myths and realities of our educational system? What other health factors hinder the learning ability of the child? I submit that these are but a few of the long list of questions which must be answered if all are to begin to effectively deal with this problem.

Mr. President, those persons responsible for educational and social development of our children say that five million dollars is too small an amount to invest in child development research. This amount in no way shows a commitment by this government to seriously work with and confront the immense problems of pre-school education. We can do more. We must do more now. The educational development of millions of young Americans is not the kind of thing that we can afford to postpone until a more convenient time. Now is the time to begin.

Mr. HART. Mr. President, I would like to congratulate Senator MAGNUSON, chairman of the Appropriations Subcommittee on Health, Education, and Welfare, for the leadership he has given in the critical area of health manpower.

The figures on shortages of health manpower are well known. The Nation needs an additional 50,000 doctors and an additional 100,000 nurses.

Funds for health manpower programs as reported by the Senate Appropriations Committee go a long way to correct inadequate budget requests in this area.

When I testified on health manpower needs in June, I listed the following gaps between demand, authorizations, and budget requests for critical health manpower programs.

Loans for medical students: demand, \$43 million; authorization, \$35 million; budget request, \$12 million.

Loans for student nurses: demand, \$27 million; authorization, \$21 million; budget request, \$9.6 million.

Institutional support: authorization, \$168 million; budget request, \$113 million.

And here is what the Senate Appropriations Committee recommends: \$33.5 million for medical student loans; \$21 million for student nurse loans; and \$127 million for aid to medical and dental schools.

Again, the committee in general and Senator MAGNUSON in particular are to be congratulated for acting to meet a serious need.

In addition, I was pleased to note that the committee recommended an increase of \$40 million over the budget request for Community Mental Health Center staffing grants. This will enable some of the centers to be opened in the near future to receive staffing money this year.

It is my hope that the Senate will give strong support to these increases so that our conferees will be in as strong a position as possible in conference.

There is one budget item under health manpower which I believe should be increased over the committee recommendations.

That item is the appropriation for Federal support for graduate schools of public health.

The administration requested and the House approved a total of \$16.4 million for public health traineeships and institutional support, which is a cut of \$1 million from appropriations for fiscal years 1969 and 1970.

To put the situation in its correct perspective, not only was the budget request for less than funding levels for the 2 previous years, but since 1969 two additional schools of public health have been accredited, and other new schools are planned for Alabama, Illinois, Missouri, and Ohio.

The need for new schools is clear, for a shortage of trained public health manpower exists. Congress recognized that shortage when it increased authorizations for these items from \$26 million for fiscal year 1970 to \$37 million for fiscal year 1971.

Yet, in face of that need, the budget request was for less than half the authorization.

While the Senate Appropriations Committee has recommended an increase of \$1 million, I have cosponsored an amendment to increase that recommendation by \$3 million to \$20,471,000.

This increase is particularly important in view of the likelihood that what the Senate approves will be reduced in conference.

I urge approval of this amendment.

Mr. DOLE. Mr. President, I should like to take a few moments at this point to lend my support to the appropriations proposals for the Department of Health, Education, and Welfare which have been reported by the Senate Committee on Appropriations in the Labor-HEW bill. Although this measure contains increases over administration requests, it repre-

sents a determined effort to arrive at a reasonable balance between real and pressing needs in the multiple areas within the Department's jurisdiction and the equally significant requirement for fiscal responsibility in congressional action. In fact, it appears that this bill reaches the absolute limits to which the Congress can provide realistic and prudent funding for the many worthwhile and highly valuable programs administered by the Department.

Of particular interest to my State is the section to provide nearly \$9 million in project grants for 35 hospitals and related facilities currently under construction or being modernized. More than \$1.1 million of these funds will go for seven hospitals and health institutions in Kansas. It should be pointed out that all the projects covered by this section were begun under previous Hill-Burton grants, and this appropriation is a recognition of the need to allow these projects to be continued.

Another aspect of the bill which stands out in its importance is the section providing for expanded Mental Health Center staffing which is of particular concern to many States which are implementing community mental health programs to better serve the needs of their citizens in this important field. The committee added more than \$20 million to the House provision for this area. Also important is the provision for \$5.9 million for the hospital improvement program for mental health institutions. An increase of \$400,000 over the 1970 appropriation. In Kansas, the broad and widely acclaimed State mental hospital program would stand to benefit from this increase.

Mr. President, as the distinguished Senator from New Hampshire (Mr. Cotton) pointed out on Wednesday, this bill is not perfect. It is, however, the product of the best efforts of the committee to put together a workable and responsible funding program under, admittedly, severe budgetary restrictions.

It is indeed tempting to overstep financial limitations when dealing with programs to benefit the young, the old, the mentally and physically ill, and all those who are potential victims of accident, disease and misfortune. But in the best interest of all Americans, the resources of the Federal Government and the viability of the national economy, the line must be drawn firmly and held. The Committee on Appropriations, especially the Senator from Washington (Mr. Magnuson) and the Senator from New Hampshire (Mr. Cotton), are to be commended for their diligence and dedication in preparing this bill and attempting to see that the most equitable, effective, and appropriate allocating of funds have been made. I am pleased to support this bill.

Mr. BYRD of West Virginia. Mr. President, I want to take this opportunity to compliment the able chairman of the Labor-HEW Appropriations Subcommittee, the distinguished senior Senator from Washington (Mr. Magnuson), for his consistent dedication and service. As a member of the subcommittee responsible for this \$19 billion appropriations bill, I continue to be impressed with our

chairman's complete grasp of one of the most complex of all bills. His leadership was much valued by all the subcommittee members, as was the able assistance of the distinguished ranking minority member, the senior Senator from New Hampshire (Mr. Cotton).

During the consideration of the entire bill, the members of the subcommittee always kept in mind the need for fiscal responsibility, especially during the current inflationary period. Yet, as the committee report indicates, we could not agree with the administration's limited budget requests when the health and medical care of Americans are concerned. The Nation's biomedical research, health care, and health manpower programs must be properly maintained and funded.

Mindful of this goal, I supported the amendments recommended by the committee which increased appropriations in these areas, particularly for the research institutes of the National Institutes of Health.

The distinguished senior Senator from Nevada (Mr. Bible) and I sponsored two amendments. The first amendment increases the appropriations for the National Heart and Lung Institute to \$203,479,000—\$25 million over the House-passed bill, and \$31.7 million over the administration's budget estimates. The second amendment increases the appropriations for the National Institute of Neurological Diseases and Stroke to \$115,807,000—\$15 million over the House-passed bill, and \$18.8 million over the administration's budget request.

The increase in funding for the National Heart and Lung Institute would allow the Institute to intensify its research activities for the prevention, early diagnosis, and treatment of acute and chronic respiratory diseases. This is of particular interest to West Virginians, because of the incidence of pneumococcal pneumonia—commonly known as black lung—and silicosis. In addition, lung ailments in our urban areas are rapidly increasing as a result of air pollution and other environmental hazards.

The amendment offered by Mr. Bible and me would also provide additional funds for arteriosclerosis centers and programs for research on hypertension; for cardiovascular research; and for the improvement of transfusion methods, storage, and utilization of the Nation's limited supply of human blood.

The amendment which Senator Bible and I offered to provide a \$15 million increase over the House allowance for the National Institute of Neurological Diseases and Stroke would be used to develop 10 additional clinical stroke centers, expand the activities of the 17 existing centers, and support training programs. I feel that this additional expenditure is needed. It has been estimated that some 2 million Americans are victims of strokes annually, and that strokes prove fatal to about 200,000 Americans each year.

Additional funds would be effectively used in the study and treatment of disorders that attack the brain and central nervous system. Work is now being done in the study of head and spinal cord injuries, communicative disorders, neurological and sensory ailments, and L-

Dopa followup treatment. Some 20 percent of all hospital admissions suffer from such ailments.

Mr. President, in addition to accepting these two amendments, the committee also recommended increased funding for many of the other NIH research institutes.

The National Cancer Institute continues to make progress as it studies the relationships between viruses and the various forms of cancer. Research into the prevention and treatment of this fatal disease should be made a primary national priority. The committee recommended an increase of \$33 million over the budget estimate and \$8 million over the House bill.

The National Institute of Environmental Health Sciences' purpose is to identify the health problems posed by our manmade environment, and to suggest preventive and therapeutic measures. One needs only to spend a day in any one of our major urban cities to realize the importance that this institute is to our future. The impending environmental health problems are monumental, and if we are to leave a suitable environment for our children, we must be well aware of the dangers of environmental toxicology, respiratory diseases, and aerosol pollutants posed by poor environmental management.

Mr. President, I have mentioned just a few activities funded by this bill. All of them are urgently needed. The importance of proper health must not be downgraded. These additional appropriations deserve the full support of the Senate.

#### COMMITMENT TO RESEARCH UNDER PENDING BILL

Mr. MANSFIELD. Mr. President, a most important aspect of the present bill under consideration is the amounts appropriated for medical research under the auspices of the National Institutes of Health. Over the past several years, I have taken particular interest in the sponsorship of research by the various Federal agencies, but particularly that sponsored by the Department of Defense. I have never questioned the caliber of the work being sponsored by the Defense Department; at times I have raised questions about the legitimacy of the sponsorship and have offered proposals that were designed to stimulate a shift of the sponsorship to a more appropriate agency. A particular case in point is the type of research mentioned in a letter I received from a member of the faculty of the Jefferson Medical College of Philadelphia. For many years his research has been sponsored by Defense, and I am sure it is research of the highest caliber. Recently, he has been informed that this research will be terminated.

I bring this case to the attention of the Senate to illustrate the very important need for high level coordination to assure the orderly transition from Defense to the civilian agencies. The amount of moneys appropriated to the Defense Department for basic research has been reduced over the past year, and I am sure will be reduced this coming

year. However, for the Federal Government to act in a responsible manner, the civilian Federal agencies that sponsor basic research should have their budgets increased at least by an amount reduced from the Department of Defense. In fact, the amounts should also reflect the loss of the research purchased because of inflation.

I wish to commend the distinguished chairman (Mr. MAGNUSON) and the ranking member (Mr. COTTON) and the members of the full Appropriations Committee in this matter for increasing recommended appropriations for the NIH over and above those originally budgeted so that research of this basic nature can be maintained under their auspices. I note that the committee has recommended \$33 million be added to the National Cancer Institute and that \$31.7 million be added to the National Heart and Lung Institute and that \$8 million be added to the National Institute of Arthritic and Metabolic Diseases. At the various other Institutes, other specific additions have been made detailing very thoughtful recommendations for additional sponsorship of research under the NIH. At a time when we are hearing of increasing difficulties of the Nation's medical schools and a genuine threat that many might have to close their doors because of financial difficulties, this money is well spent. What the country needs is more doctors, more and better medical schools and better facilities for medical treatment; not fewer doctors, less medical emphasis.

A few months ago I prepared a statement for Mr. DADDARIO's Subcommittee on Science, Research, and Development, wherein in part I implored the New Office of Management and Budget to assume a more vigorous responsibility for assuring the viability of our research facilities. I believe that the additional recommendations in this bill for basic research at the various institutes at the NIH are perfect examples of money well spent and reallocation of resources through the civilian sector which might otherwise have been channeled through the Defense Department.

I would hope that the additional moneys recommended by our committee and earlier by the House of Representatives will be expended so that the great pressures on the research community in this country will be alleviated. This is not the place to save money. This is the money that will save lives.

Again I wish to commend the chairman and the ranking member and all Members of the Senate and the House who have supported these increases and implore the new budget bureau to assume its responsibility for permitting expenditures of these moneys.

I ask unanimous consent that a statement by me made before the House Committee on Science, Research, and Development be incorporated at this point in the RECORD.

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

STATEMENT OF SENATOR MIKE MANSFIELD

I have been asked to comment on the government's role regarding the support of research. I appreciate this invitation by the

Chairman of the Subcommittee on Science, Research and Development. Specifically, I suppose the question really is whether adequate government support of science can be carried on if there is a permanent shift away from the role of the military in the conduct of research. What must be considered is the relationship of the Department of Defense and other mission agencies to the matter of research; what part research plays in their overall functions and as a related matter, whether strong ties should be continued between the Pentagon and our universities. The answer to these questions by and large will determine this nation's entire science policy for the years ahead.

At the outset I should say that the quality of life on earth tomorrow will be determined in large part by the measure of the scientific research undertaken today. There is thus a significant public responsibility to sponsor research in the various scientific disciplines and to keep the way clear to follow up on new discoveries. Determining the emphasis, however, is a most delicate responsibility. To a great extent the emphasis is determined by the size of the resource devoted to the various disciplines.

Since the end of World War II, the Government's contribution to research, development and the supporting facilities has reached nearly \$200 billion. Where and by whom that money was spent has determined not only the science policy of this nation but the entire emphasis in science education and training. During this time well over half of the government's contribution to science has been channeled through the Department of Defense. It must be clearly understood that most of this money purchased research of the highest quality. However, not nearly so clear is the rationale that dictated that the Department of Defense should be the principal sponsoring agency for much of this vital research.

For the past 25 years the Pentagon has sponsored research in almost every scientific discipline imaginable. From the most esoteric examinations of ornithology to the study of broad social movements in foreign countries, the Pentagon has run the gamut in its research endeavors. By necessity, therefore, the Pentagon assumed a significant role in determining the nation's science policy. The desirability of such a large role for this mission agency is the basic issue confronting us.

