

EXTENSIONS OF REMARKS

LEGISLATIVE REFORM STILL
BADLY NEEDED

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. CHAMBERLAIN. Mr. Speaker, one of the most comprehensive legislative reorganization acts in 24 years was passed in October of this year. Although this act has improved the rules and practices of the Congress, there is still a great need for further reform in our national lawmaking process.

I would like to include in the RECORD an editorial from the State Journal of Lansing, Mich., of December 4, 1970, which makes valid comment on the continuing need for congressional reform:

LEGISLATIVE REFORM STILL BADLY NEEDED

It is no secret that there is pressing need for congressional reform of some customs, rules and practices which not only make the process of lawmaking awkward but actually are used in blocking legislation no matter how essential it may be to the country and its citizens.

It would be naive to believe that all the needed reorganization of legislative practices is going to be achieved overnight or even in one session of Congress.

But it is certainly hoped that the 92nd Congress, which convenes next month, will take some steps to remedy obvious flaws in our national lawmaking process. The 91st Congress inched ahead in this direction by eliminating the archaic "secret vote" system in the House on important amendments. There were other minor gains, but the attempt to replace the seniority system of determining committee chairmen, for instance, was not successful.

It has been reported that the two major parties have appointed committees to study the seniority issue and will report to the party caucuses before Congress convenes. Seniority is expected to be debated by the two parties on the House floor. Meanwhile, some observers believe that the Senate will discuss the possibility of ending or severely diminishing the effectiveness of the filibuster, which now allows a minority of senators to prevent action on a bill by simply talking it to death.

We strongly endorse any change which will enable the Congress to handle more effectively the ever-growing legislative load. Furthermore, we believe that changes are possible to make Congress more responsible to the public and its wishes and therefore more democratic.

The seniority system is a good case in point. The system is a custom, not a rule, of Congress. It awards the chairmanship of each committee to the member from the majority party who has served on that committee for the longest period. He may be too old to function adequately as a leader, he may be on the opposite end of his party's position on an important issue or he may be a poor legislator, but if he has served on the committee one day longer than the rest of the members, he is chairman.

Committee chairmen are the power structure in Congress. No one, including party leaders, the Speaker of the House or even the President, can tell a committee chairman what to do. More than one essential piece of legislation has died in committee simply because the chairman of that committee was

opposed to it. This often misused power is a detriment in itself and the seniority system complicates the process.

The disadvantages of the system are obvious. First, it makes it difficult if not impossible for younger members of Congress to play significant leadership roles. The median age of House chairmen now is 69 compared with 53 for all the members of that body. In the Senate, the figures are 67 for chairmen and 58 for the membership as a whole.

The seniority system also throws the weight of congressional power to the one-party states and House districts because those areas most often re-elect the same man year after year. Some candidates from such areas run for re-election without opposition in either the primary or general elections.

Something besides longevity must be the qualification for committee chairmen. Party members should have the right to pick these men who have such vast control over the legislative process.

Congressional reform has been a discouragingly slow process in the past, but this in no way changes the fact that reform must be worked at and accomplished. We hope that the 92nd Congress recognizes this and takes meaningful steps to improve the methods used to make our nation's laws.

THE REAL TED TRUEBLOOD

HON. FRANK CHURCH

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Monday, December 14, 1970

Mr. CHURCH. Mr. President, my State of Idaho is widely known by sportsmen for having some of the finest hunting and fishing in North America. Therefore, it is not surprising that Idaho is also the home of many prominent sportsmen, and no person better illustrates the outstanding qualities which make a true sportsman than my friend, Ted Trueblood.

Ted Trueblood has long been recognized as one of the Nation's leading sportsmen and outdoor writers. Few writers' articles are more widely read than his. He draws from a wealth of experience in writing his articles and books about hunting and fishing.

A native Idahoan, he now makes his home in Nampa and is an associate editor of Field and Stream magazine. The December issue of Field and Stream contains an excellent article entitled "The Real Ted Trueblood" by Peter Barrett. I ask unanimous consent that it be printed in the extension of the RECORD.

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

THE REAL TED TRUEBLOOD

(By Peter Barrett)

Back in 1962, Ed Zern wrote an *Exit Laughing* column with the title, "Is There Really a Ted Trueblood?" in which he proclaimed that the man and the name were actually figments of editorial imagination. He wrote this in jest, of course, yet a lot of folks believed it, for he had touched a nerve of public wonderment.

Is there *honestly* a Ted Trueblood? Can he really catch fish, or is he just a nom de plume on fishing stories? And what about

those hunting articles—did he actually make those hunting articles—did he actually make all those trips over the years, or are such accounts the perpetuation of a myth foisted on the American public by a shrewd magazine publisher?

There have been times when I wished he were a myth. And others when I was very glad he wasn't. It happens that I have hunted and fished with this lanky, balding, 6-foot-2 Westerner for about 30 years and probably have been to more far-off places with him than any other individual. So I say this—he is real.

And though he does other things well besides hunting and fishing—Trueblood is also a conservationist, a superb camp cook, somewhat of a homespun philosopher, an excellent photographer, and pre-eminent as a writer, just for starters—I appreciate him most, I think, as a sportsman.

The way I first met Ted Trueblood in 1941 was ironic. Ray P. Holland was then Editor of this magazine and his son Dan was Fishing Editor. The Hollands were neighbors, and I fished with Dan frequently. When I learned that he was about to become Managing Editor, I applied for his old job. Ray Holland told me, "I've offered the job to a fellow named Trueblood from Idaho. If he turns it down, it's yours."

But Ted accepted. I decided I ought to meet this paragon and introduced myself on the phone one day. Was he really fit to hold this Holy Grail of jobs, I wondered? I'd soon find out, for I'd been raised in Westchester where Trueblood now lived—the county just north of New York City—and I new the fishing intimately. Some of it could be mighty demanding.

It was Ted's suggestion that we fish twenty-four hours around the clock with perhaps just a nap or two, beginning on a Saturday morning. I met him in White Plains, where he had an apartment, and we set off with his wife Ellen to fish various New York City watershed lakes and streams.

Before that crazy fishing marathon was over I knew that Field & Stream had made an excellent choice. We caught some bass and trout, but only two incidents are really clear after all this time.

The fishing was slow after lunch and we decided to see how far we could cast a fly along the shore of a lake. I had just learned about applying powdered graphite to a fly line to help it shoot through the guides, and perhaps Ted wanted to see how well it worked. By a coincidence we each had brought a Cross double-built 9-foot bass rod, a powerhouse of that day. But graphite and all, I could never quite beat Trueblood. He is still one of the finest casters I have even seen . . . and he still can outcast me.

The other incident occurred that night. Ellen was asleep on the seat of the black Chevy coupe they had brought from Idaho. Ted opened the door quietly, pinched her leg, and said in a low, intense voice: "Rattlesnake."

Ellen achieved total levitation. Only the ceiling prevented her from orbiting. She came down fighting mad and after a suitable apology had been offered she ground out something like, "And now you two nuts can take me home."

Trueblood was a bit confused by New York at first. He even tried consulting a pocket compass when he arrived at Grand Central Station so he could find which way to head for his office, but there was too much steel around for this method to work. He was instantly at home on any sort of fishing water, however. Always curious and willing to investigate, he turned up fishing I'd often ignored.

One day we were standing on the bridge where the East Branch of the Croton River flows as it enters Diverting Reservoir. There were a few quiet rises near a mud bank. I was for ignoring them, but Trueblood kept watching.

"They're probably just sunnies," I said impatiently.

"Yes, but maybe they're big sunnies."

Trueblood always enjoys fishing for humble species as well as he does for the glamorous ones. So he went down, cast a dry fly to the closest fish, and soon hooked a lively brown trout about a foot long. I couldn't have been more surprised if it had been an Atlantic salmon. Ted invited me to join him and we took the remaining risers, all good trout.

That summer, Ted, Dan Holland, and I fished together a lot, unaware of the upheaval that was to come. Ray Holland resigned in September. Dan, who was in Alaska fishing, got the news of his father's leaving and quit himself, presently joining the Coast Guard. Meanwhile Ted got fired and headed south. At Raleigh, North Carolina, he joined the staff of the *News and Observer* newspaper, having been a reporter previously in Idaho and Utah. In the spring of 1942 Ted moved back to Idaho. Two years later he came East again, once more to take the job of Fishing Editor of *FIELD & STREAM*. He held this position for about two years and then, deciding that the commuter's life was not for him, he went back to live permanently in southern Idaho, not far from his parents' homestead farm. But though he had left New York, he hadn't left *Field & Stream*. Under the title Associate Editor, he has written regularly for the magazine ever since.

Ted's outdoor writing career got off to an early, if anonymous start. "Everyone has a story or two in him that's a natural," he told me recently, "and luckily I started with one in 1931, the year I got out of high school."

He sent the article, titled "A Certain Idaho Trout," to *National Sportsman* magazine and got a letter back from the late Edmund Ware Smith, who was then its editor and years later was to become a regular contributor to these pages.

Now an odd thing happened. Smith offered to buy the article but insisted that Ted Trueblood was a nom de plume "and not a very good one." So the article appeared the following spring under a name Ed Smith dreamed up—J. W. Wintring!

Was there really a Ted Trueblood? Not in *National Sportsman*.

The next article was bought in 1935 by *Fur, Fish & Game* and was duly published under Ted's proper byline. Now the outdoors world had seen the first of the hundreds of articles and two hard-cover books—"The Angler's Handbook" and "The Hunter's Handbook" (T. Y. Crowell, 1949 and 1954)—that were to bear his real name.

After high school Ted had attended the College of Idaho in Caldwell for about two and a half years and taken on various jobs. "I'd go down the main business street knocking on every door. Times were hard and I took anything I could get: pumping gas, working in a store—you name it."

Finally, on January 1, 1936, Trueblood got his first job as a newspaper reporter on the *Boise Capital News* in Boise. Two good things happened there. On his first day at work he met a pretty girl reporter who was to become his wife, and he got started writing regularly. A year later he worked on the *Deseret News* in Salt Lake City and began selling "back-of-the-book" short articles on camping and fishing to *Field & Stream*.

Trueblood's commitment to the outdoors had long since been made, by the way. He caught his first trout at an early age not far from the family farm near Homedale on the Snake River. When he was about to graduate from high school he learned that

his grandfather planned to present him with a gold class ring, but Ted asked for a fly rod instead and got a 9-foot Horrocks-Ibbotson (which he still has). By the time he was 13 he'd saved money from odd jobs until he had \$20 with which he bought his first shotgun—a 20-gauge Ithaca double, bored improved-full, with double triggers.

So it was entirely in character that when Ted married Ellen on July 6, 1939, he proposed honeymooning with a tent, guns, fishing rods, and cameras in near-wilderness country. He had decided to become a freelance writer and in the next few weeks wrote two articles on fishing for chinook salmon which he mailed off to *FIELD & STREAM*. He and Ellen camped north of Bear Valley in mountains along the Middle Fork of the Salmon River in central Idaho, remaining for four months or, as Ted puts it, "until we ran out of every bit of food."

When he returned to civilization, Ted found that Ray Holland had bought both articles. But freelance writing wasn't to come easy yet and he was flat broke at the end of the year, so on January 1, 1940, he took a job with the Idaho Fish & Game Department. He did public relations work, made a study of an elk range, and tramped the hills taking closeup pictures of game, some of which are still used in state slide shows.

The following year, Ted joined *FIELD & STREAM* as Fishing Editor, and we first met . . .

One thing that has always impressed me about Trueblood is his stamina and sure-footedness in mountain country. On our first Idaho elk hunt in 1948 I would try to emulate Ted's ability to run along deadfalls, often dusted with a night's frost, where a slip meant a plunge of 5 or 6 feet among jagged limbs.

I was having a bad time of it one morning, slowing our approach to a herd of elk we suspected were bedding in a certain little pocket among lodgepole pines. Finally I called a brief halt and asked what his secret was for running deadfalls.

"No secret. You must convince yourself that you don't care, no matter how bad it looks. Anyway, all you can do is break a leg," he added with a grin.

On we went, always a couple of yards above ground, but slower and in utmost silence now. Then Ted took what for him was a fair leap from one log to another but for me was a desperate one. I didn't quite make it and fell spread-eagled on popping limbs and mud. I've wondered what would have happened if I hadn't crash landed only 20 yards from those bedded elk. They took off instantly, like quail, and a mighty bull thundered away without a shot fired.

Perhaps because I didn't break anything, that spill gave me confidence and afterwards I navigated better, profiting from my friend's philosophical outlook.

I was also glad to follow Trueblood one desperate night in the Southern Alps of New Zealand. Everything had gone wrong that day, including forgetting to bring lunch. At twilight I'd shot a tahr, but just before Ted could take a picture the carcass started to roll. The tahr bounded down the mountain for several hundred yards before disappearing. Now we'd been on this steep mountain for eighteen hours. There was just enough starshine for me to make out Ted's tan cap a couple of yards ahead. Rocks we dislodged crossing one sheer slope seemed to boom forever as they plunged into the black void.

We spent the next two hours descending a tree-choked ravine on the seats of our pants, from handhold to handhold, Ted prodding downward with his rifle butt to see if there was anything just below. Once he dropped into a pool and warned me. Groans marked our pitiful progress. Any fall among rocks was welcome—you had an excuse to rest for a moment.

When we finally got to the bottom after twenty hours of fighting the mountain, we could barely stand. Level ground was confusing.

Right then it was enough to sit on a flat rock and smoke our pipes beside a brook where we'd just drunk deeply. "Just think," Ted said presently. "Now we know we can make it back to the cabin."

Ted is always an optimist in the wilderness, probably because it is where he fits best. I've long noticed that this man is uneasy—maybe impatient is the better term—in city surroundings. He'll put up with a bit of sightseeing if he can't get out of it. He'll go to town to buy something, when he absolutely has to. He'll even go to dinner in some fancy place once in a while, or to a housewarming, or whatever. But I can look at him chatting amiably and know he's thinking. *Tomorrow I'll be where the fish are.*

Trueblood plans to be in the field some 200 days out of every year. Inevitably with this sort of exposure, and because he is always trying to learn, he has made endless experiments. Long ago he decided that nymphs need not be imitative so much as suggestive, and he worked up a series which fishing books refer to simply as "the Trueblood nymphs." He also created a highly effective fly for bass; a big, long bucktail which he named Integration ("because it's black and white"), and others.

Just to see if it would work, he tried catching channel cats on chunks of soap, and found he could ("Sweetheart brand seemed best"). He has thought up such novelties as a floating deer-hair crawfish bug, fished with a sinking line to keep the lure hopping about on the bottom ("where the bass often are").

Though he uses spinning gear and bait-casting tackle at times, the fly rod has long been his favorite fishing tool. He was one of the first to see the advantages of the "shooting head" 30-foot fly line and sold me on it quickly.

Teaching comes naturally to Trueblood and I think he enjoys it. For example, he has for years conducted a course in fly casting for beginners at his local rod-and-gun club. "We do it evenings for a week in early May," he told me recently. "Last year I brought along some balanced outfits, along with several extra reels holding lines of various weights to find out what would work best with rods that had been causing problems. You'd be surprised at how fast someone can learn to cast with the right weight line."

I once asked him if he had ever tried to teach writing and he made a wry face. "Over the years various would-be writers have asked for help and I've tried to give it. But they can't take criticism—they want to be told that whatever they show me is great because some silly relative thinks they're a budding Hemingway."

There was one exception, however. Back in 1955 Trueblood had a young neighbor who had been trying his hand at outdoor writing for a couple of years, with only one minor sale. They began hunting and fishing together, and became friends. One day Ted looked at an article the fellow had done and showed him where it could stand some fixing.

"He actually listened," Ted told me. "It was a rewarding experience."

The fellow then reworked his article and sold it to *FIELD & STREAM*. That was the first real start for Clare Conley, who is now Editor of this magazine.

Between trips, Trueblood devotes quite a bit of time to conservation work. He has long been a member of Ducks Unlimited, the Sierra Club, the Wilderness Society, the Nature Conservancy. His involvement in his home state dates to 1936 when the Idaho Wildlife Federation was organized. He started

with the first meeting, later helped put across the bipartisan Fish & Game Commission in the 1938 election.