It is not difficult to understand how we got where we are today. The phenomenon of channeling so much of our research money through the Defense Department developed over the years not only from normal bureaucratic urges to grow but because the science community and the Congress acquiesced in that growth. So the question is not how we got here. It is why. To put it simply: Why should the Defense Department be the principal government agency through which is funded the federal research that has no apparent relationship to the security needs of this nation?

To reply by saying that the research community has found that funds simply were more readily available at the Defense Department rather than at other civilian agencies states a fact. But it is not an answer. Nor is it sufficient to say that Pentagon requests for funds receive less Congressional scrutiny than those requested by non-military agencies. Too often in the past the prevailing attitude has been expressed by the question: Are we giving you enough? Perhaps it should have been: Why do you need so much? In part the historical answer lies in the fact that the cloak of national security lined with the international threat of communism simply prevented a close scrutiny of Defense requests including requests for research and development. In part, the answer is that Defense spending requests became so large that even billions for research and development seemed dwarfed. As a result the scientific community came to rely upon the immunity

of Defense funding from close scrutiny and occasional budgeting squeezes. For years Defense funding provided a very stable source of research money. It was the easiest path for the research community to follow.

It wasn't long before many of the most able members of the science community gravitated to this source of funds. It became apparent, too, that although only a relatively small fraction of the federal research dollar was spent on university campuses, that money was very important to those universities in maintaining their status. The salaries paid by the research grant paid in effect the salary of the faculty member and a good share of the institution's overhead as well. The universities were not prepared to accept direct subsidies for fear of losing their autonomy—but they were apparently prepared to accept such a dependence indirectly with no questions asked.

Two years ago during Senate debate on the Defense appropriations bill for fiscal year 1969, I offered an amendment which would have limited the payment of indirect costs for a research grant or project to 25 percent of the direct costs.<sup>1</sup> From my preparation for this measure and subsequent debate, I saw the grave financial difficulties faced by your universities today and noted the disturbingly heavy dependence of virtually all of our leading universities upon hidden subsidy via indirect costs. A total of 620 academic institutions in fiscal year 1968 received federal support for research and development totaling \$1.4 billion. Of this the Department of Defense accounted for \$243 million and the National Science Foundation, \$212 million. This money largely benefited only a few institutions. The top 100 accounted for 87 percent, or \$1.2 billion.<sup>2</sup> Even under the limitation of my amendment, these top 100 would have received \$300 million for indirect costs; money that the individual scientists would never see but which would go into general university funds.

Of this, in turn, 20 percent would have come from the military appropriations. And since overhead charges by many institutions were higher than the 25 percent limit I proposed, the Defense Department in 1968 was supplying more than \$60 million to the indirect cost accounts of leading universities. Under these circumstances, I concluded that the situation was most unhealthy. To better gauge the ramifications of the federal subsidy to universities through overhead payments, I wrote to Philip Handler, then Chairman of the National Science Board and now President of the National Academy of Sciences. In a frank reply, he pointed out that of \$1,671 million of federal funds for research at universities for fiscal year 1967, only about \$426 million were utilized to support research in the most immediate sense. The remainder found its way into institutional funds and departmental funds.<sup>3</sup>

Subsequently the National Science Board proposed to the President that this situation of a hidden and unhealthy subsidy be corrected through grants to the universities so that future proposals for research would need cover only the direct and out-of-pocket costs of the work. I hope that the silence which greeted this recommendation within the Executive Branch will not be permanent and that Congress will assess its practicability as a way to establish more honest re-

<sup>1</sup> CONGRESSIONAL RECORD, vol. 114, pt. 22, p. 29332.

<sup>2</sup> "Federal support of research and development at universities and colleges and selected nonprofit institutions, fiscal year 1968." National Science Foundation report NSF 69-33, 1969, pp. 3 & 14.

<sup>3</sup> For the text of Mr. Handler's letter, see the CONGRESSIONAL RECORD, vol. 114, pt. 22, pp. 29338-29339.

lations between the universities and the agencies of the federal government that fund on-campus research and higher education.

A contributing reason for the expansion of defense interests into almost each imaginable field of research in my opinion is the past and present inadequate information about what kind of research is being done by whom and where.

It has often occurred to me, and to other Members of Congress, that because many federal departments and agencies fund so many research projects, there is a real possibility of overlap and duplication simply because "the word" does not pass between federal research administrators. Note that I am not speaking of research that one scientist deliberately carries out to confirm or refute the discovery of another, for this is an essential part of the scientific process. Rather, I have been and am still concerned with the probability that needless and unwitting duplication of work occurs which could be minimized if scientists and administrators had a current, reliable and complete source of information about who is doing what research with federal funds. So I asked the agencies to supply me with a list of current research projects. Having little success with the direct request, I arranged for the Bureau of the Budget to ask the agencies to comply.<sup>4</sup> When all of the replies finally trickled in, it was evident that whatever the agency project information systems may be, they are simply incapable of readily providing summary information on research. Eight departments and agencies finally responded. Five separate replies were sent by Defense and six by the Department of Health, Education, and Welfare, bringing the total number of project information readouts to 17. Eight replies appeared to be printouts of computer systems, with the rest manually prepared. Two defense agencies submitted computer products and three manual ones. Later it was reported to me informally that project information had been taken from the computer-based systems, edited and put back in before being printed out for transmittal. Three of the agencies of HEW and four other agencies used the science classification system specified by the Bureau of the Budget in its Circular A-46. The remainder employed their own systems for identifying fields of science. The system used by the National Science Foundation, presumably the lead agency for federal information on science and technology, was different from that specified by the Bureau of the Budget.

Parenthetically, considering the many computers and elaborate information systems of government agencies, this simple request should not have produced the administrative convulsions that it did. The administrative entanglement indicated to me that each department goes its own way in research with little attention to that funded by others. There simply does not exist a system capable of quickly and easily informing research administrators in one department of what research of potential interest or use to them is currently funded by another federal agency. While coffee-break exchanges among scientists have their value, they are not an adequate substitute. It is well over a year since I inquired into this matter. Yet the Office of Science and Technology has not decided what current information about research projects should be collected, who should do the collecting, how it should be collected and who can have access to it. Perhaps we need some one to tackle this issue with the vigor of past efforts when the related question of cataloging and making available the results of research already done was ex-

haustively considered. Perhaps the reorganized Office of Management and Budget can give this a priority among its management functions.

My experience in trying to get current information on research confirmed yet again my observation that bureaucracies must often be kept after to obtain improvements in the administration of government-funded research. These improvements are all the more necessary in a time when the dominant question has changed from, "What can we spend our increasing research appropriations on?" to "How can we best spend the available appropriations for research?"

In this connection, to overcome the inertia, to get out of comfortable, well-worn ruts sometimes require heroic measures.

It was during the Senate's appropriation hearings in 1968 that I asked Dr. Foster of the Defense Department about duplication of research and about the relation of Defense-sponsored research, particularly its basic research, to that of other agencies. It was abundantly clear in his response that the Pentagon then believed all fields of science and technology were open to it, that it saw no inconsistency in funding basic research in fields already funded by civil agencies, and that all research projects it sponsored were somehow relevant to Defense needs. The Defense Department was adamant in its position that it must continue the full spectrum of research then being undertaken, even though by definition the outcome of much such research can neither be predicted nor its possible relevance to military science known. This testimony reinforced the conviction that research funded by the military appropriations had built up an enormous momentum, and that only the most forceful efforts by Congress could effect change in the direction of rechanneling federal responsibility for the funding of basic research. At the time, it seemed clear that there was not a national policy that viewed the nation's long-term interests. What to do about it was another question.

During the floor debate on the military authorization bill (PL 91-121) for fiscal year 1970, I added a rider which appeared as Section 203. It reads as follows:

"None of the funds authorized to be appropriated by this Act may be used to carry out any research project or study unless such project or study has a direct or apparent relationship to a specific military function or operation."

That provision became law and the same provision now appears as Section 204 of the military authorization bill reported to the Senate for fiscal year 1971, but does not appear in the bill reported in the House.

I believe Section 203 is a necessary and practicable step towards the goals of reducing the heavy dependence of American science that has built up since the early 1950's. Properly and imaginatively administered, it can also lead to a strengthening and a rebuilding of the foundation for the future of much of American science.

The intent of the provision is clear. It is a mandate to reduce the research community's dependence on the Defense Department when it appears that the investigation under consideration could be sponsored more reasonably by a civilian agency. After all, the National Science Foundation was created by Congress back in 1950 specifically to channel federal funds into basic research. Since its creation, it has been the orphan child of the federal government's science policy. Since 1955 NSF has been given \$2 billion to sponsor basic research. During this same period, Pentagon spending has been \$3 billion on this same type of research; it has spent 50% more for the fundamental investigations—in addition to the many billions on advanced research and development of specific military needs—than has the agency set up for this sole purpose.

The addition of Section 203 to the military authorization law thus sought to set in motion a realignment. The language was intentionally imprecise in an effort to afford the Executive Branch an opportunity to start a process that would lead to the transfer of resources from the Defense Department to the civilian agencies—primarily to the National Science Foundation.

Clearly, Congress does not exist to operate the daily workings of the Executive. By law, however, Congress does have a responsibility together, with the President, to establish broad policies. Congress has a right to assume that policies so established will be followed. Much progress has already been made since Section 203 became law in the face of the resistance that has lingered in some quarters. The authorization for NSF funding for this coming fiscal year has been increased by about \$75 million over last year. By comparison, this year the Defense Department's share of basic research funds will be \$50 million less than that of the National Science Foundation.

By no means, however, does Section 203 intend to cut off the Defense Department from research that it needs. It is neither anti-military nor anti-research. Whether the language chosen is interpreted strictly or loosely, it is hoped that the ultimate result of this whole endeavor will be a continued high level of basic research funding by the federal government. Hopefully, we will see in the near future that the civilian agencies under the leadership of the National Science Foundation will develop as the primary source for these research funds. The responsibility of the civilian agencies to fund an appropriate share of basic research is in no way diminished by Section 203. The Pentagon will continue to have a responsibility for research—even basic research, one that allows those entrusted with military defense to maintain a full and necessary exchange with the researchers at the frontiers of science. The role of the Defense Department in sponsoring basic research, however, is intended to be incidental rather than predominant.

Turning now to the DoD response to Section 203, I believe that the review of research by DoD could have benefited from guidance and criteria issued by its top management. That did not happen. Instead, all that the Defense Department did was to send a memorandum to its constituent agencies informing them of Section 203 and telling them to comply.

When I inquired of DoD about their follow-through on this provision, Deputy Secretary of Defense Packard replied in part that the Department had contacted the National Academy of Sciences and invited them to consider carrying out an examination of all projects which might be affected. I thought this a constructive idea and wrote to Dr. Handler on December 5, 1969, to support this participation by the Academy. To my disappointment, Dr. Handler replied on December 12 that he must decline to involve the National Academy of Sciences directly in the review. He did volunteer to offer the Academy for any follow-up review. More important, he agreed it would be useful for the Academy to do two things. First, to formulate principles which might guide the administration of Section 203. Second, to undertake a projection of the implications and consequences of Section 203 with respect to the future of federal research policy and the national welfare. While I did not ask the Academy to do so then, experience with Section 203 indicates that it should do so now.

To date, there have been differences in application within the Department of Defense. On the one hand, for example, the Advanced Projects Research Agency asserts that none of its projects fail the test of Section 203, even though the General Accounting Office has singled out some as questionable in

<sup>4</sup> Cf. Bureau of the Budget Bulletin No. 69-8, dated December 3, 1968, Subject: Listings of Federal Government contracts and grants for support of research.

terms of this legislation and as more properly supportable by the State Department than by military appropriations. On the other hand, the Department of the Air Force has seized upon Section 203 to terminate research funded from appropriations prior to fiscal year 1970, with the excuse that they were carrying out the "Mansfield" philosophy.<sup>5</sup>

Of the 6,600 research projects that were reviewed, 220 were found affected by Section 203 which involved fiscal year 1970 funds totalling \$8.8 million. This is about 4 percent of the \$223 million that DoD obligated during this fiscal year for research at colleges and universities, and less than 1 percent of the \$1,295 million of federal funds for university research and development estimated by the Bureau of the Budget for fiscal year 1970.

By comparison, the general tightening of the Defense research budget for fiscal year 1970 caused a reduction of \$64 million, notwithstanding Section 203.

Recently, the Secretary of the Air Force testified that approximately 7 percent of the research projects, representing 3 percent of the Air Force research program, failed to pass Section 203. In comparison, tightening funds required a cut of over 10 percent.

Of course, Section 203 goes beyond the 220 projects immediately affected. Research projects funded from prior years' funds that do not meet the test of this legislation will be affected as they come up for renewal. The Comptroller General was unable to provide us with an estimate of the number of projects in this category or their total funding. Nonetheless, in my judgment, such projects should continue to their normal expiration, which will provide time for coordinated review by the Department of Defense with the civil agencies and for leadership and initiatives from the Office of Science and Technology. Despite its limited reaction to date, I still look to the Office of Science and Technology to provide the leadership necessary so that research affected by Section 203 which should be continued in the national interest will have a fair chance at the available basic research funds.

All that is required under Section 203 is relevance, which is not a dirty word as some critics of the Section sometimes seem to suggest. Relevance does not preclude agencies from funding basic research. Section 203 does not forbid the Defense Department from funding any and all research at colleges and universities. Had that been our purpose, we would have so written this legislation. What Section 203 does is to begin to close out a second and a backdoor National Science Foundation which has grown up in the Department of Defense.