"I'm a helper, not a leader in conservation," he told me last fall. But I don't quite buy this. I remember the time he traveled to Washington, D.C. to testify in favor of the Wild Rivers bill. And I'm aware of the huge volume of gratis publicity he has written over the years in support of various causes and political candidates (like Senator Frank Church) who Trueblood feels are "friends of conservation," regardless of their party affiliation."

One of the best trips I've made with Trueblood turned out in the end to be the toughest. We decided to float the Snake River for about one hundred miles, stopping en route to hunt pheasants on the many islands beginning where the river starts to angle north in the southwestern part of Idaho, and camping when the mood struck us.

I mentioned earlier that this man is a great camp cook. One of the reasons we concentrated on pheasants (though there were side trips for valley quail and chukars too) is that broiling a couple on a spit over campfire coals is a Trueblood specialty. Every bird was superb, and the different settings along the riverbank were a delight in their remoteness.

Where the river slows to form Brownlee Reservoir we made our last camp about halfway to the dam. Now we could top off a memorable trip by taking a couple of mule deer.

We'd hoped to find them near the shore, but they were high. We got out of the boat to build a fire against the morning chill and make tea that first day, and I happened to start looking at the top of a mountain with my 10X binocular. Almost at once I spotted a small bunch of deer. I handed the glass to Ted.

"We can get to them easily," he said in sudden excitement. "There has to be a buck in that bunch."

There was . . . after nearly four hours of hard climbing and stalking. Ted shot the buck in its bed and I popped a doe that ran past. Far below our boat looked smaller than a golf tee. What had we done?

There was a rock-strewn gully below, and we had to drag both deer past it, side-hilling and bucking brush and slipping on the short dead grass. Finally, as the light was fading, we decided there was just time to prop the deer open to cool before hurrying back to the boat before dark. At this point we were only halfway down.

Next morning, early, we went at it again. Now we had ropes but they didn't help much on the frost-slicked slopes. It took us all day to drag those miserable deer to the boat. Even so, we just made it as dusk fell—and I'm leaving out some bad parts, like the passing cowboys who wouldn't help at the last quarter mile.

Back at the boat I got out a flask of bourbon. "Well, there can't be anything wrong with our hearts," I remarked.

"I'll drink to that," Ted agreed.

This was in November of 1967. We were wracked up for five days afterward, but it had been a great hunt, perhaps the sweeter for the final shared struggle.

The following February, Ted had a serious heart attack.

He has come out of it well. I've fished with him once since the attack and hunted chukars with him the past two falls. At each visit he was remarkably stronger than the last time. I believe that because of the recovery regimen he follows, he is emerging stronger than ever. And he is still as lean as when we met.

"I think it was aggravation that brought it on," he says now. "So I'm going to cut down on things I don't enjoy—like public speaking—and concentrate more on just being outdoors whenever possible."

At 57 Ted Trueblood can still cast a long fly, and when everything goes right, take three on a covey rise of chukars. And make it look easy. That's one of the pleasures of being with him. He can miss, of course. Don't we all! But a Trueblood miss is never a conversational disaster.

By being a sportsman, he has made sportsmen of his two sons—Dan, who is the elder at 23, and Jack who is 21 and has made Ted a grandfather twice.

These days, when the phone rings too often, he and Ellen have evolved a simple solution: they pack a tent, sleeping bags, and some food and take off to enjoy the peace of the sagebrush hills for a few days.

Which reminds me of something. I phoned him person-to-person recently, as I always do, and I heard the long-distance operator stifle a chuckle.

"What the matter?" I said.

"This Ted Trueblood—is he for real?"

I told her to ring the number and see. Naturally, there was no answer.

"Mr. 'Ted Trueblood' is not there," the operator said, still skeptical.

I had a momentary impulse to tell her that Ted was probably out camping or fishing, to try and convince her that I wasn't putting her on. But then I thought, Oh, the heck with it. It was all too hard to explain.

PROBLEMS OF AN INSTITUTE HIGHWAY DURING EARLY STAGES OF CONSTRUCTION

HON. JOHN W. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. DAVIS of Georgia. Mr. Speaker, the Seventh District of Georgia has been plagued for some time now with heated battles over the proposed construction route of Interstate 75 from Marietta northward.

I am certain that the problems my district has experienced in this regard are likewise common to other municipalities throughout the United States, and I would, therefore, insert at this point a letter written by Arvel O. Franz of Cartersville, which elucidates in a unique manner some of the problems an interstate highway falls heir to during its early stages of construction:

THE EDITOR,
The Tribune News,
The Herald-Tribune.

DEAR SIR: I am a road, specifically an Interstate Highway. My function is simple. It is in this culture to transport by the straightest, safest, most economical means the needs of this culture, from one major city to another major city.

My function is not to be scenic, nor to affect the towns along my way (either positively or negatively). That function is supposed to be filled by the vast network of other highways. I and my brother Interstates are probably the last major rights-of-way that will ever be acquired. If this culture continues in its present way, at some future date it may be necessary to give us two decks or to mount high speed transport on our median strips. Since we are probably the last major connecting routes, it is critically important that nothing be done to make us less than efficient.

Certainly no local selfishness nor political nor editorial pressure should be brought to bear to lengthen me or put curves in me in order to enrich those who own property at

feasible sites for interchange. I do have an effect on ecology. I cannot fail to have such an effect. But if I had a sense of humor I would have to smile at the cynical statement of—who says that on one route I would disturb the water skiers (whose snarling speed boats and oily exhausts directly affect the water) or at the statement that city people deserve a quiet place to take their high-powered rifles to shoot at deer and turkey undisturbed.

If I had a sense of sympathy I might feel sympathy for the man who for twenty years has attempted to improve the ecology of his property, where Scouts have identified 53 species of birds on one Sunday morning, who girdles damaged pine trees so that great pileated woodpeckers may be capable of living. From him, one proposed route would take his row of Asiatic chestnuts whose seed are being naturalized along stream banks to support deer and turkeys, and twenty pecan trees planted nearly 100 years ago. One route would cut his property in four pieces and even a route to reach town would be denied him. But if that route were indeed best, I would have to take it.

But I am afraid that those who attempt to force it have desires that do not deal with making me the shortest, best and straightest route possible. Nor should the statement that those who own minerals are willing to accept payment for those minerals be taken as evidence that harm will not be done to the generations to whom I make those minerals unavailable.

At this point in time and space I should be forced to do the best job possible for both the present and future. If one-tenth of the energy that has been spent bickering about my location had been spent by the communities along my route in making their own areas attractive and truly efficient, in developing their own living space, parks and monuments I could go on about my business unhindered.

I wrote this in answer to a group of editorials which appeared in last week's papers about the proposed alternate route. I have traveled Interstates in many states of the Union, and nowhere have I seen any Interstate route improve land values except for the fortunate few who own property at interchanges. If Cartersville would cooperate, improve its own house, take advantage of its own magnificent location, and transport system it would be better off to forget the Interstate.

It is true that I am in some degree selfishly motivated. The proposed alternate route will completely destroy the value of the house and property that I have worked for twenty-two years to perfect as a retirement home. If it were indeed the best route I would have to bow to the need of the culture of which I am a part.

But to hear editorial pressure brought to bear in favor of destroying that on which I have worked in favor of water skiers and deerhunters right-of-domain, particularly when I am afraid that the arguments really are based on who owns prospective interchange property, leaves me angry, to say the least.

ARVEL O. FRANZ.

AN OPEN LETTER TO YOUTH

HON. WALTER S. BARING

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. BARING. Mr. Speaker, one of my Nevada constituents, Mrs. Edna M. Luchinger of Reno, has written the follow-

ing article which she feels should help give troubled young people courage to embark on a proper path to help themselves and America.

I include the following:

AN OPEN LETTER TO YOUTH

While talking to some of the young people of our time, I have found they are dissatisfied with many things. I have asked them what it is they really want? They want a better world, but they want to destroy the patterns of the past.

Let them listen to this thought. This age has given them many fine things, beautiful music, beautiful art and the beautiful dance, many, many wonderful inventions and cultures. Let them not destroy these, but let them take all the good things we have given them, add the fine things they are capable of producing, and together, we will have a greater and finer world and civilization.

Strife will lead you no place, but constructive cooperation and a conference table exchange of ideas will bring the silent majority (the Establishment), to the side of the younger generation and give you the support you so sorely need and desire.

Just like a seedling grafted to an established root, you can sap the wisdom, strength and might from the knowledgeable ages before you, yet grow straight with the furor of youth. So give us a try "Young seedlings" and you shall see. . . . Let us know your plans and how you want them accomplished.

The war, none of us want. We agree on this. But, we are still at sea as to what you really want accomplished. Let the whole country know what you want, and if it is a peaceful, constructive plan, you'll be surprised how many of us will understand and help.

Take a project like clean air for example, or polluted streams. If the young generation would all band together on these two projects and really push, you'd get these things done, the pressure would be so great, you would have the Establishment carrying banners for you.

When you've gotten these accomplished, you'll go on to another project, and another, until our country would be the beautiful, free states that God intended them to be, because your work would be so constructive, that all negative and destructive forces would fall by the wayside. Then the Light of your new age could shine brightly, and light the way for generations to come.

A better life and a better world would be your success.

THE NATION'S HEALTH SUFFERS FROM UNHEALTHY PRIORITIES

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. LEGGETT. Mr. Speaker, it has recently come to my attention that the University of California at Davis medical school in my district currently has 2,250 applications for next year's freshman class. The figure is expected to reach 1,500 by December 30.

The size of the class will be 52. This is all the school can handle.

The associate dean for student affairs, Dr. Alexander Barry, has expressed surprise at the large number of really good applications. But the school can only accept 2 percent of those who apply. This

situation is not atypical of medical schools all across the country. It is true that the statistics are in a sense inflated, because most students apply to more than one school. But the fact remains that there are thousands of able young men who could make excellent physicians but will not have the opportunity.

Our medical care is not in such a happy state that we can afford to throw away their talents. We are the richest country in the world, but it has been many years since we ranked in the top 10 in terms of life expectancy or infant education, things are going to get a lot worse before they get better.

The immediate cause of the problem in California is a decision the voters made last June to turn down a \$246 million bond issue for health sciences.

But the more enduring causes are the distortion of national priorities and the mismanagement of the national economy. If we had brought inflation under control and stimulated the economy, using wage-price controls if necessary, money would have been easier to come by for everybody. But regardless of the state of the general economy, health sciences have not been receiving the high national priority they deserve. The administration appears to be more interested in building a winning image for 1972 than in meeting the real needs of the country. Rumor has it that Dr. Roger Egeberg is about to resign in frustration from his position at the head of the Nation's health bureaucracy, but the President will probably be so involved in lobbying for the SST that he will hardly notice Dr. Egeberg's departure.

THE IMPACT OF AIRLINE EMPLOYMENT

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. SCHERLE. Mr. Speaker, in the midst of the heated national debate over the merits of America's supersonic transport, it would be well for critics and proponents alike to take note of certain facts about the air transport industry. Its contribution to the economic well-being of the country has been, and continues to be, considerable, as the article which follows so amply illustrates. This industry has grown at a phenomenally fast rate over the past two decades, achieving worldwide leadership for the United States in aviation technology and providing prosperity for millions of Americans through employment. This industry cannot, however, maintain its expansion at home and its eminence abroad unless it remains in the forefront of technological innovation. The development of the SST will insure that American aviation will continue to be first in prestige, power, and prosperity:

THE IMPACT OF AIRLINE EMPLOYMENT

During the past 20 years, expansion of airline traffic has dramatically increased the

number of persons employed in air transportation and related fields. The rate of increase has been much greater than for the U.S. civilian work force as a whole, and the total air transportation payroll today is a significant factor in the nation's economy.

Only two decades ago, before the introduction of the commercial jet, the nation's airlines employed 83,000 persons. When the jets were introduced in 1958, airline employment had increased to 147,000. During the jet-age decade of the 60s, this figure more than doubled with the creation of 150,000 new jobs. During the same period, the U.S. work force as a whole increased by about 20 per cent. By the end of 1969, a total of 312,000 employees were working for the U.S. scheduled airlines.

Airline payrolls in 1969 amounted to \$3.3 billion—three times higher than in 1960 and ten times higher than in 1950. The average annual airline salary in 1969 was \$10,652—60 per cent higher than in 1960 and 155 per cent higher than in 1950.

But the number of airline jobs and the payroll are only part of the story. Some airports have become virtual small cities in themselves. Hotels, restaurants, car rental agencies and other businesses related to air travel have also been responsible for a considerable increase in employment. In addition, the purchase of new aircraft has been responsible for thousands of new jobs in the engine industries. For every airline employee, aircraft manufacturing, electronics and jet it is estimated that there are three other employees in related fields.

Unfortunately, the current period of inflation and business recession has put the air transport industry in a tight financial position. The Air Transport Association of America estimates that airline employment at the end of 1970 will have increased no more than one per cent over the previous year. However, payroll costs will have gone up 11 per cent or more over 1969. In 1969, 26 of the 39 U.S. scheduled air carriers reported operating losses. In 1970, the situation has further deteriorated and the airline industry as a whole is expected to register a net loss. Obviously, if this trend continues it will create serious repercussions throughout many important sectors of the nation's economy.

I am optimistic that the trend will soon be reversed. If so, the nation's airlines will likely add 200,000 more new jobs during the decade of the 70s, making a total airline work force of about a half million people. Assuming the three-to-one ratio also holds true, by 1980 some 1,500,000 persons will be employed in work related to air travel.

G. E. KECK,
President, United Air Lines.

ON RETIREMENT OF BRYCE HARLOW

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 10, 1970

Mr. ARENDS. Mr. Speaker, it came as no surprise to me that my good friend, Bryce Harlow, has submitted his resignation as Counselor to the President. His leaving the White House will be a great loss to President Nixon and to all of us, but we have already asked of him much more than we have the right to ask of any one man. He has already served his country for many years in several

responsible positions and in each his performance has been "above and beyond the call of duty": As an Army officer in World War II, as chief counsel of the House Armed Services Committee, as assistant to President Eisenhower, and as Counselor to President Nixon.

Bryce is one of those individuals who has an unusually high sense of duty. It was only because he felt it was his duty that he took a leave of absence from his position in private business to assist President Nixon in the area of congressional relations with which work he was uniquely qualified. Being a man of many talents, of sound judgment, and exceptional acumen, he was called upon to assume more and more responsibilities, and to better discharge them in the service of the President he was appointed Counselor, with Cabinet rank.

Frankly, I have been amazed that he has been able to carry the burden. The job has been demanding and the hours long—from early morning to late at night and sometimes into the next morning. I knew the sacrifices he and his family were making. I regret he is leaving the Government service, but I am glad for his own sake.

I first became acquainted with Bryce when he became a member of our Armed Services Committee staff. He early demonstrated not only his exceptional capacity for hard work but also a mental capacity without equal. He is knowledgeable not only in defense matters and in the law but in many areas of human endeavor. And with it all, he has a great humility. He is not a self-seeker for power and glory. He has sought solely to serve others and most of all to serve his country.

I take some pride in the fact that I had a part in his being selected by President Eisenhower to serve on his White House staff. His original assignment was in handling congressional rela-

tions. But it was not long before President Eisenhower recognized that he had in Bryce Harlow a man of many talents, and in due course he became one of the President's closest advisers in whom he had complete confidence. Not infrequently when a question arose in discussions as to how best to approach a specific problem, the President would specifically inquire as to Bryce's point of view.

Bryce Harlow is one of the finest men it has been my privilege to know. He has been of immeasurable assistance to me. He is a personal friend for whom I hold great affection and the highest regard. While he may be small in physical stature, he is a giant of a man.

FOOTWEAR IMPORT FIGURES
ALARMING

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Monday, December 14, 1970

Mr. WYMAN. Mr. Speaker, the critical situation faced by the American footwear industry resulting from floods of foreign imports is graphically portrayed by the most recent figures from the Footwear Manufacturers Association. U.S. industry faced with any such staggering penetration of its market is entitled to a reasonable measure of protection and entitled to it now.

The trade bill provisions do not cut off foreign imports. They do limit them to a reasonable future schedule consisting of the high average of the 1967-69 levels unless an importing nation makes a voluntary agreement with this country for a different figure—which can be even higher.

Our manufacturers deserve—and need—a projectable future schedule so

they can know and plan on the extent of imports they must face in the market. Such needed protection is neither retaliatory nor anticonsumer oriented. The alternative is wholesale loss of U.S. jobs and sharply increased unemployment in this country:

IMPORTS FIRST 10 MONTHS 1970 JANUARY-OCTOBER—AMERICAN FOOTWEAR MANUFACTURERS ASSOCIATION

With 16,088,000 pairs of nonrubber footwear imported into this country in October, the first ten months of the year showed an astounding total of 199,492,000 pairs—a 19.6% increase over the same period in 1969.

All major types of footwear showed increases when compared to last year's data:

Percent Change—10 Months 1970-69	
	Percent
Men's & Boys' Leather.....	+13.1
Men's & Boys' Vinyl.....	+66.3
Women's & Misses' Leather.....	+25.8
Women's & Misses' Vinyl.....	+9.1
Children's & Infants' Leather.....	+23.7
Children's & Infants' Vinyl.....	+5.6

In the remaining two months of 1970, at least 35,000,000 more pairs of imports will bombard the American Market, bringing the final total to more than 235,000,000 pairs.

The f.o.b. value of nonrubber imported footwear for the first ten months of 1970 totaled \$459,087,000—a 27.4% increase over the comparable period last year. AFMA's estimated f.o.b. value for the year 1970 will reach a catastrophic total of over \$550,000,000 (one-half billion dollars), which means that at the retail level the American Market will have absorbed close to two billion dollars' worth of imported footwear in 1970.

While imports flourish, domestic production falters and lags behind 1969 production by 2.4%—a sad story when one considers the fact that 1969 production was the lowest in more than ten years. Men's shoes are running 1% behind 1969 production; Women's shoes are 3% below last year's production. Misses' shoes are 13% below last year's production and Children's shoes are averaging a low 17% behind 1969 production.

The facts cannot be denied. It is quite obvious that imported footwear is flourishing at the expense of domestic production.

TOTAL IMPORTS OF OVER-THE-FOOT FOOTWEAR

(In thousand pairs; thousand dollars)

Type of footwear	October 1970 (pairs)	Percent change (1970/1969)	10 months, 1970			Percent change (1970/1969)	
			Pairs	Dollar value	Average dollar value per pair	Pairs	Dollar value
Leather and vinyl, total.....	15,032.4	+11.2	189,304.5	444,291.8	\$2.35	+18.2	+25.6
Leather (excludes slippers).....	8,375.5	+18.8	100,183.8	357,038.2	3.56	+21.7	+23.1
Men's, youths, boys.....	2,786.4	+20.9	28,078.6	126,372.0	4.50	+13.1	+18.0
Women's, misses.....	4,998.1	+15.5	63,740.6	211,905.5	3.32	+25.8	+29.0
Children's, infants.....	281.0	+82.9	5,478.4	8,175.6	1.49	+23.7	+16.6
Moccasins.....	31.6	-42.0	457.9	531.0	1.16	-16.1	-19.5
Other leather (includes work and athletic).....	278.4	+31.8	2,428.3	10,054.1	4.14	+33.5	-9.6
Slippers.....	42.7	+64.2	235.2	610.3	2.59	-22.2	-4.9
Vinyl supported uppers.....	6,614.2	+2.7	88,885.5	86,643.3	.97	+14.6	+37.9
Men's and boys.....	1,363.0	+79.4	13,667.0	17,282.5	1.26	+66.3	+78.8
Women's and misses.....	4,681.1	-5.9	66,444.0	62,359.2	.94	+9.1	+31.4
Children's and infants.....	349.4	-35.1	7,339.7	6,016.7	.82	+5.6	+22.4
Soft soles.....	220.7	+30.6	1,434.8	984.9	.69	-5.9	-2.5
Other non rubber types, total.....	1,055.9	nc	10,187.1	14,794.7	1.45	+55.4	+107.4
Wood.....	208.5	+16.9	3,487.2	8,915.4	2.56	+261.5	+278.5
Fabric uppers.....	724.7	-4.3	5,859.7	4,658.3	.79	+21.7	+22.4
Other n.e.s.....	122.7	+6.5	840.2	1,221.0	1.45	+8.2	+25.5
Nonrubber footwear, total.....	16,088.3	+10.4	199,491.6	459,086.5	2.30	+19.6	+27.3
Rubber soled fabric uppers.....	4,212.2	+5.0	41,700.8	36,922.6	.89	+8.4	+29.6
Grand total, all types.....	20,300.5	+9.2	241,192.4	496,009.1	2.06	+17.5	+27.4

Note: Details may not add up due to rounding. Figures do not include imports of waterproof rubber footwear, zories, and slipper socks. Rubber soled fabric upper footwear includes non-American selling price types.

Source: American Footwear Manufacturers Association estimates from census raw data. For further detailed information, address your inquiries to the Association, room 302, 342 Madison Ave., New York, N.Y. 10017.

PEOPLE BOMB A MYTH

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. ZWACH. Mr. Speaker, we are living in a period where environment and population growth are being fully considered and discussed. Some feel that our country should have a zero population growth. So that all thinking may be considered, I am inserting in the RECORD an article by Msgr. Edward O'Rourke, executive director, National Catholic Rural Life Conference.

The article follows:

PEOPLE BOMB A MYTH

(By Msgr. Edward O'Rourke)

An increasing number of Americans are concerned over the pollution of our air and water and the needless waste of our natural resources. Advocates of population control are using this concern as a means to stampede us into a policy of "zero population growth." They claim that our environment and our survival are being threatened by a "population explosion."

The population explosion in the United States is a myth. During 1959, U.S. population was growing at a modest rate of 1.8 per cent per year. By 1969, this rate had fallen to 1 per cent per year. The United States with its vast agricultural and industrial productivity, has a population density which is 1/18th that of water-logged Holland and 1/7th that of mountainous Switzerland.

Furthermore, there is no evidence to support the assumption that moderately growing population causes pollution and waste of resources. Pollution and waste is the result of greed, materialism and expediency. Today, the United States has 6 per cent of the world's population but causes 50 per cent of the world's pollution.

People can cause pollution; but properly motivated, people can cure pollution. Those who demand severe reduction of the birth rate in the United States as a remedy for pollution are actually doing a disservice to the cause of conservation. They are distracting our attention from the real cause of our problem, namely, our lack of a true spirit of stewardship. If we adopt such a policy, our nation could support many times its present population. If we continue to act in a greedy, irresponsible way, even half of our present population will quickly make our environment uninhabitable.

It is true that some natural resources, such as petroleum, are unrenovable. When such a resource is exhausted, the number of people in our nation will not be so important as their ability to develop alternate resources; for example, to replace petroleum with atomic power as a source of energy.

It is also important to note that most natural resources renew themselves. Properly conserved, they will never be exhausted. Moreover, when the proper interaction among the earth's plants, animals and resources is maintained, one species' wastes becomes the other species' support; for example, plants need the carbon dioxide generated by animals and animals need the oxygen released by plants; and the decaying remains of one generation of plants and animals becomes the nourishment of the next generation.

The ideal role for mankind in this intricate "web of life" is not to abstain from using plants, animals and natural resources; rather, it is to use them intelligently and responsibly. For example, a well tended farm with landscaping and properly tilled fields is more beautiful than untended land covered with a mixture of weeds and trees; a properly managed forest is much more productive,

much less susceptible to forest fires than a forest in its wild state.

Let us return to the alleged "population explosion" in the United States. The distribution of population in our nation is a greater problem than the absolute number of people. Presently, 70 percent of our population is crowded onto 2 percent of our land. During the past 8 years, one out of three counties in the United States lost population. Thus, in these hundreds of counties there is a population problem, but the problem is too few, not too many people. A most constructive step, therefore, would be organized efforts to restore a more rational rural-urban population balance in our nation.

Equally serious is mal-distribution of wealth in the United States. If our great production of goods and services was more equitably shared by our citizens, we could comfortably support a much larger population. A crisis mentality over an alleged "population explosion" will only distract us from the more urgent task of observing interracial and social justice. The nation's poor have good cause to be fearful that the net result of the "zero population" push will be a worsening of their already tragic condition.

Let us now direct our attention to the most serious objection to the present campaign for zero population growth. This is a campaign against the existence of children, many millions of them. The argument is that, since someday we shall lack enough room, food and other necessities for our people, in the meanwhile, millions of wanted children should be denied the opportunity to live and eventually to enjoy eternal life. This is too great a price to pay, particularly when, as indicated above, the evidence offered for taking this desperate step is so flimsy. On the other hand, correcting the waste of resources and the mal-distribution of population and of wealth would bring about only good and morally desirable results.

The fundamental lesson to be derived from a study of ecology is the folly of disregarding the laws of nature and the delicate interrelationships between mankind and nature. The true cause of our environmental crisis is our repeated resorting to unprincipled, short-range, expedient methods of accomplishing material, selfish goals. The same expediency is now being employed by the advocates of contraception, resulting in an erosion of the morality, health and esthetic values of our people. It is ironic when the same person demands that we avoid polluting our rivers and urges women to pollute their blood streams with powerful drugs contained in contraceptive pills.

There is an urgent need for a broadly based means of population control which will be in harmony with the whole human personality, and with fundamental moral, social, esthetic and cultural needs of mankind. When such means are developed there will be little resistance to their adoption by those who need and want population control.

Concern for our environment is a great cause. It is reprehensible that population control advocates have decided to "use" it in a highly illogical manner to support proposals completely contradictory to the true implications of ecology. Such a tactic should be vigorously rejected so that sincere people can get on with their important task.

COUNTERFORCE—IF DETERRENCE FAILS

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. SCHMITZ. Mr. Speaker, Dr. Michael May, director of the University of California's Lawrence Radiation Labora-

tory at Livermore, Calif., has written a fascinating and important paper which appeared in the summer edition of the University of Pennsylvania's Foreign Policy Research Institute quarterly magazine, Orbis.

Dr. May suggests that our strategic forces be configured in such a manner that should deterrence fail, which it may, the United States will have the capability remaining to prevent the Soviets from following up their attack with steps that would lead to further destruction or domination of this country and our allies.

He suggests that our forces be kept at a qualitative and quantitative level which assures, as far as possible, our ability to prevent the Soviets from waging war further after a first strike on their part. He advocates, therefore, a counterforce posture as opposed to our present countervalue posture which aims at nothing but retaliation against Soviet cities.

Dr. May discards the simplistic and shopworn shibboleth that victory is no longer possible in the nuclear age and instead devotes his attention to various techniques which will assure against a Soviet victory. He is concerned with the prevention of successful Soviet follow-up to a first strike which would radically alter our political structure and our entire way of life.

Some of the necessary, and relatively inexpensive in themselves, procedures that Dr. May recommends we consider in order to achieve a counterforce capability are the development of the ability to undertake poststrike reconnaissance and retargeting, achievement of reload capabilities, and low-cost strategic dispersion of aircraft which would require that the Soviets strike practically all the airfields in the world should they wish to deny to our airplanes the capability of operating after a war starts.

The entire article is based on the assumption that we will not allow the Soviets to gain substantial superiority in the field of strategic weaponry—which would, of course, limit us to only the option of devastating Soviet cities, if we were even able to achieve that.

It seems to me that the entire concept of counter value, or counter city, deterrent targeting proceeds from the assumption that one prevents the enemy from waging war simply by influencing his mind per se and largely ignores the concept of destruction of the enemy means of waging war. Counter value targeting is very similar, in this sense, to the doctrine under which we have waged war in Vietnam. The "pause" doctrine, sometimes known as the "pause that refreshes", as first elaborated by Dr. Henry Kissinger back in the mid-1950's has shown itself to be absolutely worthless when facing a determined enemy.

Man is not a disembodied intellect whose actions accord only with his wishes. The material world sets extreme limitations on man's capability to achieve his designs. By ignoring this apodictic fact of reality we have waged a half-and-half war in Southeast Asia to the grave detriment of the strategic forces which protect our Nation. By counting on the enemies' mind to be influenced without

the application of the military force necessary to destroy his means of waging war the United States has suffered the greatest strategic defeat in its history.

To count on the Soviets abstaining from a strike on the continental United States, or as they say, "a one act war on the American Continent," when we are purposefully assuring that we will not have the capability to eliminate their means of victory is the strategic extension of the doctrine which has cost us so heavily in Vietnam. If Soviet determination is as great as the determination of the North Vietnamese Communists how heavy will be the cost borne by the American people for the foolish and reckless implementation of the disembodied intellect theory of war?

The article follows:

SOME ADVANTAGES OF A COUNTERFORCE
DETERRENCE

(By Michael M. May)

For many years U.S. leaders have been saying that we can and we would retaliate against a Soviet nuclear attack with a massive strike leading to the death of fifty to a hundred million or more people in the Soviet Union and the destruction of a large part of the Soviet industrial capacity. The threat of retaliation is designed to deter a nuclear attack in the first place.

U.S. emphasis on retaliation—so many dead, so much destroyed as the cost to the attacker—has few, if any, parallels in recent times. Of course, other factors are also new: for instance, the destructive power of nuclear weapons and the U.S. decision to retain major defense capabilities in peacetime. These factors may help to account for the nature of our statements. Still, we may ask, is this retaliatory threat the best deterrent, the most viable over the long run? Retaliation, as distinct from the furthering of U.S. goals by military means, would make little sense if deterrence failed. Does this fact detract from the effectiveness of advertising retaliation as a deterrent?

Until recently, such questions would have been superfluous, for we had overwhelming nuclear superiority over the Soviets. An American strike would not only have killed a large fraction of the people in the Soviet Union and have left much of its land devastated, it would also have assured the United States a military victory.

Do military victory and military defeat retain any meaning in the face of very high levels of destruction? In one sense they do. Even with both countries devastated, it is still possible for one to retain some significant number of deliverable weapons, to control these weapons from some surviving command post, and to demonstrate to whatever centers for decision may have survived on the other side that the weapons and control still exist. If the other side is left without weapons, the side with weapons could, at least, ensure that steps to pursue the war are not taken and that countries unharmed or only slightly damaged by the nuclear exchange assist it in its recovery attempts. It could do more, depending on its political philosophy and the methods it was willing to employ. In spite of horror and death, many survivors would regroup and attempt to help themselves and their fellow men. They would need to organize and deal with the rest of the world. Many crucial political and individual actions would be controlled by surviving military forces.

Given another definition of winning, it is true that no one would win a thermonuclear war. If we define "winning" as being better off after the war than before, neither side would win. For that matter, under that definition, no one won World War II, except

possibly the Germans, who got rid of Hitler at the cost of millions of lives. The Allies, the Central European countries, Japan and China were not better off after World War II than before. In addition to the loss of lives, England and France became poorer and less powerful. The Central European countries, except for Austria, traded one master, or the threat or one, for another. The United States and the Soviet Union, while relatively more powerful in 1945, would soon become more vulnerable to war than ever before in their history, owing to the advent of nuclear weapons. Without gainsaying the necessity for stopping the advances of Nazism, it is nevertheless true that most of the people who lived then under the alternate (and sometimes simultaneous) specters of war and tyranny still do so today. That the choice in 1939-1941 was limited to such dismal alternatives is an index of the failure of foreign policies in the preceding period.

To a much greater degree today, neither side would win a thermonuclear exchange in the sense of being better off after such an exchange than before, no matter who gained the military victory. A war between the United States and the Soviet Union would be the greatest of tragedies, causing widespread death and destruction, settling, as other wars, nothing of lasting importance, unless it were the doom of Western civilization. It would likely pave the way for decades or centuries of bitterness and hostility between two people with great potential, who have no objective reason to fight. Yet, when all is said, the military victory might go to one side or the other, and the side that won would have a fundamentally different post-war future than the defeated side.

So long as we had a large preponderance of deliverable weapons over the Soviets, it was clear that, in the event of war, we could inflict far more damage on them than they on us, and that we would wind up as the military winners in the sense defined above. With the advent of parity or worse, the outcome is no longer clear. Instead, we have a choice regarding the nature and deployment of our forces. When we make this choice, we also make a choice, wittingly or not, as to what will deter potential attackers in the future.