It seems to me that the Defense Department can readily identify and justify many fields of fundamental research about which enough is known to judge their relevance to defense needs now and in the foreseeable future. Research funded in such fields as a result of announcement and publication of such DoD interests should produce proposals for research that would permit scientists to explore aspects of science which add to understanding in fields reasonably related to Defense needs.

The idea of relevance is now new. I should think that the Science Adviser to the President would be well acquainted with the following statements that support the principle of relevance.

First: "The Foundation shall be increasingly responsible for providing support by

<sup>5</sup> In this letter to Rep. Daddario of June 5, 1970, Secretary Seamans wrote of Section 203: "We have attempted to meet the intent, as we understood it, rather than merely the letter of Section 203. Accordingly, we made no distinction between FY 70 or prior year funded research in our review. . . ."

the federal government for general-purpose research through contracts and grants. The conduct and support by other federal agencies of basic research in areas which are closely related to their missions is recognizable as important and desirable, especially in response to current national needs, and shall continue."

Second: "Mission oriented governmental agencies do and should support much long-range basic research, information from which is calculated to have a direct bearing on some aspect of their mission. . . . All mission oriented agencies need to be in close contact with the best and most advanced research which can apply to their problems."

The first is from President Eisenhower's Executive Order No. 10521 of March 15, 1954, on scientific research. This order still stands. It was not rescinded by President Kennedy, by President Johnson or by President Nixon. The second comes from the recent advice to the President by his Task Force on Science Policy.

Section 203 opened to the Administration a unique opportunity to set in motion a rebalancing of the responsibilities of federal agencies for the funding of basic research. The section became law on November 19, 1969. Yet the budget for fiscal year 1971 does not indicate that this opportunity has been taken. There is no indication of a shift of basic research unrelated to defense needs to the National Science Foundation or other agencies and, at the same time, a corresponding reduction in Defense funding.

In short, timely arrangements have not been made for orderly decisions pursuant to Section 203. I wrote last fall to the Director of the Budget Bureau and to the Cabinet officers of Departments and other agencies concerned on that point. The letters have had no appreciable effect. The Research Management Advisory Panel to your Subcommittee recommended that the Section be administered so as to produce an orderly shift in sources of research support. What has happened to that recommendation? In the meantime, where is the contribution of the interdepartmental system for coordination in research to which reference is always made when Congress starts to talk about improving the administration of federal appropriations for research? What has it done?

All that is heard are requests for the abolition of Section 203. Indeed, there seems to be almost a willingness to risk the wreck of the whole DoD basic research program rather than take an innovative and imaginative response to the law. Again, however, what may be involved is the built-in inertia of bureaucracy.

To carry out the intent of Section 203 will require new ventures in interagency coordination. That is the responsibility of the reorganized Bureau of the Budget and the Office of Science and Technology under the President. Thus far, unfortunately, the White House science office apparently sustains the rigid opposition of the agencies to Section 203. That is most unfortunate because if there are to be improvements in coordination and a shift in the emphasis of federal policy with regard to support of basic research, it is going to take a joint effort by the President and the Congress.

To sum it up: We are in dire need of a new national policy on the federal role in science. Whether technological progress depends upon basic research is no longer an issue. That was agreed upon years ago; and I am sure it is the conviction of Congress that maintenance and hopefully growth in scientific activities are essential to the public welfare and the nation's future. But the policies of the 1950's and 1960's are not suitable for the already perplexing 1970's. Too much is at stake to depend upon fortune, upon luck, upon happenstance. Our policies must be soundly and thoughtfully conceived and guided.

If the Executive Branch is thinking about policy in these terms, no evidence of it has yet appeared in the public press despite recent inputs from the President's Task Force on Science Policy and the National Goals research staff.

I hope we can look to the scientific community for advice. Yet I recall that this community speaking through the National Academy of Sciences in 1965 was unable to answer the questions on how much money should be spent for research and how it should be divided up.

Recognizing the risk of oversimplifying, it would be my judgment that we can no longer rely for guidance upon an uncoordinated, unplanned collection of laws, orders, statements, understandings, and traditions. These all have their place. But we must now bring them together, which is what the inquiry of the Subcommittee is all about. I would hope that the Subcommittee on Science, Research and Development will continue its role of Congressional leadership and stimulate enough interest so that our leaders of government and science will sit down together and work out the principal outline and content of the kind of policy that is needed. It is up to Congress to assert its long-neglected responsibility and set forth a national policy for science. It is long overdue.

#### PROGRAM

Mr. GRIFFIN. Mr. President, before the vote, I would like to ask the majority leader, for the benefit of the Senate, about the schedule for the remainder of today and Monday.

Mr. MANSFIELD. Mr. President, there will be no further business today after the pending business is disposed of. After the pending business is disposed of, it is the intention of the joint leadership to lay before the Senate the drug bill, Calendar No. 1355, S. 3562, which I think has been worked out all around.

That will be the order on Monday when we convene and we will be coming in at 12 noon.

#### ORDER FOR RECOGNITION OF SENATOR FANNIN ON MONDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the Journal on Monday, the distinguished Senator from Arizona (Mr. FANNIN) be recognized for not to exceed 15 minutes.

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

#### PROGRAM

Mr. MANSFIELD. Mr. President, that will be followed, beginning at 2 p.m., with debate on the television veto vote. It is expected—and this is tentative—that following that we will take up Calendar No. 1259, H.R. 18306, the financing of international organizations, Calendar 1347, H.R. 8298, the barge mixing bill, and perhaps Calendar 1356, H.R. 471, the Taos Indian bill, and that also is tentative. Before Wednesday we hope to be able to finish all those bills. In connection with the class action for consumers, I had stated it would come up next week but it will probably come up a week from Monday.

Mr. GRIFFIN. I thank the Senator.

DEPARTMENT OF LABOR AND DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1971

The Senate continued with the consideration of the bill (H.R. 18515) making appropriations for the Department of Labor, Department of Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1971, and for other purposes.

Mr. MAGNUSON. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has been yielded back. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. CANNON), the Senator from Connecticut (Mr. DODD), the Senator from Tennessee (Mr. GORE), the Senator from Michigan (Mr. HART), the Senator from Hawaii (Mr. INOUE), the Senator from Louisiana (Mr. LONG), the Senator from Minnesota (Mr. McCARTHY), the Senator from Wyoming (Mr. McGEE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Georgia (Mr. RUSSELL), the Senator from Mississippi (Mr. STENNIS), and the Senator from Maryland (Mr. TYDINGS) are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH), the Senator from Nevada (Mr. CANNON), and the Senator from Indiana (Mr. BAYH) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from Ohio (Mr. SAXBE), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Illinois (Mr. PERCY) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Hawaii (Mr. FONG), the Senator from Oregon (Mr. HATFIELD), the Senator from South Dakota (Mr. MUNDT), and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 78, nays 0, as follows:

[No. 393 Leg.]

YEAS—78

Alken	Curtis	Hollings
Allott	Dole	Hruska
Anderson	Dominick	Hughes
Baker	Eagleton	Jackson
Bennett	Eastland	Javits
Bible	Ellender	Jordan, N.C.
Boggs	Ervin	Jordan, Idaho
Brooke	Fannin	Kennedy
Burdick	Fulbright	Magnuson
Byrd, Va.	Goodell	Mansfield
Byrd, W. Va.	Gravel	Mathias
Case	Griffin	McClellan
Church	Gurney	McGovern
Cook	Hansen	McIntyre
Cooper	Harris	Metcalf
Cotton	Hartke	Miller
Cranston	Holland	Mondale

Montoya	Prouty	Stevenson
Moss	Proxmire	Symington
Murphy	Ribicoff	Talmadge
Muskie	Schweiker	Thurmond
Nelson	Scott	Williams, N.J.
Packwood	Smith	Williams, Del.
Pastore	Sparkman	Yarborough
Pearson	Spong	Young, N. Dak.
Pell	Stevens	Young, Ohio

NAYS—0

NOT VOTING—22

Allen	Hart	Randolph
Bayh	Hatfield	Russell
Bellmon	Inouye	Saxbe
Cannon	Long	Stennis
Dodd	McCarthy	Tower
Fong	McGee	Tydings
Goldwater	Mundt	
Gore	Percy	

So the bill (H.R. 18515) was passed.

The title was amended, so as to read: "An Act 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."

Mr. MAGNUSON. Mr. President, for the information of Senators, because this could not be given before the vote, the total of the Senate bill is \$19,239,514,078. This amount is \$414,851,078 over the House figure and \$480,137,078 over the President's budget estimate. The total Senate increase amounted to \$168,550,000.

I move that the Senate insist upon its amendments, request a conference with the House on the disagreeing votes thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. RUSSELL, Mr. STENNIS, Mr. BIBLE, Mr. BYRD of West Virginia, Mr. HOLLAND, Mr. COTTON, Mr. CASE, Mr. FONG, Mr. BOGGS, and Mr. YOUNG of North Dakota conferees on the part of the Senate.

Mr. MANSFIELD. Mr. President, once more the Senate must extend its deep appreciation to the distinguished senior Senator from Washington (Mr. MAGNUSON). As the able chairman of the Appropriations Subcommittee covering the Departments of Labor and Health, Education, and Welfare.

Needless to say this responsibility encompasses some of the most vital programs in the area of human need. His tireless efforts have been indispensable to the existence of these programs. His enormous legislative skill and effectiveness have assured their success. We are grateful.

The Senate is grateful as well to the distinguished senior Senator from New Hampshire (Mr. COTTON). His support and assistance, as always, were greatly appreciated. His splendid cooperation was indispensable to the success of this funding measure.

Noteworthy as well were the contributions of the distinguished senior Senator from New York (Mr. JAVITS), the distinguished Senator from Wisconsin (Mr. NELSON), the distinguished Senator from California (Mr. CRANSTON), and the distinguished Senator from Oklahoma (Mr. HARRIS). They, and many other Senators offered their own strong and sincere views to assure a provocative and most productive discussion.

All Senators may share in this success. It represents an outstanding achievement. Especially am I grateful for the splendid cooperation exhibited by all Members.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative 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.

THE PRESIDENT'S FAMILY ASSISTANCE PLAN

Mr. JAVITS. Mr. President, there have been reports as recently as today that the President is losing liberal support for the proposed family assistance plan, and that a number of liberal Senators may vote against the administration's proposed program—in whatever form it may be considered on the floor.

Historically, the confluence of circumstances is such that it may prove to be a chance for putting a floor under welfare and making it a national responsibility, which if missed, may not recur again for a decade.

The family assistance plan, as proposed by the administration, clearly falls short of the fullest reform that may be accomplished, but we must not overlook its attributes while seeking to eliminate its shortcomings. It is, in fact, the first proposal to establish a basic Federal cash "floor" for substantial numbers of the poor, to extend coverage to the working poor, to alleviate the fiscal burden of the States and the cities, and to provide substantial amounts for child care.

Mr. President, it would be ironic, indeed, if at this historic moment those liberal forces that have brought us to the threshold of welfare reform were to fall apart, missing this, perhaps the sole opportunity in the coming years, to effect a basic and needed reform.

I cannot stand by and watch a proposal of such historic significance go down the drain either at the hands of those who regard it as providing too much or at the hands of those who view it as providing too little.

It is deplorable—but a reality nevertheless—that it appears easier to take a step on the moon than to take one solid, meaningful step on behalf of the 24.4 million poor, who through no fault of their own are unable to provide for themselves.

We must make every effort to make the step for welfare reform a big one—but we should take a first step this session, nevertheless.

As the somewhat more conservative Members of the Senate have had their opportunity to try to reduce the proposal to an experiment, so must liberals join together to endeavor to correct the major inadequacies of the proposal; but not at the price of seeing it go under now.

I feel, at the very least, the administration reform proposal should be reformed to:

First. Provide a truly adequate level of assistance;

Second. Include coverage of the working poor in the supplemental payments as well as in the basic Federal payment;

Third. Exempt mothers of school age children from the work requirements of the bill;

Fourth. Interlock the administration's family assistance plan with the food stamp program; and,

Fifth. Refine provisions for Federal administration, wage, manpower training, and child-care reforms so that the poor are respected as well as helped.

And, I hope that the administration will see fit to include in any "package" that it may propose on the floor, a number of the proposals which I and other Senators have advanced to this end. I urge, however, that Senators of liberal view unite in basic support of the basic bill for a family assistance plan.

#### PUBLIC SCHOOL 186—"WHAT FREEDOM MEANS TO ME"

Mr. JAVITS. Mr. President, 30 schoolchildren from Harlem—fifth graders from New York City Public School 186—recently rekindled their faith in the American dream. Competing in an essay contest to define "What Freedom Means to Me," they produced expressions of real depth of feeling. The children of this same school sang the background music for a new series of records dealing with a documented history of the black experience in American history, entitled "Silhouettes in Courage."

Mr. President, I ask unanimous consent that there be printed in the RECORD a statement by one of these children, a story from the New York Times of July 11, 1970, a release concerning their visit to the Capital this September, and a letter to their leader from President Nixon.

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

#### WHAT FREEDOM MEANS TO ME (By Fay Greene)

Freedom means an awful lot to me. It almost means my life, because freedom is love, happiness, friendship, and very, very hateless. If I were a slave and didn't have any freedom at all I will feel like dirt, but if I were free I will feel like freedom has changed my life. Freedom is just like a new baby just being born, and trying to explore the new world.

I love freedom. Freedom means an awful lot to me.

[From the New York Times, July 11, 1970]  
PUPILS BRING HARLEM TO YOUTHS AT THE U.N.

UNITED NATIONS, N.Y., July 10.—Fifty-two Harlem school children—disturbed at the possibility that delegates to the World Youth Assembly might have no opportunity to visit their community—came here today "to bring a little Harlem to them" as one child put it.

In a rare lapse of security, the giggling youngsters were allowed on the grounds near the visitors entrance, apparently by guards believing they were a touring school group.

Within two minutes, however the children, from Public School 186, had gathered around their music teacher, David McNair, and had

begun serenading youth delegates and tourists with gospel, folk and patriotic songs.

A security official, who could recall no precedent, said, "We just didn't have the heart to ask them to leave."

#### INVITED BACK BY ASSEMBLY

Officials of the youth assembly were so impressed with the group's singing and intent that they invited them back for a performance before the entire assembly next Friday.

The elementary school youngsters, many wearing freshly ironed white shirts or colorful party dresses, accepted the invitation with shouts and clapping.

There was, however, one exception. One little boy, who said he had forgotten his name, told Jorgen Olesen, a Danish youth delegate, that he did not want to come back because his feet hurt from standing so long. The serenade lasted about 45 minutes, until 1:30 P.M.

#### TO MAKE PEOPLE HAPPY

Adults who accompanied the children said that the visit had been prompted by news reports that a city bus tour for the delegates did not include a stop in Harlem and that some of the 600 delegates at the conference were afraid to visit there alone.

"We came to sing to make the people happy," said Brenda Keyes, a 9-year old 5th grader in the school at 521 West 145th Street. She was wearing a bright blue dress and shyly looked down at the sidewalk.

Charles Burley, age 11, of 1741 Amsterdam Avenue, said he knew the delegates would like the songs because he had solos in several of them.

The pupils opened their singing with "Welcome, Welcome Every Guest" and then sang "America, the Beautiful" and "We Shall Overcome" plus several gospel and folk songs, including some in Spanish.

Each song was followed by applause from the crowd of 150 that gathered to listen and take photographs.

"This will do more for American diplomacy than four overseas concert tours," said one youth delegate, as he accepted a copy of a phonograph record, "P.S. 186," which some of the children made last year.

They distributed several dozen records to the delegates as "welcoming gifts."

#### THIRTY HARLEM YOUTH GO TO CAPTURE CAPITAL

The soul and substance of Harlem was never as sweet as it comes from the 4th and 5th graders from No. 186. The youngsters from New York City's Public School 186 go to the national capital area September 11 thru 14, 1970.

These talented kids were discovered when Silhouettes in Courage, Inc. was producing its four volume recording series of the black experience in United States History. While looking for background music and sounds, Silhouettes in Courage, President, Charles Jones found inspiring talent.

Jones decided to challenge all of the students at P.S. 186 by organizing an essay contest on "What Freedom Means to Me." The essay contest crystallized a broad range of verbal and visual art among the youngsters. In the process that followed "P.S. 186" became the name of a powerful youthful record of soul and gospel sound. The jacket design came from one youngster and the essay winners provide music lovers with some sound ideas on freedom today. The combination was a success.

One of the only areas of agreement during the recent World Youth Assembly at the United Nations was a command performance of the "P.S. 186" singers. Apparently the World Youth Assembly delegates were discouraged from a Harlem visit. But the youngsters were ready to bring Harlem to the United Nations. International understanding happened in the process.

Now the youngsters have been invited to the National's Capital—the first trip out of Harlem for most. Their message is that kids and creativity are alive and active in Harlem. Their gospel and soul music will carry love, hope and belief towards a world of peace.

Woodward and Lothrop and Radio Station WMAL are the hosts, "P.S. 186" are the guests of honor. And the Girl Scout Council of the Nation's Capital will chaperon.

THE WHITE HOUSE,  
Washington, September 24, 1970.

Mr. CHARLES JONES,  
President, Silhouettes in Courage, Inc.,  
New York, N.Y.

DEAR MR. JONES: It was very kind of the group of Fourth and Fifth Graders from New York City to bring inscribed copies of their record album, "P.S. 186," for my daughter and me when they visited the White House recently. I was pleased to have their personal sentiments of what freedom means to them and I hope you will convey our appreciation to all of the young people who contributed their musical talents so generously. Certainly they, together with the teachers and administrators who collaborated in this school effort, are to be commended for the splendid spirit of patriotism and good citizenship reflected in their performance.

Tricia joins me in sending our thanks and best wishes to all of you.

Sincerely,

RICHARD NIXON.

#### ADJOURNMENT UNTIL MONDAY

Mr. KENNEDY. Mr. President, if there be no further business to come before the Senate, I move that the Senate stand in adjournment, in accordance with the previous order.

The motion was agreed to; and (at 5 o'clock and 41 minutes p.m.) the Senate adjourned, in accordance with the previous order, until Monday, November 23, 1970, at 12 o'clock meridian.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate November 20, 1970:

##### DIPLOMATIC AND FOREIGN SERVICE

Melvin L. Manfull, of Utah, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Central African Republic.

##### U.S. ADVISORY COMMISSION ON INTERNATIONAL EDUCATIONAL AND CULTURAL AFFAIRS

The following-named persons to be members of the U.S. Advisory Commission on International Educational and Cultural Affairs for terms expiring May 11, 1973:

Dr. Homer Daniels Babbidge, Jr., of Connecticut.

Dr. Martha B. Lucas Pate, of Connecticut.

##### UNESCO REPRESENTATIVE

Louise Gore, U.S. member of the Executive Board of the United Nations Educational, Scientific, and Cultural Organization, to serve on the Executive Board with the rank of Ambassador.

##### U.S. ARMY

1. The following-named officers for temporary appointment in the Army of the United States, to the grades indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

##### MEDICAL CORPS

To be major general

Brig. Gen. William Henry Moncrief, Jr.,  
xxx-xx-xxxx Army of the United States  
(colonel, Medical Corps, U.S. Army).

*To be brigadier general*

Col. William Hyde Meroney III, [redacted] Medical Corps, U.S. Army.

2. The following-named officers for appointment in the Regular Army of the United States, to the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 3306:

*To be brigadier general*

Brig. Gen. Robert Morris Hardaway III, [redacted] Army of the United States (colonel, Medical Corps, U.S. Army).

Brig. Gen. Edward Henry Vogel, Jr., [redacted] Army of the United States (colonel, Medical Corps, U.S. Army).

Brig. Gen. William Henry Moncrief, Jr., [redacted] Army of the United States (colonel, Medical Corps, U.S. Army).

Maj. Gen. Spurgeon Hart Neel, Jr., [redacted] Army of the United States (colonel, Medical Corps, U.S. Army).

## U.S. NAVY

Rear Adm. George E. Moore II, Supply Corps, U.S. Navy, having been designated, under the provisions of title 10, United States Code, section 5231, for commands and other duties determined by the President

to be within the contemplation of said section, for appointment to the grade of vice admiral while so serving.

## U.S. COAST GUARD

The nominations beginning Newton L. Bennett, to be lieutenant (junior grade), and ending Robert A. Yuhas, to be lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on October 8, 1970; and

The nominations beginning William C. Behan, to be captain, and ending Larry K. Carr, to be lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on November 17, 1970.

## DIPLOMATIC AND FOREIGN SERVICE

The nominations beginning Francis S. Ronalds, Jr., to be a Foreign Service information officer of class 2, a consular officer, and a secretary in the diplomatic service of the United States of America, and ending William C. Wagner, Jr., to be a consular officer of the United States of America, which nominations were received by the Senate and appeared in the Congressional Record on September 28, 1970.

## U.S. ARMY

The nominations beginning Ralph D. Pinto, to be colonel, and ending David J. Walker, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on October 8, 1970.

## U.S. NAVY

The nominations beginning Marvin Roy Aardal, to be lieutenant, and ending Frances Elizabeth Zuber, to be lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on October 8, 1970.

## U.S. MARINE CORPS

The nominations beginning Hugh S. Aitken, to be colonel, and ending Kenneth W. Zitz, to be captain, which nominations were received by the Senate and appeared in the Congressional Record on October 8, 1970; and

The nominations beginning Margaret A. Brewer, to be colonel, and ending Ralph A. Zimmerman, to be major which nominations were received by the Senate and appeared in the Congressional Record on October 8, 1970.

## EXTENSIONS OF REMARKS

## CIGARETTE ADVERTISING

## HON. FRANK E. MOSS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Friday, November 20, 1970

Mr. MOSS. Mr. President, last week Warren Braren, formerly manager of the New York office of the National Association of Broadcasters Code, filed a petition relating to cigarette advertising. In his petition, Mr. Braren documents fairly, but unsparingly, the cigarette companies' excesses and abuses of the advertising media and calls upon the Federal Trade Commission to issue firm, restrictive rules eliminating such abuses. The merit and persuasiveness of his case appear to me to be beyond question.

Because the situation he describes must trouble the conscience of every American concerned with the public health, I ask unanimous consent that the text of Mr. Braren's letter to the Trade Commission be printed in the Extensions of Remarks.

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

New York, N.Y.,  
November 12, 1970.

FEDERAL TRADE COMMISSION,  
Washington, D.C.

GENTLEMEN: The enormity of the public health problem relating to cigarette smoking compels the undersigned to respectfully petition the Commission to set forth prior to January 2, 1971:

(1) Its enforcement policy with regard to all themes and representations in cigarette advertising, promotions and on packages, which have the capacity to deceive or mislead the public, and

(2) Its procedures with respect to carrying out this enforcement policy.

By way of identification, the petitioner is the former manager of the New York Office of the Code Authority, National Association of Broadcasters. He directed Code activities relating to the content of commercials and particularly was responsible for supervising the only broadcast industry study on cigarette advertising. The study culminated in a report critical of many themes employed in

promoting cigarettes. The report was publicly released by him in June 1969 prior to his testimony before Congress and this Commission on broadcast self-regulation and cigarette advertising.

## NATURE OF PROBLEM

A look at cigarette advertising as it prepares to shift to non-broadcast media as of January 2 reveals that:

(1) Expenditures in print and other non-broadcast media will jump in some cases 300 or more per cent, possibly reaching \$150 million.

(2) The industry's Cigarette Advertising Code disbanded as of August 1, leaving not even that weak form of regulation overseeing the claims and appeals used in cigarette promotions.

(3) Themes and representations implying health benefits that were once prohibited under self-regulation are now being widely and extensively circulated.

(4) The public's concern over pollution of the environment is being exploited by some brands as a marketing tool.

(5) Previously unused promotional gimmicks have emerged, including direct tie-ins with clothing manufacturers and salons.

(6) Newly introduced pictorial and other representations on cigarette packages are diluting or negating the required health warning.

(7) The FTC has failed to act upon the many criticisms of cigarette advertising and promotion contained in its own Reports to Congress.

The petitioner's request for Commission action is necessitated by the wide range of deceptions or misrepresentations, direct or implied, that exists in cigarette advertising and labeling. Most of the themes involved are not unknown to the Commission. They are of the same nature or closely parallel those extensively criticized in the Commission's Reports to Congress which led in part to the passage of the Public Health Cigarette Smoking Act of 1969.

The action requested is required regardless of the status of the Commission's proposed trade regulation rule requiring tar and nicotine content disclosure in cigarette advertising.

## PUBLIC HEALTH CIGARETTE SMOKING ACT OF 1969

Under the old Cigarette Labeling and Advertising Act which expired in July, 1969, the Commission was in a delicate position

with regard to policing cigarette advertising. The tacit understanding was that the Commission should be patient while the tobacco industry and media were given the opportunity to self-regulate. That situation no longer exists under the new legislation.

The two most publicized features of the 1969 Act relate to the revised health warning on packages specifying that "... cigarette smoking is dangerous to your health" (emphasis supplied) and to the ban of all broadcast cigarette commercials effective January 2, 1971.

But the Act contains an equally important feature which, if given incomplete attention, has the capacity of substantially lessening the public health benefits that are intended to result from the first two provisions. Specifically the statute makes positively clear that the FTC has full authority to act with respect to unfair or deceptive practices in all remaining advertising of cigarettes. This includes the issuance of trade regulation rules and affirmative disclosure statements (except that a health warning in advertising is precluded at least until July 1973).

Quite clearly the success of this Public Health Act depends in no small measure on the Commission assuming its full responsibility in policing the themes and representations employed in the promotion of cigarettes. If these themes and representations enjoy unfettered license, they can readily negate and offset the new health warning and broadcast ban.

## TIMING FOR ENFORCEMENT CRITICAL

It is essential that the Commission move at once to correct the many abuses which exist in cigarette advertising and labeling. January 2, 1971, represents a turning around period. Advertisers are gearing up for the change to non-broadcast media effective that date. These media, as discussed later, will experience large jumps in the amount of cigarette advertising. Now clearly is the time to set up warning flags so all parties concerned are fully aware of the Commission's enforcement policies.

## REPORT TO CONGRESS

The Commission in its four Reports to Congress<sup>1</sup> on cigarette advertising and labeling was emphatic in its finding that cigarette advertising creates the impression that cigarette smoking is a healthy activity. The Re-

<sup>1</sup> 1964, 1967, 1968, 1969.

ports raise many serious questions with respect to the nature of individual themes and representations. These criticisms fall into three prime areas of concern:

- (1) Satisfaction theme—smoking and the kind of taste derived from it are satisfying,
- (2) Associative theme—smoking associated with that which is desirable or even good, and
- (3) Assuaging of anxiety—smoking is relatively free of hazard.