So far, we have assumed that the levels of destruction quoted in the statements of Department of Defense officials would be sufficient to deter nuclear attack. These levels represent terrible catastrophes. It is most likely that, in the absence of crises or of any dominating political drive toward war, such levels would deter a rational opponent from attacking this country. But the question is, what will deter in a time of crisis, when every alternative looks black, or when, as with the Nazis in the 1930's, the whole momentum of a party's propaganda and other political actions leads its country toward war? Historical precedents, to the extent that they apply, give us little reason for hope on this score. Initiating World War III would be insane, but insane political leaders have appeared regularly throughout history. More often, groups of reasonably sane men have found themselves prey to war psychoses, which caused them to feel that the devastation and futility of war were lesser evils than the occurrence or continuation of some political situation. Governments, not peoples, make wars, and governments have historically been deterred more by the threat of defeat than by the threat of the partial destruction of their people.

Faced with an unavoidable degree of uncertainty regarding what will deter in the future, we can put our highest priority on the kind of massive retaliation we have spoken of to date, which places in the forefront of our stated intentions the destruction of cities; or we can put it on a counter-attack aimed, insofar as our resources per-

mit, at ensuring military victory. To oversimplify matters, considerations of cost, technology and politics permitting, we may have a choice between retaliation or an attempt at military victory. Which we choose will have major consequences, in peacetime, for hardware, strategic and tactical plans, the direction of research and development, and also the attitude our people and theirs will have toward deterrence. If war came, our choice could have even more decisive consequences.

I must emphasize that the expression "military victory," as used here, means a condition in which our remaining military forces are superior to our opponent's, to the extent that we could use them effectively in seeking to halt further destruction of our country by defensive measures or counter-threats, free the lands of allies, and prevent threats of adverse political changes backed by force of arms from being carried out in the future. Clearly, the type of forces needed will depend on the objectives sought. In my view, occupation and subjugation of the Soviet Union are not objectives to be sought, as my subsequent remarks on the specific forces we need will make clear. In that sense, I am making a case for the avoidance of military defeat rather than for military victory.

If the capability for achieving military victory or at least for preventing military defeat can be achieved, there are two major arguments for attaining it. The first is that, if war comes, such a capability will become the uppermost military consideration in, the mind of whatever surviving authority controls the forces of the United States. Retaliation will appear to be a secondary and in fact an unnecessary goal. The main usefulness of weapons, if we are attacked, will be to make sure that the attacker is prevented from following up his attack with steps that would lead to further destruction or domination of this country and its allies. We will want to do this far more urgently than we will want to carry out any previously set level of destruction against the attacker.

Thus, configuring our forces—if it can be done—in the direction of maximizing our chance of gaining the upper hand militarily would amount to configuring them the way we would want them if war occurs. The question arises whether such reconfiguration would significantly affect deterrence, and if so, how. This question is the most important one to ask concerning any configuration of nuclear forces. It is a difficult question, since its answer requires estimating other men's reactions in a time of crisis or impending crisis. Some aspects of the question are addressed in more detail later on in this article. But, at first blush, it seems unlikely that forces designed specifically to deal with a war situation will deter less well than forces aimed mainly at inflicting what we consider (without much corroboration, necessarily) to be an "unacceptable" level of damage.

The second major argument which I think militates against choosing the direction of massive retaliation against civilian targets, as advertised to date, is that such a policy, necessitating the threat of thoughtless, needless slaughter, will not be viable in the United States over the long run in peacetime. The policy holds the people of the Soviet Union or of any attacker hostages against an attack on us. Yet, these people will have had no say in initiating war; they have very little say in any action of their government. The policy was born of fear arising from the Soviet takeover in Central Europe and the terrible effects of atom bombs. It does not withstand close examination if any value is given to the lives of others, and will therefore become less and less acceptable as peace lasts longer and longer and fears recede. We may come to feel that deterrence itself is wrong because it will be associated primarily with the destruction of people who cannot be held

responsible for an attack, rather than with the desire to survive and retain our freedom.

If these arguments have any weight, the first question to examine is whether a nuclear defense aimed at gaining military superiority after we are attacked is at least technically and economically feasible. The second question to examine is the likely Soviet reaction to such a policy, our reaction, and in general the stability of the new situation. These two questions are discussed below. They clearly cannot be settled without more intensive study. But the discussion may help to decide whether the original arguments have enough weight to make further studies worthwhile, and it may also help to identify some of the issues to be studied.

II

Is a nuclear defense aimed at military victory, in the sense defined above, technically feasible? More specifically, since we want to continue our second-strike policy, is such a defense possible after this country has suffered a nuclear attack?

The major goal of a military engagement is to destroy an opponent's capacity to do harm militarily while retaining enough strength to bring about peace on our terms. The highest priority, in case of nuclear war, may well be put on the destruction of the enemy's remaining nuclear capability: weapons, means of delivery, means of control. This goal held for nonnuclear wars, and it seems to me it will hold a fortiori for a nuclear war, where the weapons involved have a great deal more devastating power and, therefore, more military importance relative to the usual strategic targets. If the war proceeds to a stage where the enemy has no nuclear systems in being and where we can destroy new systems faster than he can build them, then at least the first step toward a military victory will have been taken.

Since we cannot know ahead of time which missiles and other weapons the enemy will fire in a first strike and which will remain unused, and since it will be crucial to retain in reserve as many of our own deliverable weapons as possible, post-strike reconnaissance and retargeting will loom as essential tasks. The military outcome of the war may well hinge on the relative capabilities of the two sides to carry out these tasks, especially if they start from conditions of near equality in weapons.

Post-strike reconnaissance requires the rapid visual survey of vast land areas and air space, from the time of the initial attack on. Satellites, sensor installations and airplanes should be studied with a view to their carrying out this assignment after a war starts. A reliable capability for launching satellites in wartime will be important. The use of planes will require penetration of Soviet air defenses, and being prepared for the air-ground battle that will accompany such penetration is a task likely to loom more crucial at the moment of engagement than it does now. Airplanes are the major practical means of armed reconnaissance and perhaps the only means to recognize and hit such military targets as mobile missile launchers, dispersed airplanes, and the like.

In addition to deliverable nuclear weapons, targets of significance for the military outcome of a war will include the enemy's ready capability to reload or rebuild deliverable weapons, incorporating storage sites for both weapons and missiles, mobile launchers, and auxiliary aircraft; general command and communications centers; and concentrations of conventional forces which could be used for later attack against the United States or other countries.

The destruction of general-purpose industrial centers, such as steel plants and oil refineries, would come in the lower half of the priority list. These plants would lose much of their relevance to the conflict if we

succeed in establishing military dominance within a few weeks of the onset of hostilities. In the context of "winning the war," our early strikes should be reserved mainly for the destruction of military targets. The rest of our munitions should be committed with great caution, and as many as possible should be held as a continuing threat. A number of deliverable weapons held in reserve by the United States after its opponents have essentially been disarmed will play a much greater role in obtaining for us an acceptable settlement than any pre-planned level of destruction on the other side.

Nuclear strike forces sufficient in number and survivability are a prerequisite to a counterforce, or any other, targeting plan. Such forces have received a great deal of attention and work in connection with the maintenance of a second-strike retaliatory capability. Yet, I believe that we are not now taking sufficient advantage of the possible means of protecting nuclear systems. We are not doing so mainly because of a fixed bias in favor of an all-out retaliatory strike; this bias has led us to put the emphasis on weapons such as ready missiles, which have a high chance of survival for perhaps an hour, but, in view of their fixed and known locations, a much lower chance of survival on a time scale of days, weeks or months.

Submarines have the advantage over silos of being less vulnerable over long periods of time, owing to mobility and silence. They will, therefore, tend to be more of a continuing asset in a nuclear war. On the other hand, they share with fixed silos the disadvantage of not having means of their own for recognizing and attacking targets of opportunity. Survivable resupply and reload capabilities should be reviewed, especially in connection with submarines, and, if necessary, brought up to date.

The most underrated weapon in this context may be the airplane. We have kept in our mind as a model of the airplane a sophisticated and expensive heavy bomber, based in the United States and targeted for possible immediate strike against pre-selected strategic sites in the Soviet Union. But given more time, suitably designed planes could be dispersed or protected during the first days of war and then deployed to a wide variety of airstrips, both in this country and abroad. They can carry on operations from makeshift airstrips if preparations are made for such operations. Weapons and petroleum reserves can be stored in protected sites. Provision could be made for a deployment in times of crises to perhaps thousands of locations, including many abroad. Such deployment would face any potential enemy with the necessity of striking at practically all the airstrips in the world if he is to deny to our airplanes the capability of operating after the war starts. Furthermore, if the planes are suitably designed, the airstrips need not be built to as exacting specifications as they generally are now. Some of them, for instance, might be squares of leveled land which a single nuclear crater could not put out of commission, with stores and equipment kept underground in several nearby locations. The characteristics these planes, bases and support systems must have require more intensive study than they have been given to date.

The problem of communication, which has been studied carefully by the armed forces, would need to be reviewed if our defense doctrine is changed. In particular, the characteristics of its operation for long periods of time among a wide variety of stations dispersed all over the world would have to be re-examined. It will be essential to secure information about the state of the enemy and supply it swiftly to whatever authorities are making decisions in the United States. If our opponent has this information about us and we do not have it about him, a great

number of human and military factors will serve to give him considerable advantage, both in military actions and in proposals and negotiations which might follow the start of hostilities. Nothing now known warrants the assumption that, following such a catastrophic event as a nuclear attack, survivors will not want to talk or communicate.

We have assumed throughout this article that the country would "exist" after an attack. This brings up the problem of the protection of our civilian population. The desirability and effectiveness of various levels of civil defense have been widely debated. For the purpose of showing that a country can exist after a nuclear attack, however, we need only make use of certain basic conclusions of civil defense studies, about which there is little debate. The country will exist to the extent that some of the people survive and can function. Something in excess of half of our population can survive heavy nuclear attacks if feasible precautions are taken. These include additional fallout shelters, especially outside the main cities, and provisions for safe storage of food, drugs, gas and oil, instruments for communications, and other tools sufficient to re-establish a rudimentary economy over widespread sections of the country with a minimum of central direction and assistance. All of this can be done at a cost which is smaller than that of most major defense systems. The arguments as to the feasibility of civil defense are concerned only with more ambitious degrees of protection.

The cost of reorienting our nuclear forces will depend on the extent of these factors and, therefore, on the extent of enemy forces. Many of the steps suggested above—particularly the improved reconnaissance and retargeting capabilities—would cost a fraction as much as a typical new strategy system. New airplanes and their bases, on the other hand, would constitute major new strategic systems. Their desirability would have to be evaluated against that of other new systems currently contemplated. The effectiveness of partial measures, such as redeployment provisions for existing planes, should be looked at carefully, since the post-nuclear strike capabilities on both sides may be sufficiently degraded that systems which are now only marginally competitive may, if they survive at all, make major contributions to military strength.

III

Would forces deployed and intended for use in a counterforce mode increase or decrease the likelihood of nuclear war?

The United States has operated on the assumption that forces which are vulnerable to a first strike contribute to instability. Under that assumption, in a time of crisis, forces which can be fairly easily destroyed tempt the other side to destroy them, and for that reason they might also tempt us to make use of them before they become useless. Thus, vulnerable forces are a provocation to military action. On the other hand, forces which are harder to destroy, so that a large fraction of them would survive a first blow, are not so provocative to attacker or defender.

To the extent that human reactions in times of crises can be guessed, that argument seems reasonable. In addition, even in the absence of crises, the invulnerability of nuclear forces should help to prevent the emergence of political situations that might lead to the use of these forces.

It has been further argued that second-strike forces would of necessity be largely countervalue forces. The argument states that it is useless to shoot at empty missile sites; if second-strike forces are to have a real deterrent value, they must be aimed at "meaningful" targets, chiefly cities and other civilian targets. This latter argument I believe to be incorrect, because what seems

most meaningful now will not be so then. As we have noted above, if a nuclear war occurs, what we will want to do most immediately will be to destroy our opponent's ability to wage war further. Targets that now seem to be of only marginal priority, namely, the targets comprising his residual military capability, would assume preeminent importance, to him as well as to us.

The question which matters for the evaluation of stability is whether forces with a given degree of invulnerability provide more of a temptation to an opponent if he knows they are (1) configured to provide us with as much of a military victory as is conceivable under the circumstances, or (2) configured to destroy some given large portion of his civilian population and resources. This question is hard to resolve. Its resolution is likely to be governed by psychological considerations that are difficult to imagine before a crisis occurs. But perhaps some things can be said.

Given a special level of forces and a specified degree of invulnerability, at a particular moment in time, striking first will always confer an advantage over waiting to strike second. The advantage can be reduced by proper hardware design, but it cannot be completely eliminated. Thus, with a certain, probably not decisive, advantage to be derived from striking first, will an opponent in time of crisis move toward war more readily if our forces are targeted against his cities or against his military forces?

By destroying forces mainly targeted against his cities, he will save many of his people and will certainly not worsen his prospects for victory. This is likely to be a powerful motivation. On the other hand, by striking first against forces targeted against his own forces, he will merely make the first move in what is likely to be (if our plans and preparations are adequate) a fairly protracted conflict. He will thus gain the advantage of surprise, an advantage which neither the Soviet Union nor any other country overlooks. But whether the advantage is worth anything in the long run will depend on the outcome of a complicated, drawn-out battle, involving a necessarily poorly understood balance between various surviving elements—ABM, MIRVed missiles, planes, and other weapons. The relative gain of a first strike, while still eminent, is much less clearly defined.

Besides their contribution to stability in the sense of their effect on major crises and the political steps which might lead to crisis, the disposition of our forces and their possible uses should be examined from the standpoint of the direction they give to our policies and those of the Soviet Union in the absence of crisis. Does our announced doctrine of retaliating against cities and people contribute to the long-range stability of our relationship with the Soviet Union more or less than a doctrine and a deployment of similar invulnerability but aimed at military targets and those civilian targets that support them?

Either kind of nuclear war would be a major disaster with millions of casualties on both sides. Yet, countervalue strikes would most likely result in several times as many casualties as counterforce strikes. Furthermore, they would bring about these casualties immediately, whereas a counterforce war by its nature would induce delay, since it would place a high premium on the continuing availability of forces. The delay would give more time during which possible negotiations could take place and populations could be dispersed and given some degree of protection. What effect does our choosing and advertising countervalue deployment, with its emphasis on immediate destruction of cities, have on our long-range relationship with the USSR?

A major factor bearing on the answer is the attitude our people and theirs will come

to take toward each other and toward deterrents and military forces in general. The nature of the threats we have made tends to give credence to Soviet claims that the leaders of the Western countries are not interested in human values as much as in a cheap solution to the security problem. Our emphasis on the capability to retaliate against people must seriously detract in the minds of the people of the Soviet Union, from what we have come to accept as traditional American attitudes toward the value of human life. In a country where millions of casualties are not a theoretical concept, our view of deterrence through the threat of such retaliation may be looked upon as a horrifying gamble on the ability of governments to preserve peace. It may, in periods of stress, help to unify the people of the USSR behind their leaders instead of permitting us to take advantage of whatever disaffection may exist along lines of politics or nationalities. Plans to win nuclear wars, in the sense defined earlier, are not as reckless with lives as those plans that seek to incinerate, in the first few minutes of such a war, as many possible of the attacker's population.

In the United States, the concept of a nuclear weapon as an awesome black box which must remain mysterious to all but a few initiates will not survive much longer, at least among the more interested and politically active groups. This shift away from superstitious attitudes is coming in part because nuclear applications have been with us for twenty-five years in the form of reactors, weapons tests and radiation sources. In consequence, an increasing number of people, as workers, students or consumers, are becoming acquainted with them. In addition, the ABM debate and the recent disclosures of Soviet strength have caused many people to become concerned about the utilization of our defense resources. I believe this concern will outlast the slogans about the military-industrial complex. Finally, the morality of defense has been brought into question, perhaps in part because of the doubtful morality of a policy which holds as many people as possible hostage for their government's actions. These underlying changes—as distinct from their current political manifestations—will affect in a lasting way the country's attitude toward defense.

As a result, something more carefully thought out, in terms of an actual conflict, than percentages of economic value punitively destroyed will have to be used as the goals and rationale of nuclear defense. The recent debate over ABM was, in all likelihood, only the opening round in the battle over our strategic forces. We will have to face the issues raised by these debates if defense is to remain politically possible in the United States. In particular, we should not avoid the question of what we would really want to accomplish with our nuclear forces, should our policies fail and war come. We may not know how to prevent war. War may come, not only despite everyone's wishes, but through no one's fault. If we refuse to look, during peacetime, at the consequences of the failure of deterrence, then we constrain ourselves to look at the consequences of such failure, if it indeed occurs, in wartime, when the likelihood of taking wise and farsighted decisions is greatly reduced.

The foregoing is not an argument that counterforce deployment of nuclear forces is humane. No deployment of military force is humane. It is an argument that such deployment is what would be needed in case of war, and what would avoid the purposeless massacre of immediate counterforce strikes; that, therefore counterforce deployment may constitute at least as good a deterrent to war as a counterforce deployment; that, in case of crisis and for a given level of invulnerability, counterforce forces are no more tempting a target to an enemy's first strike—and in the respect of forcing early actions to save lives,

less tempting—than are counterforce forces; and that, in the absence of crisis, holding another people hostage to an unreasoning, useless strike may corrode our will to retain a reserve of strength.

If the idea of a second-strike force aimed at military victory is to be pursued, two fairly short-range follow-up studies come to mind. One is a survey of present and immediately forthcoming Department of Defense systems with a view to appraising their continuing effectiveness after a nuclear exchange has begun, in a climate of great damage and disruption. Redundance and flexibility in our means of reconnaissance, communications and retargeting, as well as long-term survival of forces, are some of the features to be looked for in making such an appraisal.

A second is a study of the provisions the United States can make to safeguard its military flexibility within the framework of present and future arms control discussions. Maintaining the capability for an adaptable military response against foreseeable levels of attack might constitute a better criterion for what is and is not a prudent type of arms limitation than maintaining the capability to inflict some pre-set level of destruction. The first leaves us free to make use of allowed forces to meet changing military, political and technical circumstances, while the second can, by its nature, be little more than one side's conception at a certain point in time of what will deter its adversary in the future under unknown circumstances.

ACTION ON FAP NEEDED BEFORE ADJOURNMENT

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. ANDERSON of Illinois. Mr. Speaker, in addressing the opening meeting of the White House Conference on Children last night, President Nixon made a strong plea for immediate Senate action on his plan to thoroughly revamp our current bankrupt welfare system. The President said:

For the Senate to adjourn without enacting the measure would be tragedy of missed opportunity for America and particularly for the children of Americans.

This morning's Washington Post carries an article by Secretary of Health, Education, and Welfare Elliot Richardson, reiterating the President's plea for action on this historic piece of legislation. Mr. Richardson expresses satisfaction with compromise provisions of the Ribicoff-Bennett amendments and urges that the Senate speedily approve this constructive bipartisan initiative.

Mr. Speaker, I cannot overemphasize my concern that the other body act promptly on this measure so that it can be signed into law this year. If it is not, we are destined for an endless treadmill of larger welfare rolls, higher costs, and continued family instability, disincentive to work and social deterioration. In the month of August alone, 214,000 persons were added to the aid to families of dependent children category. This is an annual rate of almost 3 million. If this trend is permitted to continue, as the Governors who met with the President last week pointed out, the States will sink

beneath an overwhelming burden of deficit.

Mr. Speaker, this legislation was supported by the majority of both parties in the House. It has similar support in the Senate. I hope, therefore, that this Congress has the wisdom and good sense not to allow the President's most important and creative piece of domestic legislation to be strangled by procedural delay or obstruction by a few.

I insert the full text of Secretary Richardson's article at this point in the RECORD:

SECRETARY RICHARDSON ON FAMILY ASSISTANCE
(By Elliot L. Richardson)

Our Nation today is facing a burgeoning welfare crisis which is costly to our states, demoralizing to our workers, and degrading to our poor.

In the last few years, the numbers of Americans added to the public welfare rolls has increased sharply and the costs of welfare have escalated even more precipitously. Some of our cities and states are facing the choice of cutting back programs or enacting confiscatory taxes. Total costs of AFDC are projected to increase threefold by 1976 if present trends continue.

But money and caseloads are not the major reasons the system called "welfare" has failed. No one doubts that there are many persons in great need; if the program provided hope, opportunity and dignity to those whom it tried to help, the price would be well worth it. And if it were equitable to those it does not help, there would be far less social cost in the form of resentment. Yet the system does just the opposite; it discriminates against the so-called working poor who comprise fully 43 per cent of the poor; it crushes people's hopes, robs them of opportunities and erodes their dignity.

The specific problems of welfare—the inequities between male and female-headed families, between earners and non-earners, and between states; the built-in work disincentives; the exclusion of many needy persons; the incentives for family break-up; the uncontrollable caseload and cost increases—are well known and subject to general agreement. These problems are the direct result of structural features, not an anomaly of time, place, or administration.

To correct them, the system must be completely reconstituted. It simply cannot be patched or revised to do the things we want it to do, in ways we want it to do them. To do the job efficiently, humanely, and economically, we must erect a new structure based on rational, equitable, and workable principles.

President Nixon recognized that this need is our highest domestic priority. Over a year ago he proposed that Congress end the present inefficient system by enacting a significant new program, Family Assistance. The House of Representatives responded by overwhelmingly passing the Family Assistance Plan (FAP) in April of 1970.

The core Family Assistance Plan calls for (1) nationwide, federally financed minimum floors under adult and family welfare payments, (2) more equitable treatment between those families headed by a working father and those headed by a woman by inclusion for the first time of the working poor; (3) a drastically expanded and improved system of work incentives coupled with the requirement that the able-bodied either work or undertake job training as a condition to their receiving cash assistance, and (4) national eligibility requirements and strong incentives for Federal administration of public assistance.

The FAP Bill, H.R. 18311, was referred to the Senate Committee on Finance for preliminary action amidst a general chorus of

praise and support from most segments of the population. It seemed as if FAP would pass with broad support from the American people and their elected Federal representatives. During the period from April to the present, the Administration worked closely with the Senate Finance Committee to further revise and strengthen the plan. These recommendations improved the work incentives, and also began to make other public programs, such as Medicaid and food stamps, more compatible with the Family Assistance Plan.

On November 20, the Senate Finance Committee voted not to report out the revised bill. Instead Committee members voted for a series of pretests of the plan with no commitment to an effective date for FAP itself. Without this commitment to FAP, the Administration cannot support the bill, for such a plan of pretests would effectively preclude welfare reform for at least four years: two years for implementation and review of findings from the pretest, and a minimum of two years for Congressional enactment of a bill and the Administration's gearing up for its operation. Moreover, inaction is shortsighted economy. By 1976, projections indicate that expenditures under the current system, if unchanged, will equal the costs of FAP in that year. Thus, the question is not *whether* money will be spent on welfare, but *how* rationally and equitably it will be spent.

In a substantial effort to achieve real compromise between the Administration and the Congress, Senator Abraham Ribicoff, a Finance Committee member, proposed to meet provisions which he believed would greatly enhance the chances of Senate passage of the program. We applaud the efforts of Senator Ribicoff to achieve a bipartisan compromise. At a meeting on December 3 convened by Common Cause, an organization formed to express a united concern by the private sector in areas of public policy, I presented the Administration's response—acceptance of seven of the ten provisions, and counter proposals on two others.

Senators Ribicoff and Bennett have now introduced this compromise onto the Senate floor as a bipartisan amendment to the Social Security Bill. This amendment explicitly recognizes the national goal of providing to every family, through work or assistance, an adequate income. We know that meaningful employment is the goal of all who favor welfare reform, and we have supported an earmarking of \$150 million in Labor Department funds to provide public service jobs for welfare recipients. We have suggested that recipients take jobs paying down to \$1.20 per hour rather than providing no employment because all jobs at \$1.60 or more an hour have been filled. There are presently over 7 million jobs in our economy at less than \$1.60 per hour, and we feel that the experience and skills to be gained from working, as well as the increased income from earnings and FAP supplementation, justify this position.

Thus, the major controversies have been resolved. The need for reform and the principles of change are accepted. The Ribicoff-Bennett effort proves that agreement can be reached when the mutual goal is substantial and honest reform.

In these critical final days of the 91st Congress, the Senate has a proposal before it which represents fourteen months of effort, compromise, and hope. FAP is a program with broad support from all segments of our society, a plan which substitutes opportunity and dignity for the present inequitable and inefficient system. But the clock is now running out. We must act now, or this fourteen months of progress will be blotted out. For those Americans whose lives will be changed by the Family Assistance Plan, for all taxpayers, for all citizens committed to a better society, welfare reform must be passed without further delay.

UNITED STATES LOSING LEADERSHIP IN SPACE

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. FREY. Mr. Speaker, Dr. Foy D. Kohler, former Ambassador to Moscow, has just completed an intensive study of United States and Russian space programs. He concluded that drastic cuts which have been made in U.S. space and research programs coupled with increased Soviet expenditures for space seriously jeopardize U.S. leadership in science and technology.

Dr. Kohler's findings, it seems to me, are cause for alarm. There is a direct cause-and-effect relationship between the reductions in space sending and lessened scientific and technological progress. Moreover, a nation's reputation for leadership and technology is a basic factor of political power.

An excellent discussion of Dr. Kohler's findings was recently written by Mr. Howard Benedict in the Christian Science Monitor on December 9, 1970. I include Mr. Benedict's article in the RECORD at this point and commend it to the attention of my colleagues:

UNITED STATES MAY LOSE LEAD IN SPACE,
FORMER ENVOY WARNS

(By Howard Benedict)

MIAMI.—The Soviet Union is accelerating its space program as a means of achieving world leadership in science and technology, according to Dr. Foy D. Kohler, former United States ambassador to Moscow, who is conducting an intensive study of U.S. and Russian space programs.

Dr. Kohler says the United States is still the leading technological power but is in danger of losing this position if it continues drastic cuts in its space and defense-research programs while the Soviets pour more and more money each year into similar efforts.

He said in an interview the U.S. gained the space-exploration lead when the Apollo 11 astronauts landed on the moon in July, 1969. Since then, he contended, the American program has gone downhill while the Russians have moved up rapidly.

Right now, he said, it is difficult to determine which nation is ahead.

LEAD ASSESSED

The Soviets, he said, lead in planetary exploration and have at least a two-year edge in the next big step into space development of a large manned orbiting station. He also warned that the Russian program is military dominated and that Moscow could have a great advantage in developing military space capability.

Dr. Kohler says: "One weakness of this country is that it does not have the same methodical persistence that the Soviets do. One of the most fundamental attributes of the Soviet regime is the ideological and practical conviction that, through the forced development of science and technology, the U.S.S.R. can achieve world leadership."

"The immediate question is whether we can today fashion a rational program in science and technology for ourselves for the future, or whether we are again to wait until some new spectacular Soviet breakthrough forces us into a crash program not of our own choosing."

"And this leads to an even more sobering question: Can we continue indefinitely to count on being able in such situations to catch up in time?"

FIRSTHAND KNOWLEDGE

Dr. Kohler was ambassador to the U.S.S.R. from 1962 to 1966 and observed much of the early development of the Soviet space program. He was deputy undersecretary of state for political affairs from 1966 to 1968.

Since then he has been a professor at the Center for Advanced International Studies at the University of Miami.

In March, 1968, the National Aeronautics and Space Administration awarded the center a \$300,000 three-year grant to research the comparative impact of the U.S. and Soviet space programs on the dynamics of change within their respective societies and in their world positions.

Dr. Kohler was named principal investigator.

Additional government grants have increased the amount of money available to about \$700,000. These include studies relating space exploration to such things as marine science, economic impact, and education.

Dr. Kohler discussed his work as the Soviets bask in the light of publicity from a series of recent space successes: the wrestling of the manned space-endurance record from the United States, the gathering of moon soil by an unmanned spaceship, a robot rolling across the lunar surface, a spacecraft approaching Venus to arrive Dec. 15, and development of a substantial military program of reconnaissance satellites, orbiting bombs, and satellite interceptors.

Russia has a 3-to-1 lead over the United States in space launchings in 1970.

America's effort, meanwhile, is suffering from the aftereffects of last April. In addition Congress and the Nixon administration have sliced funds for space and diverted the money to earthly causes.

The National Aeronautics and Space Administration is without a successor to its former administrator, Dr. Thomas O. Paine, who resigned in September. President Nixon has been unable to find a successor.

INVESTMENT LOSS DEPLORED

Dr. Kohler deplors the fact that the United States invested \$21 billion to develop a space transportation system in the Apollo program and, in effect, is ready to scrap it after a few more flights.

"The argument about, 'Why spend this money in space?' is phony," he said. "It's not spent in space. There's nobody up there to take it. It's spent on earth for salaries and materials, and it helps the economy. By cutting back we only hurt the country.

"A nation's reputation for leadership and technology is regarded as a basic political factor, a basic factor of a power potential to that nation," he said. "And other nations that don't have it take note and trim their sails accordingly."

Dr. Kohler noted that Russia generally was regarded as a technologically backward nation until it launched Sputnik 1 in 1957.

"This led to a whole era of Sputnik diplomacy," he said. "Soviet influence in the world increased by leaps and bounds, and the United States was hard put to hold its own."

EARLY COMPETITION SKETCHED

The United States watched from the sidelines as the Russians and their big rockets pioneered one space achievement after another: the first animals in space, the first unmanned craft to the moon, the first man in orbit.

But America's overall technological and management superiority, harnessed to a grand goal to land men on the moon before 1970, propelled this nation into the lead last year.

Since then, Dr. Kohler said, the United States has slowed down and the Soviets have speeded up.

Dr. Kohler said the U.S. to date has spent about \$33 billion on civilian and \$23 billion on military space programs. The Russians, he estimated, have spent approximately as much, although in terms of percent of gross national product (GNP), the Soviet percentage is far greater.

SOVIET COMMITMENT GREATER

"Today," he said, "the U.S.S.R. is spending more than two percent of its GNP on space, while the United States is spending less than one-half of 1 percent."

Why do the Russians trail the United States in overall technology then?

Dr. Kohler: "The Soviet leadership until recently was not particularly concerned with concrete domestic benefits from the space effort. The conquest of space as a feat in itself and as a demonstration of the high level of Soviet science appeared to be sufficiently important to justify the effort.

"So, in mass terms, they're behind in technology. In general industry they're woefully behind.

"Some of the world's greatest scientists are Russian, and they have the capability. The difference is the Soviets have the ability in their controlled system to concentrate the best of their human and material resources on priority programs. They do this and let the rest of the economy starve.

SHORTCOMINGS SEEN

"They've done this from the very beginning of the Communist regime, concentrating their best people and priorities on heavy industry and on development of weapon systems, space, and advanced science.

"For example, Russia, like the United States, has been heavily dependent on computer technology in its space program. Yet there are grave shortcomings in computer technology and hardware available for the economy as a whole."

Are there any signs the Soviets are changing their attitude about applying space technology to improve their overall technology?

Dr. Kohler: "You can read extensively in Russian literature of the leaders' concern with getting some of their advanced science and technology capability infused into the system as a whole.

"To try to cure their problem they've given the State Commission of Science and Technology enormous power to coordinate and pass out funds in research and development, specially in applied technology."

NO ROOM AT THE TOP

HON. ARNOLD OLSEN

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. OLSEN. Mr. Speaker, thank you for the opportunity to bring to the attention of my colleagues a report prepared for me by my staff. It clearly indicates that the Bureau of Indian Affairs grossly discriminates against the Indian even though there is a clear legislative mandate dating from the 1880's requiring that the Indian be given absolute employment preference within the Bureau. The report follows:

NO ROOM AT THE TOP

(An analysis of the Bureau of Indian Affairs' employment practices—prepared by: Mrs. Donna Willis and Mr. Beverly Causey for Congressman Arnold Olsen, December 1970)

The Bureau of Indian Affairs, if nothing else, is a perfect example of bureaucratic

neglect. Except for a few truly dedicated souls, the BIA bureaucracy is indifferent to the needs of the American Indian.

The goal of this report is to open the eyes of the American public to the Bureau's failure to fulfill its obligations to the Indian and to show the Indian that with the use of existing laws opportunities are available for a better life.

Let us examine a few salient facts which illustrate the tragedies of life on an Indian reservation.

1. Infant mortality after the first month of life is three times the national average.
2. Whereas the average American can look forward to a life expectancy of 66, the average Indian is faced with a life span of 44 years.
3. Suicides among Indian teenagers range from three to ten times the national average, and
4. The unemployment rate for Indians is higher than that of any other group in the U.S.