Thus the 1969 Report concludes in part that the "net effect (of cigarette advertising) is to portray smoking as socially desirable, healthful, youthful and contributing to, or reflecting, material success. The health hazards of smoking are ignored or denied, usually by means of indirect references . . . (the) risk, to the extent that it exists, can be reduced through the presence of a filter."<sup>2</sup>

These same types of themes and representations, with the possible exception of tar and nicotine claims, continue unchecked. In fact some have been elaborated upon, and new themes capitalizing on the public's interest in pollution and the environment have been introduced.

#### EFFORTS TO MOTIVATE SELF-REGULATION OF CIGARETTE ADVERTISING

The Commission, as well as members of Congress and health officials, made its criticisms known to self-regulatory authorities seeking to spur industry and media to take more meaningful actions.

In November 1965, the Commission wrote to cigarette and broadcast industry officials calling attention to the need to eliminate "advertising which tends to negate, contradict, obscure, undermine, or dilute the cautionary statement on cigarette packages." It went on to state that "the provisions of the Codes appear to be inadequately designed to achieve Congress' objectives that the public should in no way be misled, or lulled into a false sense of security, with respect to the health hazards of cigarette smoking." The request essentially went unheeded, the rationale being that both the cigarette industry and broadcast Codes were being responsive in dealing with this problem.

The Commission wrote the Code Authority again in March 1967 indicating that the "showing (of) handsome and attractive men and women smoking and enjoying cigarettes" appeared to violate the Television Code cigarette standard. The response was non-committal.

In both of these instances, the Commission indirectly affirmed the criticisms and conclusions contained in its Reports to Congress.

#### CIGARETTE ADVERTISING CODE AND PRINT MEDIA

Every informed person knows that cigarette advertising enjoyed considerable leeway under the self-regulatory programs. The Commission concluded that its Reports "amply demonstrate the futility in relying upon voluntary regulation of cigarette advertising to achieve any significant changes in the content and meaning of cigarette advertising."

Today there is no administrated self-regulation of cigarette advertising. The Cigarette Advertising Code (CAC) fumbled and finally closed its door on August 1 of this year. It exists now only on paper. The industry has discreetly avoided a public announcement.

As for print and other advertising media, outside broadcasting, they do not even pretend to standards affecting the content of cigarette promotions. The only restraint is found in the few publications that do not accept such advertising.

<sup>2</sup>The findings and conclusions in these Reports are remarkably similar to those contained in the aforementioned broadcast industry report on cigarette advertising conducted in 1966.

From another vantage point, the advertising column in the October 10, 1970 Sunday New York Times described the pressures on media from advertisers and agencies. Referring to "advertising standards that give a little" it implied that it is only human for media standards to become flexible when confronted with advertising budgets.

This is the situation which prevails as well over \$100 million in cigarette revenue lines up to be spent next year in non-broadcast media. Consequently, now more than ever, the public must look to the Commission to control cigarette advertising representations.

#### INEFFECTIVE SELF-REGULATION MORE EFFECTIVE THAN THE FTC

Paradoxically the collapse of the CAC has not resulted in more effective control of the themes and representations employed by cigarette manufacturers. Rather the situation has grown worse. Claims and depictions implying health benefits which had been precluded by the industry's own Code now run rampant.

Under section 3 of that Code, a cigarette's filter could not be high-lighted nor could there be emphasis placed on a filtration process. Descriptive names for the filter (e.g. micronite) were taboo. Diagrams, full shots of the filter and the like were minimized or eliminated altogether. Claims of innovation for a filter were unacceptable without proof of medical significance.

Under section 4, "mildness" claims had to be qualified to refer to "taste." Even that euphemism is often omitted today. "Activated charcoal" was ruled out. Discussion of gases in cigarette smoke was unacceptable. Mental cigarettes were unable to be displayed on ice or snow. References to "fresh air" would never have made the grade, not to mention the claim "stop smogging" and references to "modern science."

These sections of the tobacco Code were rescinded after the Commission policy statement of March 1966 allowing tar and nicotine representations in advertising.

#### FTC FAILS TO CONTROL HEALTH CLAIMS

At one point, it appeared that the FTC was going to exercise its statutory authority in cracking down on the whole range of health claims not directly related to a cigarette's tar and nicotine content. Two articles appeared in the Wall Street Journal issues of January 16 and March 18, 1969 disclosing an FTC investigation begun in December 1968—almost two years ago! The articles cited a two-page questionnaire which had been sent to tobacco companies requesting scripts and substantiation of health claims made in all ads.

Reference is made in these articles to the charcoal filters of Tareyton and Lark and the gas phase of cigarettes; to other filter descriptions and representations relating to a filter process; and to the complicated inner workings of filters—all in terms of implying "comparative safety." The latter article clearly indicates that the ensuing FTC staff report concluded that such implied health claims should be halted. The report apparently was before the Commission in March 1969. A year and a half later the Commission has failed to act to control such deceptive representations.

#### LARK'S GAS-TRAP FILTER CAMPAIGN

The Lark "gas-trap filter" campaign is an example of advertising running wild unchecked by any kind of reasonable public interest regulatory standards.

One current ad shows a road sign reaching out at you with the blue sky as background—the sign title reads "STOP SMOGGING." The copy reads "start smoking Lark. You see modern science uses a special type of charcoal to clean air" and so on. Another shows a city bus spewing exhaust blackening its backside and the surrounding air while

the bus prominently displays a billboard conveying the solution—"why don't they put Lark's gas trap filter on me?" The implication of health benefit could not be clearer.

In still another, four people are shown grimacing while the ad title reads—"Just what does gas in cigarette smoke taste like?" The solution, of course, is Lark. Finally, Lark's filter is named "The GAS MASK" and is directly equated with one—"it actually works just like a gas mask." The contention gains support through the aseptic display of an oversized Lark cigarette with dissected wrapper attractively showing the magic charcoal granules.

A gas mask cleans air and makes it safe for you to breathe! The gas-trap filter cleans smoke and makes it safe for you to inhale. As an added plus it stops "smoggy taste." Then for the crowning touch, some of these ads show the Lark package diagram of the filter which, in addition to the gas filter, points to tar and nicotine filters #1 and #2. According to the latest FTC test Lark 85 mm contains 17.2 mg. tar; 100 mm 17.6 mg. tar, ranking 31 and 38, respectively.

These representations constitute blatant deception, unabashedly taking advantage of the public's concern over pollution and the quality of air, while cynically disguising the real nature of the health hazards presented by smoking.

On February 13, 1969, the Code Authority wrote to the Commission seeking clarification of its enforcement policy relative to the effects of gases in cigarette smoke. Despite the statements in the Wall Street Journal, the Commission responded on April 17, 1969 advising that it had "decided to await the action of Congress before the Commission addresses itself to the subject." Now Congress has acted and the Commission has remained silent even though it criticized the gas phase advertising in its 1969 Report to Congress. As a result, the public—even under the new FTC provision in the Public Health Cigarette Smoking Act of 1969—is being subjected to the worst sort of confusion and abuse in this vital public health area.

#### ACTIVATED CHARCOAL AND THE GAS THEME

Tareyton likewise has been touting its "activated charcoal" ever since the CAC deleted its health claims sections. Typical copy now reads "Tareyton is better, charcoal is why . . . activated charcoal delivers a better taste. A taste no plain white filter can match." The taste qualification notwithstanding, the emphasis is on supplying protection and allaying the smoker's fears related to his health.

Multifilter, a comparatively new brand, pictorializes its charcoal filter in much the same aseptic way as Lark. The display of the filter has a medical, space-age technology feeling. It reassures as the copy reads "Activated Charcoal Granules; highly absorbent of selected gases to smooth out flavor." The brand also takes advantage of the fresh air problem, calling attention to its "Fresh Air System: acetate fibers reduce tar, while fresh air injection surrounds and freshens flavor." The implication of health benefit is overt. The name of the brand alone would not have been approved under the industry's own Code.

#### FRESH AIR BECOMES MARKETING TOOL

The public's concern with the quality of air it is being forced to breathe has become fair game for cigarette advertising. There can be no vestige of scruples when that which pollutes your lungs is tagged with a "fresh air" label. Cigarette advertising used to hint at fresh air through the display of open spaces and the feeling of freshness. Now it has become overt. Multifilter is a case in point. Then there is Belair, which lets you "start fresh" showing a couple in the beautiful, cool blue of a shoreline and open sky.

A new brand, Maryland 100's actually has been introduced around a fresh air theme. It claims "100% fresh air cured tobacco (for)

fresher menthol flavor" while its package is displayed in the open, fresh air countryside. Preparation is your safeguard. Tobacco is treated to "fresh air for up to eight long weeks." The removal of noxious substances is clearly implied.

Lucky Filters, a brand relatively high in tar, ranking in the upper 70's out of 118 brands last tested by the FTC, takes full advantage of this custom-made diversionary tactic. It speaks of "air-cured tobacco (giving) you a lighter taste . . . you'll like the fresh change." This kind of terminology clearly keeps the public off guard. It misleads by creating a false sense of security and by confusing the public as to the real meaning of tar and nicotine levels.

#### OTHER TYPE FILTER REPRESENTATIONS

Parliament claims "it works just like a cigarette holder works." Some ads show Parliament selected from a dozen cigarette holders. The health promise is plain—"the filter is recessed, tucked back away from your lips. So you only taste the good, clean Parliament flavor. The Parliament cigarette holder. It works." To do what?

New Kent Menthol 100's has "got it all together!", with a "Wow!" no less. And what does "all together" mean?—"a new kind of menthol refreshment. Brisk, breezy flavor . . . Kent's exclusive micronite filter . . . good rich taste." These are "all the good things of a Kent." The "good things" of a Kent consist of terminology and portrayals which substantially mask the health hazards attendant to smoking the product.

Another new brand, Mark VII, highlights its "puff-control filter" according to press reports. Still another, New Leaf, scheduled for an \$8 million campaign in November and December of this year alone, has as its principal theme the phrase "gives you a tingle." Without seeing the ads, it is hard to imagine how this promise of sensation will contribute to the smoker's awareness of the health hazards attendant to smoking.

#### MILDNESS

Raleigh Filter Longs let you "spend a milder moment" with its "quiet taste." A beautiful golden sunset and romance complete the milder moment with the reader assured that ". . . special treatment softens the tobacco for a smoother, milder taste." The words milder, quiet, smoother are as reassuring as the serene beauty of the moment depicted in the ads. The feeling is that the product is good for you.

Chesterfield 101 promises "gentle flavor for the mildest of taste." The deceptive nature of the words is brought home when you realize that the brand ranks an incredible 90th in the most recent tar listing.

Other brands take advantage of mildness and similar references. Advertisers simply use these reassuring words as part of their jargon without hindrance from the Commission.

#### BEAUTIFUL PEOPLE IN BEAUTIFUL PLACES DOING BEAUTIFUL THINGS

Cigarette smoking most often does not represent a rational choice on the part of the smoker. It is tied up with many emotional and peer group considerations. The themes in cigarette advertising take full advantage of these very human frailties and susceptibilities. These themes divert attention from considering the real consequences of smoking.

The three Chesterfield brands in a coupon campaign use the theme "Chesterfield the beautiful giver." Bold copy reads "beautiful taste, beautiful gifts, beautiful new packs. Everything is beautiful with Chesterfield." Not just the taste, not just the gifts, not just the packs—everything! Including one's health?

Current Viceroy ads show an attractive young lady in a modern boutique. Clad in a

mini dress, she is just the kind of girl that catches your eye. "Her clothes? Anything goes. In a smashing size 7. Her cigarette? Nothing short of Viceroy Longs. She won't settle for less." A young couple "famous" for their dinner parties is seen in a specialty foods shop "searching out the unusual. Their cigarette? Viceroy. They won't settle for less. It's a matter of taste." To be in good taste in all things includes smoking Viceroy!

The romance and sexual attractiveness themes continue in many ads. Kent's "good time" generally features a couple enjoying life. Meeting, getting together, doing things is made complete through smoking.

Salem carries the romance theme into "springtime." A youngish man and woman look at each other as if they have discovered true love for the first time. Purity of love, purity of springtime. New life. "You can take Salem out of the country, but . . ." It ranks 89th on the latest tar scale!

No one can contend that the man who "walks a mile for a Camel" is not a rugged individualist. The copy rightfully should go on to read "he likes his tar strong." Regular size non-filter Camel almost hits the jackpot at 105th. Old Gold Filter, also promoted for "independent people," stands in the same league at 101st on the scale. Marlboro individuality and rugged outdoor themes still leave you with a cigarette which, depending upon the size, ranks 71st to 91st in tar content.

The number of unfeminine or unattractive women who have appeared in cigarette commercials can be counted on both hands. But it took Virginia Slims to help make the American woman what she is today. Comparing today's woman with her drab counterpart of yesteryear, copy stresses "we made Virginia Slims especially for women because women are dainty and beautiful and sweet and generally different from men." Femininity, up-to-date appearance, become equated with smoking.

Beautiful people in the kinds of places people enjoy, doing the kinds of things that give people satisfaction. These themes and others related to them have been amply documented and criticized in the Commission's Reports to Congress. There has been no change for the better in 1970. What has proved successful in TV obviously will set the tone for promotions in print and other media. Clearly the Commission's repeated criticisms require action in the form of enforcement.