Pine Ridge Reservation is an excellent example of this abysmal situation. There, the average family income is \$1910 and more than 60% of the work force is without permanent employment.

The obvious and easiest way to alleviate some of the suffering and misery of the Indian is to provide him with employment. Legislation dating from the 1880's provides that Indians shall be given absolute employment preference within the Bureau of Indian Affairs, the agency established to assist them. Yet, the Bureau itself reports (November, 1969) that only slightly more than half of its employees are Indian, with most of these relegated to the lower salary levels.

As the statistics presented in this report indicate clearly, not only does the Indian not control his own future, which was the intent of Congress, but he is being systematically discriminated against by the Bureau of Indian Affairs.

The first delegation to establish Indian employment preference (25 U.S.C. 46) was passed in 1882. It states:

"Preference shall at all times, as far as practicable, be given to Indians in the employment of clerical, mechanical and other help on the reservations and about the agencies." (emphasis added)

In 1894, Congress passed 25 U.S.C. 44, guaranteeing that:

"In the Indian Service Indians shall be employed as herders, teamsters and laborers and where practicable in all other employments in connection with the agencies and the Indian Service. And it shall be the duty of the Secretary of the Interior and the Commissioner of Indian Affairs to enforce this provision." (emphasis added)

The latest Congressional affirmation of this policy was stated with the passage of the Indian Reorganization Act of 1934, also known as the Wheeler-Howard Act. This act was explicit in directing that Indians be given preference in employment without regard to Civil Service regulations. 25 U.S.C. 472 states:

"The Secretary of the Interior is directed to establish standards of health, age, character, experience, knowledge and ability for Indians who may be appointed without regard to civil service laws, to the various positions maintained, now or hereafter, by the Indian office, in the administration of functions or services affecting any Indian tribe. Such qualified Indians shall hereafter have the preference to appointment to vacancies in any such positions."

The intent of Congress in passing this legislation is expressed in the legislative history. The purpose of the Indian Reorganization Act was to provide the Indian with self-government and the means of obtaining

the education and/or training necessary to assure him of an acceptable life.

Implicit in the idea of self-government is the concept that Indian preference within the Bureau would be all-inclusive. One certainly cannot control his future if he is not in the position to make policy decisions. It is a fact, then as now, that the Indian was discriminated against by his government. This legislation was designated to assist the Indian. Logically, to assist him it would be necessary for him to be given preference in promotion and training as well as initial hiring. The legislators certainly didn't intend that Indians be hired for low level positions with no possibility of advancement. Congressman Edgar Howard of Nebraska, expressed this clearly when he said:

"It should be possible for Indians to enter the service of their own people without running the gauntlet of competition with whites for these positions . . . the Indian Service shall gradually become, in fact as well as in name, an Indian Service predominately in the hands of educated and competent Indians . . . It does mean an opportunity to rise to high administrative and technical posts." (Congressional Record, 73rd Congress, p. 11731.) (Emphasis added.)

Senator Hastings stated in floor debate: "Section 14 authorizes the Secretary to establish standards for employees, which of course, means doing away with Civil Service requirements. I don't object to this provision, as I believe that practical knowledge of Indians and sympathy with them will enable Indian employees to give more beneficial service." (Congressional Record, 73rd Congress, p. 9270.)

Senator Burton K. Wheeler of Montana also supported Indian employment preference. He stated during hearings:

"It (the Bureau) is an entirely different service from anything else in the United States, because these Indians own their own property. What the policy of this govern-

ment is and what it should be is to teach these Indians to manage their own business and control their own funds and to administer their own property." (Hearings on S. 2755 before the Senate Committee on Indian Affairs, 73rd Congress, 2nd Session, p. 256.)

Continuing later he said: "The bill also has a provision to open the way for qualified Indians to hold positions in the Federal Indian Service on the Indian reservations. At the present time, by reason of civil service rules and regulations, we find that competent Indians are absolutely unable to take or hold positions in the Indian Service . . . The result has been that Indians have been given no opportunity to handle their own affairs or to be trained in their own affairs. This bill, we think, gives them the opportunity to which they are entitled." (Congressional Record, 73rd Congress, p. 11123.) (emphasis added)

In spite of obvious Congressional intent, the Bureau is no closer to becoming a "service predominately in the hands of . . . Indians" than it was thirty-five years ago. The Solicitor of the Department of Interior has ruled the above-noted laws only apply to initial hiring. Note the Bureau's Manual:

"An Indian has preference, by law, in an initial appointment provided the candidate has established proof that he is one-fourth or more Indian and meets the minimum qualifications." (44 IAM 302.1) (emphasis added)

Several parts of the Manual state that promotions are to be made on the basis of equal opportunity, for example, Section 335.3.1, which states:

"It is the policy of the Bureau to fill vacancies by promotion or reassignment with the best qualified, available persons, without discrimination because of race, color, religion, sex or national origin."

Section 713.1.2 states: "In all personnel actions such as transfers, reassignments, promotions, change to lower

grade and selection for training, equal opportunity is provided. . . ."

The next subsection states: "Promotions are to be made on the basis of merit with equal consideration to women and members of minority groups . . ." (44 IAM 713.1.2C)

The Manual also states that hiring and promotions are to be made on the basis of civil service regulations and requirements, which is completely contrary to the language of 25 U.S.C. 472. The Secretary of Interior has also almost entirely ignored that portion of 25 U.S.C. 472 requiring the establishment of job standards for Indians. Thirty-five years after the legislation was passed, standards have been established only for policemen, power plant operators and demonstration aides. The Solicitor's office has ruled the language of this section is discretionary and the Civil Service Commission's General Counsel has apparently agreed by stating the Secretary only establishes standards when Civil Service ones are inadequate, even though the law clearly demands that these standards be set.

It is obvious the Bureau of Indian Affairs is circumventing the spirit as well as the letter of the law by its actions and the Civil Service Commission is condoning the Bureau's policies.

The statistical analyses presented below were done by a qualified statistician and were based entirely on information supplied by the BIA. All tests were carried out under the assumption that Indians and Non-Indians would be exposed to the same employment opportunities, even though the law directs that Indians be given employment preference.

In November, 1969, there were 15,524 Bureau employees, including those in Alaska. Of these, 12,225 were GS employees and 3,298 were Wage Board employees.

Table I below classifies Bureau GS personnel by grade level and race.

TABLE I.—GRADE DISTRIBUTION OF GS EMPLOYEES

Grade	Indians			Non-Indians			Grade	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent		Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
1	3	0.05	0.05	3	0.05	0.05	10	8	.14	90.77	228	.99	65.70
2	159	2.80	2.85	23	.35	.40	11	264	4.64	95.41	923	14.13	79.83
3	1,250	21.96	24.81	177	2.71	3.11	12	134	2.36	97.77	693	10.60	90.43
4	1,972	31.81	56.62	414	6.33	9.44	13	67	1.18	98.95	327	5.01	95.44
5	907	15.93	72.55	612	9.37	18.81	14	47	.22	99.77	239	3.66	99.10
6	116	2.04	74.59	108	1.65	20.46	15	11	.19	99.96	53	.81	99.91
7	377	6.63	81.22	679	10.39	30.85	16	2	.04	100.00	4	.07	99.97
8	12	.21	81.43	14	.22	31.07	17	0	.00		2	.03	100.00
9	524	9.20	90.63	2,198	33.64	64.71							

A glance at the table reveals shocking differences between the two groups. Note, for example, that 31.8% of the Indians are GS 4's, while only 6.33% of the Non-Indians fall into this category. On the other hand, in the GS 9 level, there are 33.64% Non-Indians

and only 9.20% Indians. In looking at the cumulative percentage figures, one can see that 75% of the Indian employees have grade levels of 6 or less. Almost 80% of the Non-Indians have positions above 6. The probability of obtaining these distributions by chance

is comparable to that of getting only heads on 2,500 consecutive coin tosses.

Strikingly similar results were found in the distribution of wage board employees. Of 3,559 employees, 2,545 are Indian, but Table II shows the inequitable distribution of them.

TABLE II.—SALARY LEVEL DISTRIBUTION OF WAGE BOARD EMPLOYEES

Salary level	Indians			Non-Indians			Salary level	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent		Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
Less than \$5,000	68	2.6	2.67	10	0.99	0.99	\$9,000 to \$9,999	96	3.78	92.50	128	12.63	67.36
To \$5,499	222	8.72	11.39	12	1.18	2.17	\$10,000 to \$11,999	114	4.47	96.97	156	15.38	82.74
\$5,500 to \$5,999	359	14.11	25.50	22	2.17	4.34	\$12,000 to \$13,999	36	1.42	98.39	79	7.79	90.53
\$6,000 to \$6,499	265	10.41	35.91	49	4.83	9.17	\$14,000 to \$15,999	35	1.32	99.76	50	4.93	95.46
\$6,500 to \$6,999	424	16.66	52.57	60	5.92	15.09	\$16,000 to \$17,999	6	.24	100.00	37	3.65	99.11
\$7,000 to \$7,999	539	21.18	73.75	167	16.47	31.56	\$18,000 to \$19,999	0	.00	100.00	9	.89	100.00
\$8,000 to \$8,999	381	14.97	88.72	235	23.17	54.73							

Note: Sec. 5 of the appendix has similar tables for each area office.

This Table shows that 14% of the Indians earn between \$5,500 and \$5,999, while only 2% of the Non-Indians are in the same earning bracket. More than 32% of the Non-Indians earn more than \$10,000, but only 7.5% of the Indians have reached this level. The probability of this distribution occurring by chance is one in 10.¹⁴⁰ (See Section 1 of Appendix)

Complaints of many Indians that Non-Indians are often promoted to supervisory positions when Indians are available seem to be borne out by the statistics above as well as results shown in the Appendix. The probability of Indians being in as few supervisory positions as they actually are is one chance in 100,000. (See Section 2 of Appendix)

Using a 1-in-18 sample collected by the Bureau in each of the eleven area offices, on or about June 1, 1970, statistics were collected that gave for each employee his grade level, supervisory or non-supervisory status, educational level and length of time spent in the BIA.

One variable that should help explain the inequities apparent in Tables I and II is the amount of education each individual has. The Bureau often complains that educationally qualified Indians aren't available. Another possible variable is the amount of time spent in BIA service. If Indians are less qualified, the statistics should support the Bureau's claim. Taking into account the differing amounts of education, the results indicate strongly that Indians are worse off than non-Indians. (Section 2 of Appendix) The results in Section 3 of the Appendix likewise indicate that Indians are worse off with both education and time in service accounted for.

To obtain these results, the sample was divided into five educational groups, according to the highest educational level attained by the individual. The results described in Section suggest that below the college graduate level, Indians are in lower grades and less well off than their Non-Indian counterparts. At the college-degree level, there is little difference between the Indian and Non-Indian group when education alone is accounted for, but a greater difference is evident when time in BAI service is also accounted for. This seems to indicate that while Indians and Non-Indians are in the same grades, based on their educational levels, the Indians have been in the grade longer and therefore, should be in higher positions. For those employees with advanced degrees, no differences were found between the two groups.

The number of discrimination complaints recently filed by Indian employees of the Bureau proves that the Indian will no longer accept the intolerable situation within the Bureau. He wants and demands the right to take an active and formative part in the decisions affecting his existence.

An end to the discrimination within the Bureau is necessary if the Indian is to control his life. It would certainly go a long way toward ending the present, unbelievable, unemployment situation. Nothing is lacking to prevent Indian preference from becoming a reality. The legislation has been on the books for more than 80 years. The President in his message to Congress on Indian affairs on July 8, 1970, expressed his support for Indian self-determination and even proposed major legislation to accomplish this end.

All that is necessary at this point would be for the President to enforce his position and the existing laws. Step one would be to force the Secretary of Interior to establish standards for Indian employment, separate and distinct from those of the civil service, as is directed by 25 U.S.C. 472. Step two would

be strict implementation of Indian preference in all phases of BIA employment.

The great White Father has a long history of promising and not delivering. Hopefully, with the President's expressed intent and the dedication of the Indians recently brought into the Bureau at policy making levels, the history of neglect and indifference will be overcome.

APPENDIX

The Statistical work done in this report was handled by Mr. Beverly Causey, a statistician with a Ph. D. in statistics from the University of Chicago. He is currently employed as a statistician.

Index to appendix

Section 1: Description of comparison between Indians and Non-Indians in terms of pay levels, G.S., and Wage Board done separately.

Section 2: description of comparisons between Indians and Non-Indians (Based on 1 in 18 sample) taking into account amount of education.

Section 3: description of comparison between Indians and Non-Indians (based on 1 in 18 sample) taking into account amount of education and time spent in BIA service.

Section 4: description of comparisons between Indians and Non-Indians (based on 1 in 18 sample) using five educational groups and taking into account education alone and education plus time in BIA service.

Section 5: description of comparison between Indians and Non-Indians in each of the 11 area offices, using GS employees alone. Tables included.

Section 6: details of statistical work done in sections 1, 2, and 3.

INTRODUCTION

The general method used for comparing Indians and Non-Indians—clarified considerably by analogy in the next paragraph—is: 1) to define a numerical indicator of how the two groups compare, with the lowest values with the most unfavorable outcomes for Indians and the highest to the most favorable; (2) under the assumption that Indians and Others are equally likely to attain supervisory levels and various pay levels investigate what the behavior of this indicator, i.e., its probability distribution, would be, and (3) according to this probability distribution find the probability that the indicator would take on a value as unfavorable to the Indians, i.e. as low, as the value that is actually experienced. When such a probability is much closer to 0 than 1, we question, according to the degree of closeness to 0, the assumption that Indians and Others are actually equally well off, and suspect that Indians must be worse off.

This method may be made clear by the analogy of a coin-tossing situation. We begin with the assumption, analogous to the assumption of (2), that for a particular coin of interest heads and tails are equally likely, i.e. each occurs with probability $\frac{1}{2}$. Suppose that the coin is to be flipped 10 times. The indicator analogous to that of (1) is the number of heads obtained in the 10 flips. The probability of obtaining no heads is about .001, the probability of obtaining 1 or fewer heads is about .011. Thus if we actually obtained 1 head, we would say that so few heads would occur by chance with probability only .011, analogous to the probability of (3), so that doubt is cast on the assumption that heads and tails are equally likely, and one is inclined to suspect that heads are inherently less likely—just as, above, doubt is cast on the assumption that Indians and others are equally well off, and we suspect that Indians are worse off, when probabilities are closer to 0 than 1.

In terms of these probabilities Sections 1, 2, and 3 indicate strongly that as a whole Indians are inherently worse off with respect to supervisory and pay status, even with educational differences and lengths of time in BIA service accounted for. Section 4 indicates that the differences are greatest in the lowest educational groups and are least great in the highest, with Indians actually appearing to be slightly better off in some respects in the highest educational groups.

It should be kept in mind that extreme probabilities are most apt to show up when groups are largest. For very small data groupings, such as by individual area, little or no significant comparison between Indians and others can be obtained from our sample. For a group of 800 an extreme probability, say .0001, might appear, while for a group of 20 inherently similar to the group of 800 a somewhat indifferent probability, say .43, might be obtained. In general, a probability in our context between .10 and .90 would by most subjective standards not be considered significantly extreme, while one less than .01 or greater than .99 would almost certainly be.

SECTION 1

This section describes nationwide Indian-Non-Indian comparisons with neither education nor time in BIA service accounted for.

For the entire BIA, there were 12,225 GS employees, of which 5,691 were Indian and 6,534 were Non-Indian, as of November, 1969. Table I in the body of the paper compares the percent of the 5,691 Indians that fall into GS groupings 1, 1 through 2, . . . 1 through 17, respectively to the percent of the 6,534 Non-Indians ("Others") that fall into the same groupings.

The 12,225 GS employees were then ranked according to pay grade, rank numbers ranging from 1 for the lowest GS level to 12,225 for the highest, except that employees with equal GS levels were assigned the average of the rank numbers they would otherwise have been assigned to. For example, if there had been 4 GS 2's initially assigned to ranks number 9, 10, 11 and 12, they would also have been assigned 10 $\frac{1}{2}$. The sums of the 5,691 Indian ranks was then computed. It was then determined that if a subset of 5,691 were picked at random from the 12,225—with each of the approximately 10³⁶⁶ distinct subsets equally likely—there would be about one chance in 10⁷⁵⁰ (a probability of 10⁻⁷⁵⁰) that the rank sum for the random 5,691 would be as small as or smaller than the experienced rank sum of the 5,691 Indians. This probability is roughly that of obtaining nothing but heads in a series of 2,500 fair coin tosses.