#### OTHER PROMOTIONAL AGENCIES

Both Lark and Pall Mall have found yet another way to enhance the attractiveness of cigarette smoking and to allay any fears smokers may have.

Elizabeth Arden has now introduced the "Lark Collection . . . fashions that are a lark to wear and a lift to live in." Chic fashion and the salon are interwoven with "today's distinctive taste in cigarettes." At Elizabeth Arden you can be massaged, bathed, exercised, etc. With the admonition to "surround yourself with beautiful things" and "be perfectly proportioned from head to toe," Lark becomes an integral part of the cultured up-to-date woman.

Pall Malls tie-in is with the latest fashions sold to stores by Anne Fogarty. The theme is "Pall Mall Gold . . . longer yet milder. Anne Fogarty . . . longer yet wilder." The clothes complement the cigarette. The cigarette complements the clothes.

These types of tie-in arrangements could prove to be a natural for print media. Directly associating cigarettes with products and services which do not involve health considerations might well comprise an unfair trade practice since the hazards of cigarette smoking through these tie-ins are rendered inconsequential or non-existent.

In still another media, a United States Lawn Tennis Association tournament took place in Houston this September. Its name—Virginia Slims. Women players were featured at the tournament. The identity of the cigarette with the sport seems implicit.

Point of purchase devices use terminology urging the shopper not to leave before purchasing a brand of cigarettes. These pleas can be of no help to persons looking for support to shake the smoking habit or not to begin. What better than impulse buying of cigarettes? These appeals contain no tar and nicotine information which might at least guide some purchasers in their choice of brand.

#### CIGARETTE LABELING

More than ever, the package is becoming a form of advertising. Colorful, pictorial representations wrap around the package itself creating an aura and image clearly in conflict with the warning on the side panel. The warning tends to become lost or at least insignificant.

The Chesterfield Menthol pack is covered by a picture of a babbling brook running through a beautiful green forest—a couple is seen relaxing and smoking. Chesterfield 101 shows a beautiful golden sunrise with a couple on a sailboat in calm waters enveloped by the sun. Chesterfield King Size Filters portrays a couple on horseback riding contentedly in reddish warmth of dusk passing a beautiful overhanging tree.

The appeal of bright red fall foliage is the setting for a couple walking arm and arm through the woods on the L & M Filter Kings pack. L & M Filter 100's takes advantage of rustic fall foliage reflecting in a crystal clear lake which bubbles over a waterfall as a couple looks on. The L & M Menthol pack shows the couple standing on a rock as beautiful, blue water swirls by with green trees overhanging in the foreground and as background.

The types of representations on the Chesterfield and L & M packs clearly suggest moods conducive to relaxing, unwinding, and enjoying. All tension, anxiety and frustration are absent. The cigarette is portrayed as one of the vital dimensions which exist between male and female.

Other cigarette labels, such as Lark and Doral, employ graphic filter diagrams; or, as True, portray the filter prominently conveying an aseptic, space age technology feeling. The Multifilter label uses two circular designs graphically symbolizing the protection features of its filter.

Failure of the Commission to make known its enforcement policy with respect to promotional representations on cigarette packages allows manufacturers to use these packages to deceive and mislead the public.

#### ONE HUNDRED AND FIFTY MILLION DOLLARS TO PROMOTE CIGARETTES IN 1971

Cigarette advertisers have been rushing to introduce new brands prior to the legislative ban on radio and television commercials for cigarettes commencing January 2, 1971. According to an article in the September 16, 1970 Wall Street Journal, plans have been made for next year to more than triple the advertising budget for newspapers to a new high of \$50 to \$75 million; magazine advertising revenue will rise more than \$10 million to a high of \$40 million; billboard advertisements will triple to an approximate \$6 million.

Later reports show even these figures to be too low. An October 16, 1970 Advertising Age article authoritatively projects outdoor ads in the \$30 to \$40 million range with Brown and Williamson alone spending \$7 million in this medium for 1971. The same article projects magazines "far above \$50 million."

Advertising Age the following week indicated that American Brands was seeking

guaranteed positions (52 week, 5 day per week schedules) in newspapers to the tune of "\$15 to \$30 million in small-space ads" with the deal hinging on "fixed position above the TV log." American clearly seeks to offset the loss of TV penetration.

These figures could well add up to \$150 million used to promote cigarettes in non-broadcast media during 1971. It is quite obvious that cigarette manufacturers are dramatically increasing their budgets in these other media. In so doing, they are ignoring the pleas of Senators Moss and Magnuson, and of other members of the Senate Commerce Committee who worked so diligently to pass the 1969 Public Health Cigarette Smoking Act. The nature and volume of this promotion makes the third provision of the act pertaining to the responsibilities of the FTC all the more important. According to the Wall Street Journal of November 5, 1970 cigarette sales are "looking stronger lately," so much so that "some analysts predict per capita consumption will show a gain for 1970."

#### TAR AND NICOTINE CONTENT DISCLOSURE IN ADVERTISING

The Commission's statement of March 25, 1966 opened the way for tar and nicotine claims in advertising. The Commission clarified its enforcement policy with respect to such claims in two additional letters on October 25, 1967 and October 8, 1969. These actions clearly establish precedent for the Commission to issue statements covering its enforcement policies pertaining to the full range of potential deceptions and misrepresentations in cigarette advertising.

The proposed trade regulation rule requiring disclosure of tar and nicotine contents in all cigarette advertising does not deal with what is being said and shown in the ads and on the packages. Such disclosure, prominently made, is necessary to inform the public. Unfortunately its utility risks being negated, diluted or rendered inconsequential in the absence of Commission action dealing with the themes and representations used to convey a positive, healthy image for cigarette smoking. Claims employing health benefits clearly must be delimited to those relating to tar and nicotine levels—at least until such time as medical science clearly recognizes other aspects of smoking as being important to the health of the smoker.

#### THEMES AND REPRESENTATIONS REQUIRING ISSUANCE OF ENFORCEMENT POLICIES

This petition is to request the Commission to set forth its enforcement policies with respect to all themes and representations employed in cigarette advertising promotions and on packages which have the capacity to deceive or mislead the public particularly in matters which bear on the smoker's health. These themes and representations include but are not necessarily limited to the following:

- (1) Effect of gases in cigarette smoke and attendant claims.
- (2) Use of terms and descriptions identified with the public's concern over pollution and the environment.
- (3) Promotion of filters including the use of descriptive devices, names and terms which state or imply unique or special benefits.
- (4) Claims for the subjective quality of the smoke, e.g. mild, cool, light, smooth.
- (5) Representations of satisfaction, including enjoyment, refreshment, quiet relaxation and uplift.
- (6) Association of smoking with the latest "in" styles of dress, demeanor and surroundings.
- (7) Relating the special qualities of femininity, rugged masculinity, individuality and overall physical attractiveness to smoking.
- (8) Implications that romance and sexual attraction go hand in hand with smoking.

(9) Equating smoking with the beauties and serenity of nature, e.g. springtime, bubbling brooks, sunsets.

(10) Employing symbols and copy identified with popular causes related to youth.

(11) Tie-ins of smoking with fashions, or other products and services, which do not involve health considerations.

(12) Promotion of athletic and other sports activities, including identifying the brand or company name with a sports event.

(13) Use of placards, counter cards, window decals and other devices directly urging people at point of purchase to buy a particular cigarette brand.

(14) Employing the package as promotion in a manner which distracts from or negates the impact of the required health warning, e.g. pictorial representations, cross-sectional and other filter depictions implying benefits other than those related to the level of tar and nicotine content.

#### MONITORING OF ANTI-CIGARETTE SMOKING MESSAGES

In its July 22, 1969, testimony before the Consumer Sub-Committee of the Senate Commerce Committee, the Commission committed itself to periodically reporting back to Congress on "the effectiveness of cigarette labeling, of anti-cigarette commercials, and of the voluntary discontinuance of television and radio advertising." The inclusion of anti-cigarette commercials is extremely pertinent in light of the Commission agreeing, and the 1969 Act stating, that it will take no action prior to July 1971 on its proposed trade regulation rule requiring a health warning in advertising.

Anti-smoking messages to be effective must receive extensive repeat exposure. A record as to the volume of this exposure must be accurate and readily available to facilitate determination of effectiveness. The responsibility for seeing that such a record exists falls with the Commission. This requires planning and setting up a monitoring program covering all media.

#### ALLOCATION OF RESOURCES AND STAFF INADEQUATE

For years now the Commission has failed to allocate sufficient resources and to assign adequate staff to handle cigarette advertising and promotions. In fact, not one attorney has been assigned to cigarettes full time throughout the year. Rather one or more staff members give part time attention to cigarettes with the number increasing at Report times.

The Commission cannot pretend to be effectively policing cigarette advertising and promotions until it assigns an adequate number of qualified staff members full time to the task; and until it establishes procedures which realistically are capable of carrying out meaningful and significant enforcement policies.

#### PROCEDURES SHOULD INCLUDE SUBMISSION OF ALL ADS AND PROMOTIONS

Copies of all ads, promotions and labeling should be submitted to the Commission staff simultaneously with the first publication or exposure date. They should be available for immediate public inspection. To facilitate such inspection, a copy of each item should be forwarded to the main FTC field offices throughout the country.

Documentation in support of any new product claims should accompany these ads and labels.

#### CONCLUSION

The Commission should promptly make public by January 2, 1971, its enforcement policies and implementing procedures. To serve the public interest, these should:

- (1) Prescribe the permissible limits for cigarette advertising and promotions.
- (2) Prescribe the permissible limits for representations on cigarette labeling.

(3) Establish procedures for the submission and review of all new cigarette advertising promotions and labels.

(4) Establish procedures for the submission and review of documentation for all claims in advertising, promotions and on labeling.

(5) Establish a monitoring program of anti-cigarette smoking messages covering all media.

The Commission must place cigarettes on a new level of priority commensurate with the awesome epidemic of death and overall public health problems attendant to cigarette smoking.

Respectfully submitted.

WARREN BRAREN.

#### LOW-COST SPACE SCIENCE USING SOUNDING ROCKETS

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1970

Mr. FULTON of Pennsylvania. Mr. Speaker, it is a pleasure to place in the CONGRESSIONAL RECORD the following statement on sounding rockets and their use in space research. Sounding rockets have proved to be not only reliable, but economical and of great value in space research.

#### LOW-COST SPACE SCIENCE USING SOUNDING ROCKETS

The National Aeronautics & Space Act of 1958 had a major objective of establishing and maintaining world leadership for the United States in space science and technology. There is little question that the Nation has achieved this leadership. Indeed, the accomplishments have been so great that today we accept as normal, achievements that would have been considered fantasy by most in 1958. Today our citizens are directly benefiting in many ways from this investment and in the future can look forward to such benefits as saving agricultural crops from storms and fireproof homes.

The problem now is that of maintaining world leadership in space when there are so many other demands upon our national resources. Leadership in space science requires making new discoveries which expand our knowledge of the earth environment and space beyond, indeed the universe in which we live, for the future benefit of mankind. Not to do so places a mortgage on our future. Yet, a review of the record shows that the number of space experiments flown in quest of this new knowledge has been significantly reduced and is now at its lowest level in five years. One could take the position that we cannot afford to do everything and therefore must cut back some place. This normally valid argument is insufficient in this instance because the restoration of experimental activity in the basic space sciences requires less than \$10 million.

In this period of reduced budgets for space sciences research it is particularly important to utilize low cost means of maintaining a viable level of scientific discovery and exploratory development. Little publicized, but highly productive research using sounding rockets fit this situation very well because the cost of a sounding rocket experiment is approximately one-tenth that of an experiment flown on a satellite.

Sounding rockets like the Aerobee 350 fly essentially a vertical flight path, going up and down, as contrasted to satellites which orbit the earth. The various sounding rock-

ets in current use by NASA reach peak altitudes ranging from about 50 miles for the smallest to about 1500 miles for the largest vehicle. They can provide as much as 30 minutes above the earth's obscuring atmosphere. However, 6 minutes is a more typical value for most experiments.

The productive results of research using sounding rockets can best be illustrated by listing some of the major contributions to the space sciences credited to sounding rockets by the scientific community itself. The following excerpts from a 1969 report by the Space Sciences Board of the National Academy of Sciences are pertinent.

"The existence of three new branches of astronomy—ultraviolet, x-ray and gamma-ray astronomy—is also attributed to the ability of sounding rockets to place instruments above the obscuring atmosphere." "The main features of the structure of the Earth's atmosphere above balloon altitudes have been identified and partially mapped by rockets." "The geocorona . . . was also first recognized and described on the basis of rocket data." "Almost all our knowledge of ionospheric chemistry . . . stems from rocket sounding."

"The existence of electrical current systems in the ionosphere and the polar and equatorial electrojets was detected by rockets and the altitudes of the current systems were measured." "Almost all the important space astronomy results were obtained from rockets, and rocket-borne studies still contribute dominantly to space astronomy knowledge."

In addition to the above scientific research contribution, sounding rockets are used for: exploratory development of new instrument and research techniques; flight testing of instruments and experiments for subsequent satellite use; periodic flight calibration of satellite-in-orbit instruments to insure that they are functioning properly; training of young scientists and engineers to prepare them for future participation in larger, more complex space systems.

Because of the importance of sounding rockets to the space program, the Space Science Board, National Academy of Sciences has consistently recommended increases in the NASA sounding rocket program. In 1965 they recommended to NASA that "provision be made, both in direct budgetary support and in facility support, to accommodate an expansion of the nation's rocket research program by a factor between 2 and 3 over the coming 5-year period" and further recommended that "the indicated expansion of the rocket program be undertaken; even if this can be done only at the cost of a stretch-out of the satellite program." In their 1969 report they recommended that "NASA restore the previous rate of increase in rocket support, achieving roughly a 36% increase above the FY 1968 level by 1971, and a 12% increase each year thereafter until 1975."

In addition, the Space Science Board stated that "A substantial number of scientific questions bearing on the upper atmosphere and space are either accessible only to rocket experiments or can be answered more efficiently by sounding rockets than by other methods. Despite the modest cost of rockets relative to artificial satellites and space probes, these research opportunities have generally not been exploited as vigorously as those involving use of the latter techniques. In a period of sharply reduced budgets such as now exists, the relatively low cost of rockets and hence of the scientific results they obtain causes rockets to be a particularly attractive method of conducting space research."

The low cost of space research using sounding rockets provides a program having broad geographic participation. Scientists and en-

gineers from universities, government and industry in twenty-six states and the District of Columbia participated in the program in 1969. Several states also participate by furnishing equipment and services. Thus sounding rockets provide a low cost means of achieving a broad participation in the space program.

In spite of the strong recommendations by the scientific community, a review of the NASA Sounding Rocket budget (table 1) reveals that the budget has declined since FY 1968 and is now at its lowest level since FY 1966. However, the more pertinent measure in assessing the viability of the program would be the level of activity which is directly related to the rate of scientific discovery.

A review of the number of sounding rocket launches by fiscal year (table 2) shows that FY 1969 had the fewest launches in the previous five-year period. Although not complete, FY 1970 is expected to be approximately the same as FY 1969. A tabulation of the number of space science experiments launched on both satellites and sounding rockets, by fiscal year (table 3), shows a large reduction in activity in FY 1969, primarily due to the reduction in sounding rocket activity, which accounts for over two-thirds of the total.

The sounding rocket program relationship to the space sciences program is much like

the cornerstone of a large building. It is small in size relative to the whole building. How well it is laid determines the trueness of the whole structure and the soundness of the whole structure, in large part, depends upon the integrity of the small cornerstone.

Also like the cornerstone, the cost of insuring a viable sounding rocket program, and with it a renewed vigor in the whole space sciences program, is very small relative to the resources allocated to the NASA Space Sciences Program. It is therefore, recommended that increased emphasis be placed on the NASA sounding rocket program so that by Fiscal Year 1972 this little publicized but important method of conducting space research will be more in line with the consistent recommendations of the National Academy of Science, Space Sciences Board.

This increase in the sounding rocket program will insure that scientific discovery, or productivity, will be maintained at a satisfactory level at low cost to the taxpayer in this period of heavy demand on our national resources. Education and training opportunities can be made available at relatively low cost to the young, new space scientists and engineers to insure long term progress and leadership in space science.

A viable sounding rocket program will provide a low cost means of providing a broad-based geographic participation in the space sciences program.

TABLE 1.—NASA SOUNDING ROCKET BUDGET HISTORY

(Dollar amounts in millions)

	Fiscal year—					
	1965	1966	1967	1968	1969	1970
Firm Budgeted	\$16.9	\$18.5	\$20.0	\$20.0	\$19.2	-----
Requested	-----	-----	-----	-----	-----	\$18.5
Percent increment	-----	+9.5	+8.1	-----	-4.0	-3.6

TABLE 2.—SOUNDING ROCKET LAUNCH HISTORY

	Fiscal year—				
	1965	1966	1967	1968	1969
Space science	120	86	85	109	73
International	18	13	20	18	10
Total	138	99	105	127	83

TABLE 3.—SPACE SCIENCE EXPERIMENTS FLOWN

	Fiscal year—				
	1965	1966	1967	1968	1969
Sounding rockets	190	151	171	156	128
Satellite	80	50	54	69	62
Total	270	201	225	225	190

**DR. SIDNEY WEINTRAUB'S ANTI-INFLATION INCOMES POLICY**

**HON. HENRY S. REUSS**

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 19, 1970

Mr. REUSS. Mr. Speaker, Dr. Sidney Weintraub, professor and chairman, Department of Economics, University of Waterloo—on leave from University of Pennsylvania—has proposed an anti-inflation incomes policy that merits the attention of all Members:

**A FEASIBLE ANTI-INFLATION INCOMES POLICY**  
(By Sidney Weintraub)

Inflation in the United States continues substantially unabated. Joblessness in the first 20 months of the Nixon administration has increased by some 1.2 million. Still, the ascent of wages has not been checked and prices mount at 5% rates per annum.

Many practical, and some professional, voices are calling for some form of wage-price control or incomes policy in disillusionment with the Nixon monetary "game plan". Given the facts, there is no great clamor for tighter money, or renewed fiscal policy to reinforce the Johnson surtax of 1968. On the contrary, the current recommendations run to easier money and lower taxes, to ease the unemployment plight. Tight money and fiscal policy seem to have run their course.

Whether monetary policy has "failed", or whether it must fail, or whether it has not "really" been tried, is not in issue here. Likewise, whether fiscal policy, by way of

**MAN'S INHUMANITY TO MAN—HOW LONG?**

**HON. WILLIAM J. SCHERLE**

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 20, 1970

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,500 American prisoners of war and their families.

How long?

expenditure cuts and tax increases, can prevent inflation will likewise go undiscussed. A growing and abundant literature on these questions exists for these are the legitimate subjects of economic inquiry.<sup>1</sup>

Instead, what is presented is an Incomes Policy proposal, properly a policy for wages and salaries, in the thought that if a program is adopted it should meet the criteria of: (1) feasibility; (2) low cost; (3) effectiveness. Finally, (4) the plan should not lead the economy onto new paths of interventionism: the market economy should not be substantially transformed.

It is believed that the program recommended meets these tests. So far as the author is aware the approach is novel though the essential idea is simple in that it builds on the existing tax mechanism.

#### SOME PROMINENT RECOMMENDATIONS

We review briefly some of the more frequently recommended Incomes Policy proposals before outlining an alternative plan that has the virtue of simplicity while averting the major shortcomings of the other programs.

One plan has called for a simple wage-price freeze, to endure for six months to a year. As a crash program, fired with initial enthusiasm, it may work. Yet, after the lapse of time, what then? Past experience (in England) has been one of an anxiety to renew the preceding wage-price momentum that originally invited the "freeze". What is essential, therefore, is a durable program to assure price level stability over the long term. It is a long-run policy that we seek, rather than one for a year.

Besides the freeze being too brief, and being a temporary palliative, its demerit is that it also requires some policing mechanism to enforce it. This may immediately detract from support by some potential adherents sympathetic to a wages and prices program but disenchanted with the prospect of a pervasive bureaucracy.

Establishing a control agency to supervise prices and all major wage contracts is the most direct solution; it is the stuff of wartime regulation even by democracies. But this involves a new bureaucracy that may alter the economic system in ways that may turn out to be imprudent, inefficient, and interventionist. Its failures are likely to give other needed and potentially effective government programs a black eye.

Some have advised government to sit in as a participant on key collective bargaining negotiations in order to limit pay hikes to norms that can be sustained by typical productivity improvements.

The drawback here is that the approach is likely to lead to acrimony as being one-sided; employers could, in effect, relax and let the government hammer out settlement terms substantially below those of recent years. Inserting government as a bargaining agent is likely to thrust it into prominence as being hostile to labor. The policy would disintegrate under an administration eager to woo labor in an election year.

The Guidepost plan under President Kennedy invoked the presidential office to dissuade unions from seeking undue advances and to deter business from making heedless price increases.<sup>2</sup> The most dramatic incident was the President's confrontation with The Steel Industry, which then had to perform a

<sup>1</sup> For whatever it is worth, my own opinion is that monetary and fiscal policy will continue to fail to curb inflation in an era of union strength where the money wage is essentially "exogenous".

<sup>2</sup> A policy similar to the Guidepost program was recommended by the present author in 1959, and referred to as a "watch tower" policy. See *A General Theory of the Price Level*, etc. (1959), pp. 89-92.

humiliating retreat under threat of coercive investigation.

A "jawbone" policy, involving persuasion and reproach, derives its strength from an appeal to public morality. It obliges the President to "lay his prestige on the line" in numerous public controversies. As it dissipates his power it is likely to be cautiously employed and sparingly used, before lapsing into feebleness. More than name-calling must be invoked for situations that arise persistently, rather than sporadically.

Suggestions for labor courts can be brushed aside. We are dealing with an economic issue; what is not needed is a place for lawyers to perform, but a proper resolution of the public interest on specific principle. A cumbersome bureaucracy may be a lesser evil than an undiscerning and dilatory judiciary.

#### INGREDIENTS OF A SOLUTION

These are the main approaches to an Incomes Policy recommended so far. All are found wanting. Let us consider the ingredients of a new and feasible approach.

Some are convinced that the problem will not abate unless unions are either destroyed, or so fragmented as to sap them of their bargaining vitality. This is an extreme attitude certain to generate heated and irrelevant debate. Unions, on current evidence, are here to stay. There is no way of eliminating them in the present climate of democracy. A policy which begins with this premise is alone likely to be relevant.

#### Instituting countervailing power

It is primarily with the unhampered power of unions to carve out excessive wage settlements that we must deal. Industrialists are too often too impotent to neutralize the ability of unions to impose inflationary settlements, which occur to the detriment of other wage earners, leading them to seek to protect their own position by counter-claims for wage increases; the upshot is that by running faster, all come to stay nearly where they were before while inflation advances.

The solution must consist of measures to stiffen the backbone of industrialists. Currently, industrialists are prone to yield rather than to endure costly strikes; the ritual involves token resistance before a submission to union pressure and thereafter passing the bill on in the form of higher prices.

Individual industrialists will be encouraged to flout unreasonable demands only when they are convinced that there will be resistance in other industries. Also, when each labor union apprehends that employers are no longer easy targets capable of transmitting price increases to consumers, to rescue them from promiscuous settlements, unions can be expected to act more moderately at the bargaining table. The hapless sitting-duck image of management officials must be erased for any plan to succeed as a defense against inflation.

Hence we must change matters so that it is in their self-interest, indeed, for their self-preservation, that industrialists will reject extravagant wage settlements. Penalties must be attached to abject surrender in order to deter the prospect. Also, if defeat does come, it will only be partial; the terms of surrender must not be too onerous. Partial cave-ins and prudent compromise must contain some safety valve to avert a chain reaction and a business demise through bankruptcy. But the price of submission must be high enough to dissuade management from frequent surrender.

#### A reasonable wage program

As a further preliminary matter, to allay any fears that the program is designed to eliminate unions or to thwart the legitimate aspirations of the working man, let us appraise the policy goal.

Intended is a program devised toward achieving increases in money wages at least equal, on the average, to the gains in productivity in the economy. In the past, these have tended to approximate 3 percent per annum. With little inflationary cost, an average increase of this level, or even of 4 to 5 percent per annum, can be granted without inviting an erosive inflation. Even a target figure of 5% would be more rational than the 8% to 10% figures of recent years that have exacerbated our inflationary problem, and topped the price level in sapping the value of our money.

An average increase of 4% would mean that in ten years the typical wage income would mount by about 50%. All wage incomes would, on average double in about 18 years. New-born infants could smile benignly at their father in the conviction that their starting wage would be about double that which the parent currently earns.

This is scarcely a program designed to grind labor to poverty or to confine workers to Marxian immiseration. The goals are reasonable and realistic, attainable with only modest inflationary pressures: prices might mount gently, at about a 1% pace per annum. With slightly greater risk an average annual gain of 5% in wages could be promised. This would mean about 60% per decade with wages doubling every 14 years. Inflation, however, would build up to about a 2% rate per annum.

A further gain of much significance to labor would be realized as a by-product. With the price level nearly steady, monetary and fiscal policy could drop their anti-inflation stance. The economy could work closer to full employment.

These are no small advantages of an average wage increase of 4% to 5% per annum—with price level stability.

#### THE KEY TO COUNTERVAILING POWER

It is time now to get down to specifics and to outline the details of a program that satisfies the criteria described. It is designed not for the purpose of destroying unions but to foster what Galbraith has perceptively termed *Countervailing Power*, to be localized within business firms so that they stand fast against the inflationary exactions of unions. Management must be made to resist excessive wage demands or be penalized for its retreat. Above all, management must not be sustained in efforts to escape onerous settlements through higher prices to protect their profit position.

#### An excess wage settlement tax

Government has a ready lever to perform the task with nominal administrative cost.

Put simply, what can be done is to impose an extra corporate (or business) income tax on all firms that agree to settlements exceeding 5% on the average, as compared to their typical figure for employee compensation in the previous year.

An illustration can clarify the proposal. Suppose that in 1970 the average wage (and salary) figure for the firm reporting its corporate tax was \$6,000. If the average wage and salary payment for the firm in 1971 exceeds \$6,300 (= 1.05 x \$6,000), the firm would be subject to an anti-inflation tax which would be superimposed on the normal tax base. If the standard corporate tax rate is 50%, and the average wage increment exceeds 5%, but is less than 6% higher than the previous year, then a 6% added tax levy might be imposed. For a wage increase between 6% and 7% over the previous year, an 8% penalty rate would be applied, etc.

The governing principle, therefore, involves placing the full burden of policing anti-inflation wage hikes upon the business firm. Where they are supine in bargaining the tax penalty will mount: they would have to be more adamant in coping with union pressures. Unions would become cognizant of

this; they would quickly perceive that they were no longer firing at ducks in a shooting gallery, knocking off firms that have paid in the past only to transfer the burden on through higher prices.