A similar analysis of all BIA Wage Board employees—2,545 Indians, 1,014 Non-Indians, 3,559 total—yielded an approximate probability less than 10⁻¹⁴⁰ that the rank sum for a random sample of 2,545 from the 3,559 would be as small as the experienced Indian rank sum. (See Table II in body of paper).

SECTION 2

This section describes comparisons of Indians and Others for the 1-in-18 sample with education, but not length of time in BIA service, accounted for.

The sample was divided into 5 groups according to highest educational level attained: (1) not a high school graduate (12 years or less); (2) high school graduate (12 years); (3) high school graduate with some further schooling (between 12 and 16 years); (4) college graduate (16 to 17 years); (5) advanced degree holder (more than 17 years). Within each group we first formed a 2 x 2 cross classification counts table, with rows corresponding to Indian vs. Others, columns to nonsupervisory vs. supervisory. The tables for the 5 groups were as follows:

	Nonsupervisory	Supervisory	Percent												
1	142	10	6.6	85	15	15.0	154	23	13.0	24	12	33.3	2	2	50.0
0	23	14	37.8	33	14	29.8	47	19	28.8	109	49	31.0	18	21	46.2

The percents to the right of each table denote the fractions of Indians and Others in supervisory positions.

For the first group there were 152 Indians and 37 Others, a total of 189, with 165 non-supervisory and 24 supervisory. Suppose that a subset of 152 were picked at random from the 189. The number of supervisory persons in the random subset would be a random variable with a probability distribution; calling this random variable x_1 , the expected value of x_1 would be 19.3015 and the variance of x_1 would be 3.3163. Moreover, we could work out the probability that x_1 would equal a particular integer. We thus could compare the probability distribution of x_1 to the actual number 10 of supervisors among the 152 Indians. The probability that x_1 would take on a value 10 or less is about .000007. The quantity x_1 , with corresponding actual value 10, represents a "numerical indicator" as discussed in the introduction.

For each of the 5 groups, numbered $i=1, \dots, 5$, we followed the above procedure, hypothetically picking at random from the group a subset equal in size to the (known) number of Indians in the group and letting x_i denote the random number of supervisors in the group. Hence we obtained results for each of the 5 groups singly. The sum $s = x_1 + x_2 + x_3 + x_4 + x_5$ —the total number of supervisors in the five subsets—would be a random variable with expected value, variance, and even exact probability distribution that we could find explicitly. The total number of supervisors among the Indians is 62; the probability that (the random) s would be 62 or less is approximately .00001. Hence we obtained a composite result, that an outcome as unfavorable to the Indians as the actual would have occurred by chance with probability about .00001.

For the first educational group we then computed for the 67 GS employees the average grade number—4.418—and subtracted this average from each of the 67 grade numbers to obtain a set of 67 "residuals" centered around zero. Thus for a GS-5 the corresponding residual would be $5 - 4.418 = .582$. Among the 67 GS employees there were 53 Indians, so, working as above, we considered a hypothetical subset of size 53 picked at random from the 67. Three "single-group" results were based on the 67 residuals and the subset of 53, as follows.

First, the probability distribution of the (random) number x_1 of subset members with non-negative residuals, i.e. grades higher than the group average 4.418 (thus 5 or higher), was compared to the known number 8 of Indians with non-negative residuals. The probability that x_1 would be 8 or less is about .00006.

Second, we ranked the 67 members of the group as in Section 1, according to their residual values. The probability that the (random) sum of the subset ranks would be less than or equal to the (known) sum of the Indian ranks was found to be about .00009.

Third, we replaced the rank numbers by the values of the residuals themselves and did the same thing.

For each of the 5 GS educational groups, numbered $i=1, \dots, 5$, we did as the above for the first group, picking at random from the group a subset equal in size to the num-

ber of Indians in the group and letting x_i denote the random number of nonnegative residuals in the group. The probability distribution of the random sum $s = x_1 + x_2 + x_3 + x_4 + x_5$ was compared to the actual number 59 of nonnegative residuals among the Indians of the five groups. The probability that s would be less than or equal to 59 was found to be .000000001. This was our first residuals-based composite result.

We then considered a weighted sum of the (random) rank sums for the subsets from each of the five groups and a similarly weighted sum of the (known) rank sums for the Indians from each of the five groups, and found the probability that the former would be less than or equal to the latter, as our second composite result.

Then we considered the (random) sum of all the subset residuals and the (known) sum of all the Indian residuals to obtain a third composite result.

A fourth result—both single-group and composite—was computed according to the Technical Appendix.

The four composite results represent four different ways of investigating the same question: namely, whether or not Indian GS levels are inherently lower or higher than other GS levels. Having completed this analysis for GS grade numbers, we did the same thing for starting pay corresponding to each GS grade—in general, therefore, not the same as the actual current pay for each sample member. Use of both GS number and GS starting pay in this fashion provides not four but eight ways of investigating the same question. Then for WG-classification employees among Wage Board employees we did the same thing for WG numbers.

From the overall sample of 816 there were 613 GS employees and 140 in the WG group.

The composite results of this section are summarized in the following table, giving probabilities that an outcome as unfavorable to the Indians as the actual would have occurred by chance if Indians and others were equally well off—"LT" denoting "less than .00000001":

	Result 1	Result 2	Result 3	Result 4
GS grade number	LT	LT	LT	LT
GS st. pay	LT	LT	LT	LT
WG grade number	0.0099	0.0016	0.0008	0.0003
Nonsupervisory and supervisory (0.00001 obtained above)				

SECTION 3

This section describes comparisons of Indians and Others for the 1-in-18 sample with both education and length of time in BIA service accounted for.

For each of the five educational groups we did for GS employees a least-squares fit of an equation $y = A + Bx^C$ where y corresponded to GS grade number and x to length of time (in years) spent in BIA service; then we computed for each sample member the residual quantity $y - (A + Bx^C)$. For the first educational group the fitted equation was $y = -.799 + 3.957 x^{.14}$. Thus for a GS-5 from the first educational group with 10 years of

BIA service the corresponding residual would be $5 - (-.799 + (3.957)(10^{.14})) = 5.799 - (3.957)(1.38) = 5.799 - 5.461 = .338$. In terms of these residual, we obtained the same three kinds of results as for the residuals of Section 2, with a fourth obtained according to Section 4. We did likewise with y equal to GS grade starting pay, with y equal to WG grade number for WG employees, and with y equal to 0 for nonsupervisors and 1 for supervisors for all 816 employees. The composite approximate probabilities of outcomes as unfavorable to the Indians as the actual outcomes, under the assumption of "equally well off", are as follows:

	Result 1	Result 2	Result 3	Result 4
GS grade number	LT	LT	LT	LT
GS step pay	LT	LT	LT	LT
WG grade number	0.0378	0.0036	0.0014	0.0006
Nonsupervisory-supervisory	.00062	.0342	.000005	.000004

The extremeness of the nonsup-sup probability .0342 for result 2, involving ranks, appears to be tempered by a small number of nonsupervisory Others with relatively lengthy BIA service who appear at the extreme lower end of the education group ranges of ranks, and cause the Others' ranks as a whole to be smaller, and thereby the Indian ranks as a whole to be larger, than otherwise would be expected.

SECTION 4

This section describes single-group results obtained for the 5 educational groups first mentioned at the start of Section 2.

We began with the 2 x 2 tables there (rows

corresponding to Indian vs. Other and columns to nonsup vs. sup). This raw data indicates that the Indian-Other difference is greatest in group 1 and is considerably less in groups 2 and 3, and that Indians appear slightly better off than Others in groups 4 and 5. The probability levels associated with the upper right hand corners of the five tables, in the manner of Section 2, are, respectively, about .0000007, .0035, .0305, .680, and .646.

For each group we obtained the four probabilities corresponding to Section 2 and Section 3 for GS grade number, GS starting pay, WG number, and nonsupervisory vs. supervisory, as follows:

Section-result	2-1	2-2	2-3	2-4	Section-result	2-1	2-2	2-3	2-4
Group 1, GS number	0.00006	0.00009	0.00007	0.00002	Group 1, GS number	0.0471	0.0212	0.0011	0.0005
Group 1, GS pay	.00006	.00009	.00008	.00001	Group 1, GS pay	.1211	.0265	.0025	.0013
Group 1, WG number	.2217	.0529	.0518	.0491	Group 1, WG number	.5000	.1181	.0943	.0933
Group 1, nonsupervisory-supervisory	(ϵ)	(ϵ)	(ϵ)	(ϵ)	Group 1, nonsupervisory-supervisory	.0101	.2262	.000009	.000003

See footnotes at end of table.

Section-result	2-1	2-2	2-3	2-4
Group 2, GS number	.0000002	LT	LT	LT
Group 2, GS pay	.0000002	LT	LT	LT
Group 2, WG number	.0497	.0167	.0113	.0084
Group 2, nonsupervisory-supervisory	(¹)	(²)	(²)	(²)
Group 3, GS number	.0001	.00002	.00009	.00004
Group 3, GS pay	.0001	.00002	.00005	.00003
Group 3, WG number	.1933	.1227	.0448	LT
Group 3, nonsupervisory-supervisory	(³)	(³)	(³)	(³)
Group 4, GS number	.8160	.3778	.2569	.2571
Group 4, GS pay	.8723	.3778	.0632	.3635
Group 4, WG number	(⁴)	(⁴)	(⁴)	(⁴)
Group 4, nonsupervisory-supervisory	(⁴)	(⁴)	(⁴)	(⁴)
Group 5, GS number	.4133	.3545	.5235	.5232
Group 5, GS pay	.6715	.3545	.7207	.7190
Group 5, WG number	(⁵)	(⁵)	(⁵)	(⁵)
Group 5, nonsupervisory-supervisory	(⁵)	(⁵)	(⁵)	(⁵)

¹ 0.0000007 obtained above.
² 0.0035 obtained above.
³ 0.0305 obtained above.

Section-result	3-1	3-2	3-3	3-4
Group 2, GS number	.00000016	.00000003	LT	LT
Group 2, GS pay	.00000002	.00000009	LT	LT
Group 2, WG number	.0497	.0167	.0113	.0084
Group 2, nonsupervisory-supervisory	.0090	.1228	.0038	.0035
Group 3, GS number	.0032	.0006	.00005	.00002
Group 3, GS pay	.0020	.0017	.0003	.0002
Group 3, WG number	.1933	.1227	.0448	LT
Group 3, nonsupervisory-supervisory	.0887	.3858	.0507	.0497
Group 4, GS number	.0516	.0133	.0077	.0071
Group 4, GS pay	.1143	.0037	.0288	.0279
Group 4, WG number	(⁶)	(⁶)	(⁶)	(⁶)
Group 4, nonsupervisory-supervisory	.5390	.0840	.2012	.2014
Group 5, GS number	.4133	.3545	.5235	.5232
Group 5, GS pay	.4655	.4090	.6489	.6475
Group 5, WG number	(⁶)	(⁶)	(⁶)	(⁶)
Group 5, nonsupervisory-supervisory	.6462	.4662	.4424	.4431

⁴ No cases.
⁵ 0.680 obtained above.
⁶ 0.646 obtained above.

It may be seen that for groups 1, 2, and 3, Section 3, non vs. sup, the rank test gives, for the reason suggested in Section 3, a probability less extreme than that for the other three tests, while for group 4 the opposite

pattern has occurred. Also, little Indian-Other difference in groups 4 and 5 is indicated except in Group 4 when length of BIA service is accounted for, suggesting for that group that possibly Indians and Others tend

to be equally well off, except that Indians have longer length of BIA service and thus should be better off. WG results for group 3, involving only 4 cases, would seem virtually meaningless.

GRADE DISTRIBUTION OF GS EMPLOYEES

Albuquerque Area Office

Grade	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
1	32	8.04	8.04	1	0.29	0.29
2	69	17.33	25.37	3	0.89	1.18
3	118	29.65	55.02	23	6.83	8.01
4	71	17.83	72.85	23	6.83	14.88
5	10	2.51	75.36	5	1.48	16.32
6	19	4.78	80.15	23	6.83	23.15
7	0	0	80.15	0	0	23.15
8	45	11.30	91.44	94	27.90	51.05
9	2	.50	91.94	3	.89	51.94
10	19	4.78	96.73	66	19.58	71.52
11	10	2.51	99.24	54	16.03	87.54
12	2	.50	99.74	23	6.83	94.37
13	1	.25	99.99	19	5.63	100.00
14						
Total	398			337		

ALASKA AREA OFFICE

Grade	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
1	3	1.21	1.21			
2	26	10.49	11.70	1	0.20	0.20
3	88	35.48	47.17	15	3.01	3.21
4	49	19.76	66.95	24	4.82	8.03
5	34	13.71	80.66	38	7.63	15.66
6	7	2.82	83.48	9	1.81	17.47
7	10	4.03	87.51	70	14.06	31.53
8	0	0	87.51	1	.20	31.70
9	15	6.05	93.56	212	42.57	74.30
10	0	0	93.56	17	3.41	77.71
11	10	4.03	97.59	55	11.04	88.75
12	3	1.21	98.80	29	5.82	94.57
13	3	1.21	100.00	20	4.02	98.59
14				7	1.41	100.00
Total	248			498		

ANADARKO AREA OFFICE STATISTICS (TOTAL EMPLOYEES, 623)

Grade	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
1	5	1.30	1.3	0		
2	76	19.79	21.11	6	2.50	2.50
3	114	29.68	50.79	9	3.75	6.25
4	40	10.41	61.20	21	8.75	15.00
5	3	.78	61.98	10	4.10	19.17
6	30	7.80	69.81	30	12.50	31.67
7	0	0	69.81	0	0	31.67
8	72	18.75	88.56	67	27.92	59.57
9	0	0	88.56	1	.41	60.00
10	23	5.98	94.54	49	20.41	80.41
11	14	3.64	98.18	22	9.17	89.58
12						
13						
14						
Total						

Grade	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
13	3	.78	98.96	15	6.25	95.83
14	3	.78	99.74	10	4.17	99.99
15	1	.26	100.00			100.00
Total	384			240		

ABERDEEN AREA OFFICE STATISTICS (TOTAL EMPLOYEES, 1,259)

Grade	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
1	0					
2	11	2.03	2.03	14	1.95	1.95
3	124	22.92	24.95	39	5.43	7.38
4	154	28.47	53.42	56	7.80	15.18
5	90	16.64	70.06	4	.56	15.74
6	9	1.66	71.72	67	9.33	25.07
7	40	7.39	79.11	1	.14	25.21
8	1	.19	79.30	283	39.41	64.62
9	60	11.09	90.39	16	2.23	66.85
10	3	.55	90.94	148	20.61	87.46
11	26	4.81	95.75	49	6.82	94.28
12	14	2.59	98.34	19	2.65	96.93
13	6	1.10	99.44	20	2.79	99.72
14	3	.55	99.99	2	.28	100.00
Total	541			718		

BILLINGS AREA OFFICE

Grade	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
1	1	0.42	0.42			
2	16	6.67	7.09			
3	40	16.67	23.76	2	0.72	0.72
4	76	31.67	55.43	22	7.86	8.58
5	32	13.33	68.76	40	14.29	22.87
6	4	1.67	70.43	7	2.50	25.37
7	19	7.92	78.35	27	9.64	35.01
8	0	0	78.35	3	1.07	36.08
9	15	6.25	84.60	58	20.71	56.79
10	0	0	84.60	2	.72	57.51
11	20	8.33	92.93	58	20.71	78.22
12	7	2.91	95.84	31	11.07	89.29
13	7	2.91	98.75	20	7.14	96.43
14	3	1.25	100.00	9	3.22	99.64
15				1	.36	100.00
Total	240			280		