It is unnecessary at this time to specify the exact details of the progression in the tax scale for firms who emerge as the worst offenders in ignoring the public interest in arresting inflation. Some will advocate lesser penalties, others may justify sterner imposts. The main point remains, namely, that if the union structure is not to be altered, then the remedy consists of pressuring employers to act in the public good in defending their private advantage. Employers must become the inflation fighters; they must no longer be a transmission belt for passing the price burden forward with profit impunity.

#### WHY THE PLAN WOULD WORK

Let us consider reasons why the plan would work, as well as anticipate some potential objections.

Unions would immediately realize that they can no longer toss onto the bargaining table a take-it or leave-it package, and hold out a strike threat which employers can currently avoid with small loss through price increases. Unions would apprehend that because of the tax aspect employers would be bound to resist. Long drawn-out strikes for nominal gains are not consciously sought by unions. This unwelcome prospect would pull them down from the heights of unreason.

There would be an obvious reason for management to stand firm: the costs of excessive settlements would be lodged with stockholders. No management that was derelict in protecting the stockholder interest could survive for very long; its submissiveness would be publicized. Currently stockholders accept inordinate settlements so long as (most of) the cost is passed on via prices. Why suffer needlessly? This attitude would change.

#### Anti-inflation fiscal aspects

The proposal should also commend itself to the devotees of monetary and fiscal measures to curb inflation. For in an atmosphere of excess wage gains the proposal would accomplish an automatic increase in the corporate tax rate, thereby alleviating inflationary pressure through absorbing purchasing power. Thus the recommendation entails a built-in anti-inflation fiscal policy, from the tax side. The federal budget would thus benefit.

This adds another cutting edge to the proposal. On the monetary side, the lower net profits resulting from injudicious settlements would tend to restrain borrowing and investment decisions, reducing the demand for bank credit and capital market funds.

#### The automatic policing

It is in the policing of the program that the virtues of the plan outweigh alternative proposals.

At present, for social security programs and the like, firms report the number of their full-time employees. They have the necessary information on "full-time employees or equivalents". For tax purposes, in computing total operating costs, they report their wage and salary bill. Dividing the latter total by the former will yield the average employee compensation. The final step involves comparing this figure to that of the previous year. If it is excessive, then the penalty rates take effect.

No new form of government intervention is involved. It is only the tax structure that is affected. No new bureaucracy need be created to police the program. Everything would be accomplished through the well-established tax procedures for filing returns, and checking their veracity. There is no harassment of business by yet another new arm of government.

#### The safety valve aspect

The plan would not foreclose higher wage hikes entirely. But where granted, the burden would be borne entirely by the acquiescing firm which would then touch off the anti-inflation fiscal policy aspect. Unions would have to become more realistic, for firms would not be as vulnerable as in the past. If firms did yield to exorbitant demands the penalties would involve only money. There would be no criminal charges, no bureaucratic harassment, none of the condemnation and moral disapprobation accompanying the other price-wage programs.

The safety valve feature of penalty taxes has even more in its favor. Where firms require especially skilled personnel they could still pay out above market wage or salary scales to obtain their work complement. While the practice would be somewhat more costly on the tax side, the firm's operations would not be unduly obstructed. Although the plan would benefit firms that contribute less fuel to the inflationary environment, the tax impediment erected for minor offenders would not be insurmountable.<sup>3</sup>

The plan thus has the necessary flexibility.

#### The inclusion of salaries

Common equity requires that salaries and executive compensation be included in calculating the average employee compensation. It would be distinctly unfair to limit ordinary workmen while executives are free to raise their own incomes freely on the pretext that their earnings are noninflationary. If wage incomes are to be restrained, it must be all incomes, including executives. The system will not be handicapped by this; considering that it is only the corporate average that is computed, larger individual merit increases would still be possible.

Legitimate issues arise with respect to stock options, retirement plans, or other fringe benefits that executives have arrogated to themselves. But this is a separate theme that invites more detailed study. The point remains, that there is nothing in the present proposal that should in any way dilute the incentives of the managerial class; there is enough variety in opportunity, status, interest of work, or the incontrovertible power aspect of being "boss", to assure a continuing flow of aspirants for executive posts.

#### The arena of bargaining

As another virtue of the proposal, collective bargaining is not precluded by it although the more fantastic agreements of the past will probably be foreclosed. From the union standpoint the inclusion of executive salaries in the average compensation figure provides a little more margin for bargaining; wages could rise by a bit more than 5% if executive salaries rise by less, without tax penalty to the firm.

This could also serve a healthy purpose in preventing indiscriminate pay hikes to the managerial class while the firm was pleading poverty to the unions. A more wary eye would be placed on all business incomes, with the not unlaudable result of curbing rates of compensation to corporate executives vastly in excess of the President of the United States, or Cabinet officers, or public officials, for tasks that are generally far less exacting.

<sup>3</sup> It will occur to some that through new technology an up-grading of staff would be penalized. The issue here, in part, is practical, on whether there are many cases in which the average wage of the firm would have to rise by more than 5% per annum to adapt to a new technology. Evidence on the point would be useful. In any event, the proposal would penalize the firm only in the first year; thereafter tax rates would follow the normal pattern. Alternatively, some exemptions for such cases could be worked out. But the importance of the situation would have to be demonstrated.

To repeat, the corporation could continue to assert its largesse, to employees or executives. But it would have to answer to the tax collector and to the stockholder.

In a small way, then, the corporation would be returned closer to its stockholders. This is an advantage; it may inculcate a greater sense of executive responsibility.

#### Union attitudes

Unions cannot really protest the program. Their membership can be promised a doubling of pay almost every 15 years, and upwards of 50% per decade. Unions currently, in the *Affluent Society* chronicled by Galbraith, do not generally represent impoverished, undernourished, economically deprived citizens. There is no intention of exploiting their membership. But they would no longer be as free as before to injure other segments of society, including other wage earners and their former members, the retired workers.

Undoubtedly, unions would utter the usual noises in opposing the proposal. But this will place them in the anomalous position of opposing a corporate income tax. Traditionally, unions have argued for higher corporate taxes in objecting to income taxes on lower bracket incomes.

Union members have a stake in the battle against inflation. The proposal recommended permits them to carry on in protecting their membership against unsatisfactory work practices and the otherwise undiluted power of management.

Business complaints can be but a feeble echo of union complaints. Business could persist in past practices. But there would be a cost, a tax bite.

#### Strikes?

Unions would, of course, still retain their ultimate coercive weapon, the strike. Yet strike threats are carried out only if the projected gains are expected (over time) to outweigh their losses. While it may be a while before unions realize that the opportunities for success are not as rife as in the past, the understanding will come as businessmen become more adamant in their stand because of the unfavorable tax aspects. Union demands are thus likely to be tempered.

Temporarily, union leaders may continue their former tactics. But as the present Nixon administration has expressed it, in viewing the current GM-UAW strike, business must be "prepared to take it" to cut the settlement terms. "Taking it" on a few occasions, and then settling near the 6%-5% average annual increase level, is likely to dissuade unions from frequent resort to the tactical strike weapon.

#### Profits?

Some might fasten on the theme that the proposal attempts to restrain wages but not profits.

This would be to misconstrue it entirely, perhaps intentionally. What we are concerned with is not a plan to remodel the capitalistic system but to render it effective by dimming its inflationary features. If prices can be contained, then profits cannot skyrocket. One look at the stock market should be enough to reveal that profits have not been swollen in recent years. If experience is such that profits become unduly large the remedy is the obvious one, namely, to use the tax mechanism. But to discuss this aspect in the present context is to lay a smoke-screen around the central issue of inflation.

#### The self-employed

Incomes of the self-employed, as physicians, dentists, lawyers, farmers, small businessmen, government employees, etc., have gone unmentioned.

Briefly, we can expect that if the mass of wage and salary incomes are contained then it would not be possible for the self-

employed group to report incomes growing beyond the general trend. There would be two strong reasons for this: (1) in some cases the forces of competition would operate; the margins of substitution between employment and self-employment are often close in the small business sector, and (2) if incomes for the mass of employees fall to rise unduly, it will not be as easy for physicians, dentists, etc., to raise their prices (and incomes) at the same pace as in the recent past. Government employees likewise, can simply be limited to the general wage rise to maintain competitive standards.

Thus if we cast out a sturdy anchor and stabilize the vast number of business incomes, of employees and executives, the income adjustments in the rest of the economy are likely to be lashed to this strong base to bar the noxious drift of inflation.

We can proceed on this assumption. If it is misguided with respect to some omitted sectors of the economy, this can later be cor-

rected. But we cannot shrink from taking the big step merely because it may be less than complete. A "do-nothing" program entails more serious omissions.

#### A philosophic objection

Another objection that may be put down at this place is the pejorative oration that "the power to tax is the power to destroy". Accepting the merit of the phrase it remains regrettably incomplete: the power to tax is also a vehicle for making social, political, and economic life more tolerable. Ultimately, this is what taxation should be about, to accomplish worthwhile ends that would not otherwise materialize in the enterprise sector without government policy. As the intended tax proposal aims to alleviate inflation, it is compatible with the greater freedom; it is destined to expand it, not inhibit it.

Whenever a stage is reached that warrants lower general taxes, there is nothing in the plan to impede this outcome. The basic business tax rates can be lowered so long as the

anti-inflation penalty rate is retained. When a stage is reached at which business and union conduct is more responsible with respect to inflation, even this feature can be dropped. But at that time the tax is likely to be a dead-letter anyway.

#### CONCLUSION

There can thus be few serious objections to the anti-inflation proposal outlined in the preceding pages. It has undiluted virtues. It may work, to take the most pessimistic assessment. On the basis of economic analysis, it should work. There are no serious costs involved; it does not shelter a new bureaucracy. It does not entail new data and new business controls. Neither the scope nor the organizational structure of trade unions will be affected, although their ceiling in collective bargaining is likely to become more clearly defined. It does not embark on any radical paths in economic control and it is not incompatible with the traditions and freedoms of a market economy.

## HOUSE OF REPRESENTATIVES—Monday, November 23, 1970

The House met at 12 o'clock noon.

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

*The hand of our God is upon all them for good that seek Him.—Ezra 8: 22.*

O God, our Heavenly Father, whose power is infinite and whose love is eternal, we pray for the leading of Thy spirit as we work for the well-being of our country and endeavor to secure peace in our world. May Thy wisdom so move our minds and Thy love so motivate our hearts that in the crises we face daily we may think clearly, speak calmly, and act courageously. Unite us and our people in the principles of democracy upon which our fathers founded this Nation that as responsible citizens we may do our full part in seeking the good of all.

Direct and prosper the deliberations of this body that truth and justice and good will may be established here and among all people.

In the Master's name we pray. Amen.

### THE JOURNAL

The Journal of the proceedings of Thursday, November 19, 1970, was read and approved.

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 18515. An act 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.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 18515) entitled "An act 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," requests a conference with the House on the disagreeing

votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. RUSSELL, Mr. STENNIS, Mr. BIBLE, Mr. BYRD of West Virginia, Mr. HOLLAND, Mr. COTTON, Mr. CASE, Mr. FONG, Mr. BOGGS, and Mr. YOUNG of North Dakota, to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 3630. An act to amend the joint resolution establishing the American Revolution Bicentennial Commission.

### ADJOURNMENT FROM WEDNESDAY, NOVEMBER 25, TO MONDAY, NOVEMBER 30, 1970

Mr. ALBERT. Mr. Speaker, I offer a privileged concurrent resolution and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

#### H. CON. RES. 786

*Resolved by the House of Representatives (the Senate concurring).* That when the House adjourns on Wednesday, November 25, 1970, it stand adjourned until 12 o'clock meridian, Monday, November 30, 1970.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

### TWO HUNDRED BOMBERS TO KILL—FOUR HELICOPTERS TO SAVE LIVES

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. EDWARDS of California. Mr. Speaker, the events of the past week in Pakistan and in Vietnam provide an example, in shocking contrast, of the way this Nation's priorities have gone astray.

Ten days ago the worst hurricane in history smashed into the Ganges Delta, killing perhaps as many as half a million people.

There is ample food available in Dacca

for all those who survived the storm. But 10 days after the disaster, there is no transportation. Conventional aircraft cannot operate. All small boats were destroyed. The United States has sent only four helicopters.

Consider the contrast between this situation, the near indifference with which the United States has responded to this catastrophe, and the events in Vietnam.

According to Secretary Laird, 200 multimillion-dollar aircraft were sent into North Vietnam to "remind Hanoi what the rules of the game are." For such deadly war games we can deploy any amount of force, but for the disaster-stricken East Pakistanis, we can send only four helicopters.

### PERMISSION TO FILE CONFERENCE REPORT ON H.R. 17970, MILITARY CONSTRUCTION, DEPARTMENT OF DEFENSE

Mr. SIKES. Mr. Speaker, I ask unanimous consent that the conferees may have until midnight tomorrow to file a conference report on H.R. 17970, making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1971, and for other purposes.

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

There was no objection.

### PERMISSION FOR SUBCOMMITTEE ON RIVERS AND HARBORS, COMMITTEE ON PUBLIC WORKS, TO SIT DURING GENERAL DEBATE TODAY

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the Subcommittee on Rivers and Harbors of the Committee on Public Works be permitted to sit during general debate today.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, has this been cleared by the minority?