GRADE DISTRIBUTION OF GS EMPLOYEES—Continued

MINNEAPOLIS AREA OFFICE						
Grade	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
1						
2	3	3.57	3.57			
3	12	14.29	17.86			
4	14	16.67	34.53	16	13.33	13.33
5	18	21.43	55.96	14	11.67	25.00
6	3	3.57	59.53	4	3.33	28.33
7	4	4.76	64.29	9	7.50	35.83
8	2	2.38	66.67	0	0	35.83
9	9	10.71	77.38	18	15.00	50.82
10	1	1.19	78.57	0	0	50.82
11	10	11.90	90.47	22	18.33	69.16
12	2	2.38	92.85	18	15.00	84.16
13	4	4.76	97.61	12	10.00	94.16
14	2	2.38	99.99	6	5.00	99.16
15	0	0	99.99	1	.83	99.99
Total	84			120		

PORTLAND AREA OFFICE						
Grade	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
1						
2	6	1.74	1.74	1	0.18	0.18
3	37	10.72	12.46	12	2.21	2.39
4	59	17.10	29.56	43	7.93	10.32
5	66	19.13	48.69	77	14.21	24.53
6	33	9.57	58.26	16	2.95	27.48
7	53	15.36	73.62	62	11.44	38.92
8	3	.87	74.49	1	.18	39.10
9	36	10.43	84.92	116	21.40	60.50
10	0	0	84.92	3	.55	61.05
11	22	6.38	91.30	79	14.58	75.63
12	14	4.06	95.36	87	16.05	91.68
13	9	2.61	97.97	28	5.17	96.85
14	7	2.03	100.00	15	2.77	99.62
15				2	.37	99.99
Total	345			542		

MUSKOGEE AREA OFFICE						
Grade	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
1	1	0.33	0.33	0		
2	9	2.96	3.29			
3	51	16.78	20.07	5	1.92	1.92
4	66	21.71	41.78	9	3.46	5.38
5	57	18.75	60.53	24	9.23	14.61
6	9	2.96	63.49	4	1.54	16.15
7	21	6.91	70.40	28	10.77	26.92
8	2	.66	71.06	0	0	26.92
9	36	11.84	82.90	74	28.47	55.39
10	1	.33	83.23	3	1.15	56.54
11	19	6.25	89.48	39	15.00	71.54
12	19	6.25	95.73	50	19.23	90.77
13	7	2.30	98.03	14	5.38	96.14
14	6	1.97	100.00	9	3.46	99.61
15				1	.38	99.99
16						
Total	304			260		

WASHINGTON, D.C.						
Grade	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
1	1	0.18	0.18			
2	15	2.68	2.86			
3	90	16.08	18.94	18	1.81	1.81
4	101	18.04	36.98	49	4.93	6.74
5	102	18.21	55.19	87	8.75	15.49
6	15	2.68	57.87	27	2.72	18.21
7	101	18.04	75.91	110	11.07	29.28
8	0	0	75.91	2	.20	29.48
9	63	11.25	87.16	155	15.59	45.07
10	0	0	87.16	0	0	45.07
11	26	4.64	91.80	140	14.08	59.15
12	14	2.50	94.30	166	16.70	75.85
13	12	2.14	96.44	104	10.46	86.31
14	11	1.96	98.40	88	8.85	95.16
15	7	1.25	99.65	43	4.33	99.49
16	2	.35	100.00	3	.30	99.79
17				2	.20	99.99
Total	560			994		

NAVAJO AREA OFFICE						
Grade	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
1						
2	34	1.63	1.63	4	0.24	0.24
3	602	28.87	30.50	19	1.76	2.00
4	898	43.07	73.57	117	7.12	9.12
5	261	12.52	86.09	133	8.09	17.21
6	9	.43	86.52	11	.67	17.88
7	65	3.12	89.64	194	11.80	29.68
8	0	0	89.64	1	.06	29.74
9	126	6.04	95.68	834	50.73	80.47
10	1	.05	95.73	6	.36	80.83
11	51	2.45	98.18	181	11.01	91.84
12	25	1.21	99.38	83	5.05	96.89
13	9	.43	99.81	36	2.19	99.08
14	3	.14	99.95	13	.79	99.87
15	1	.05	100.00	1	.06	99.93
16				1	.06	99.99
Total	2,085			1,644		

PHOENIX AND SACRAMENTO AREA OFFICES						
Grade	Indians			Non-Indians		
	Number	Percent	Cumulative percent	Number	Percent	Cumulative percent
1						
2	17	3.12	3.12			
3	79	14.50	17.62	14	1.91	1.91
4	136	24.95	42.57	46	6.28	8.19
5	141	25.87	68.44	84	11.46	19.65
6	12	2.20	70.64	9	1.23	20.88
7	41	7.52	78.16	52	7.09	27.97
8	4	.73	78.89	4	.55	28.52
9	60	11.01	89.90	222	30.39	58.91
10	0	0	89.90	13	1.77	60.68
11	35	6.42	96.32	117	15.96	76.64
12	14	2.57	98.89	104	14.19	90.73
13	5	.92	99.81	35	4.77	95.50
14	1	.18	99.99	30	4.09	99.59
15	0	0	99.99	3	.41	100.00
Total	545			733		

[Section 6—Technical Appendix—cannot be duplicated in RECORD.]

SECTION 7

Here we present the data used in obtaining the results of this study. For each of the 816 sample cases we list the following:

(A) Area—a number 1 to 11 indicating area office. These numbers correspond to: (1) Aberdeen, South Dakota, 95 cases; (2) Albuquerque, New Mexico, 46 cases; (3) Anadarko, Oklahoma, 47 cases; (4) Billings, Montana, 43 cases; (5) Juneau, Alaska, 75 cases; (6) Minneapolis, Minnesota, 13 cases; (7) Muskogee, Oklahoma, 40 cases; (8) Navajo, Arizona—New Mexico, 264 cases;

(9) Phoenix, Arizona, 90 cases; (10) Portland, Oregon, 61 cases; and (11) Washington, D.C., 42 cases.

(B) Grade—GS- or WG- level is applicable, otherwise only a zero appears.

(C) Supervisory status—0 indicates non-supervisory, 1 indicates supervisory.

(D) Race—0 indicates "Indian," 1 indicates "Other," these categories being defined in the introduction.

(E) Education—numbers 1 through 5 designate the 5 groups defined at the start of Section 2.

(F) Years in BIA service—to one decimal place.

The list is as follows:

	(A)	(B)	(C)	(D)	(E)	(F)
1		GS-7	0	1	3	20.6
1		GS-7	1	1	2	9.3
1		GS-11	0	1	5	3.9
1		GS-11	1	0	4	28.8
1		GS-9	0	1	3	8.9
1		GS-5	0	1	2	7.2
1		GS-12	1	1	4	32.2
1		GS-5	0	0	3	11.8
1		GS-5	0	0	2	19.6
1		GS-12	1	0	3	33.2
1		GS-12	0	1	5	7.9
1		GS-5	0	0	3	7.9
1		WG-6	0	0	1	9.1
1		GS-5	0	0	2	25.3

(A)	(B)	(C)	(D)	(E)	(F)	(A)	(B)	(C)	(D)	(E)	(F)	(A)	(B)	(C)	(D)	(E)	(F)		
1	WG-8	0	0	1	13.6	2	GS-5	0	0	2	11.9	5	GS-6	1	1	1	25.2		
1	GS-3	0	0	2	11.9	2	GS-12	1	1	1	13.0	5	GS-9	0	0	1	2.2		
1	GS-9	0	1	4	2.1	2	GS-5	1	0	0	14.2	5	GS-4	0	1	1	4.7		
1	GS-9	0	0	2	2.8	2	GS-7	1	0	0	11.9	5	GS-12	0	1	1	18.7		
1	GS-5	1	0	0	13.8	2	GS-9	1	1	1	16.1	5	GS-12	0	1	1	12.7		
1	GS-4	1	0	0	10.5	2	GS-9	0	0	0	16.0	5	GS-11	0	0	0	12.2		
1	GS-10	1	1	4	4.6	2	WG-2	1	1	0	1.8	5	WG-10	0	0	0	2.7		
1	GS-11	1	1	4	4.8	2	GS-4	0	0	0	10.2	5	GS-5	0	0	0	3.2		
1	GS-7	1	0	0	1.2	2	GS-4	0	0	1	19.8	5	GS-4	0	0	0	4.7		
1	GS-7	0	0	0	1.9	2	WG-5	0	0	0	27.2	5	GS-5	0	0	1	11.7		
1	WG-8	0	0	1	11.1	2	GS-4	0	0	0	2.9	5	GS-3	0	0	0	2.2		
1	GS-4	0	0	0	15.8	2	GS-5	0	0	1	35.6	5	GS-3	0	0	1	1.1		
1	WG-8	0	0	1	11.6	2	GS-4	0	0	0	7.0	5	GS-11	1	1	1	10.2		
1	GS-5	0	0	3	6.2	2	GS-12	1	0	0	11.0	5	GS-9	0	1	1	3.2		
1	WG-2	0	0	1	2.5	2	GS-5	1	0	0	8.4	5	GS-9	0	1	1	4.7		
1	GS-9	0	0	1	9.9	2	GS-9	1	1	0	4.1	5	GS-9	0	1	1	2.2		
1	GS-3	0	0	3	2.8	2	GS-15	1	0	0	16.0	5	GS-7	0	1	1	2.2		
1	WG-5	0	0	1	6.2	3	GS-5	0	0	0	9.0	5	GS-7	0	0	1	1.2		
1	GS-3	0	0	2	13.6	3	GS-4	0	0	0	11.0	5	WG-1	0	0	0	6.2		
1	GS-4	0	0	1	5.5	3	GS-9	0	0	0	3.0	5	0	0	0	1	2.7		
1	GS-4	0	0	2	21.7	3	GS-11	0	0	1	15.0	5	WG-7	0	0	0	5.7		
1	GS-11	0	0	1	4.5	3	GS-13	1	1	0	18.0	5	WG-5	0	0	0	5.2		
1	WG-8	1	1	1	25.3	3	GS-5	0	0	0	8.0	5	WG-6	0	0	0	1.2		
1	GS-4	0	0	2	14.0	3	GS-4	0	0	1	8.0	5	WG-5	0	0	0	5.2		
1	GS-5	0	0	1	4.4	3	GS-6	0	0	1	14.0	5	WG-5	0	0	0	1.2		
1	GS-12	1	1	1	14.9	3	GS-6	0	0	1	5.0	5	0	0	1	3	4.7		
1	GS-11	1	1	2	9.9	3	GS-5	0	0	1	10.0	5	GS-11	1	1	1	2.2		
1	GS-5	0	0	1	3.3	3	GS-7	0	0	0	8.0	5	GS-3	0	0	0	1.2		
1	GS-9	0	0	1	.9	3	GS-11	0	1	0	4.0	5	GS-9	0	1	1	2.2		
1	GS-5	0	0	1	7.1	3	GS-9	0	0	0	20.0	5	GS-7	0	1	1	1.7		
1	WG-10	1	1	1	30.4	3	GS-4	0	0	2	.2	5	GS-11	1	1	1	7.2		
1	WG-6	0	0	1	2.7	3	GS-3	0	0	0	4.0	5	WG-5	0	0	0	1.2		
1	WG-9	0	0	2	17.0	3	WG-5	0	0	2	13.0	5	GS-4	0	0	2	4.7		
1	GS-4	0	0	3	15.0	3	GS-9	0	1	0	3.0	5	GS-13	1	1	5	5.7		
1	WG-8	0	0	1	7.0	3	GS-4	0	0	1	3.0	5	GS-3	0	0	2	1.2		
1	GS-4	0	0	2	6.3	3	GS-9	0	0	1	15.0	5	GS-2	0	0	0	2.2		
1	GS-13	1	1	1	29.7	3	GS-3	0	0	5	11.0	5	GS-10	1	1	1	4.7		
1	GS-9	0	0	1	7.0	3	GS-3	0	0	0	1.0	5	GS-9	1	1	1	2.2		
1	GS-9	0	0	4	2.8	3	GS-9	0	1	1	2.0	5	GS-9	0	1	1	4	3.2	
1	GS-9	0	0	4	3.5	3	WG-5	0	1	5	2.0	5	GS-9	0	0	1	4	2.2	
1	GS-5	0	1	0	17.6	3	GS-9	0	1	7	3.0	5	GS-7	0	0	1	4	1.2	
1	GS-3	0	0	2	.4	3	GS-5	0	0	2	4.0	5	GS-5	0	0	1	4	1.2	
1	GS-7	0	0	1	2.9	3	WG-4	0	0	3	4.0	5	WG-1	0	0	0	1	3.2	
1	GS-3	0	0	0	1.1	3	GS-4	0	0	2	16.0	5	WG-4	0	0	1	1	4.2	
1	GS-3	0	0	2	1.8	3	GS-4	0	0	3	8.0	5	WG-5	0	0	0	1	9.2	
1	WG-2	0	0	2	2.0	3	GS-4	0	0	2	3.0	5	WG-5	0	0	0	1	1.2	
1	WG-7	0	0	1	13.1	3	GS-9	0	1	5	7.0	5	WG-5	0	0	0	1	5.7	
1	GS-5	0	0	1	5.8	3	WG-9	0	0	2	11.0	5	WG-5	0	0	1	1.7		
1	WG-6	0	0	1	12.0	3	WG-2	0	0	3	3.0	5	GS-3	1	1	0	2	8.2	
1	GS-6	0	0	2	15.9	3	GS-11	1	1	3	18.0	5	GS-3	0	0	0	1	1.2	
1	GS-6	0	0	2	6.2	3	WG-7	0	0	4	5.0	5	GS-11	1	1	1	5	6.2	
1	GS-4	0	0	2	.4	3	WG-3	0	0	2	4.0	5	GS-9	0	0	1	1	4	2.2
1	GS-11	1	1	0	6.9	3	GS-9	0	1	4	6.0	5	GS-9	0	0	0	4	13.2	
1	GS-4	0	0	1	10.7	3	GS-4	0	0	2	6.0	5	GS-3	0	0	0	2	2.2	
1	GS-7	0	0	1	12.6	3	GS-4	0	0	3	22.0	5	GS-9	1	1	1	3	8.2	
1	GS-9	0	0	4	11.8	3	GS-9	0	1	4	4.0	5	0	0	0	0	1	.7	
1	WG-10	1	1	1	10.8	3	GS-9	0	0	3	13.0	5	0	0	0	0	1	.7	
1	WG-6	0	0	1	24.9	3	WG-9	0	0	1	22.0	5	0	0	0	0	1	.7	
1	GS-11	0	0	3	13.9	3	GS-2	0	0	2	1.0	5	0	0	0	0	1	.1	
1	GS-12	1	1	0	18.3	3	GS-9	0	1	4	5.0	5	WG-7	0	0	0	1	7.2	
1	GS-5	0	0	3	14.8	3	GS-4	0	0	1	12.0	5	WG-7	0	0	1	2	18.2	
1	GS-9	0	0	4	.8	3	GS-4	0	0	2	11.0	5	WG-2	0	0	0	2	5.2	
1	GS-9	0	0	4	1.9	3	WG-9	0	0	1	.5	5	GS-2	0	0	0	2	1.2	
1	GS-7	0	0	1	3.3	4	GS-5	0	1	2	8.0	5	GS-9	0	0	0	4	30.2	
1	GS-4	0	0	2	18.8	4	GS-11	0	1	4	15.0	5	GS-4	0	0	0	3	3.2	
1	WG-2	0	0	1	16.8	4	GS-12	0	1	4	3.0	5	WG-5	1	1	1	2	17.2	
1	GS-5	0	0	1	3.5	4	GS-14	1	1	4	32.0	5	GS-7	0	0	1	1	21.2	
1	GS-5	0	0	1	3.2	4	GS-12	1	0	3	31.0	5	0	0	0	1	2	18.2	
1	GS-5	0	0	1	2.6	4	GS-4	0	0	3	2.0	5	0	0	0	1	2	4.2	
1	GS-9	0	0	1	2.8	4	GS-4	0	0	2	9.0	5	0	0	0	1	1	13.2	
1	GS-9	0	0	4	1.5	4	GS-4	0	0	3	9.0	5	GS-2	0	0	0	0	.3	
1	GS-9	0	0	1	16.2	4	GS-11	1	1	4	14.0	6	0	0	0	0	1	1.2	
1	WG-7	0	0	0	13.2	4	GS-3	0	0	2	9.5	6	GS-14	1	1	1	4	19.0	
1	GS-7	0	0	1	7.8	4	GS-12	1	1	4	8.0	6	GS-5	0	0	1	2	8.1	
1	WG-9	0	0	0	7.1	4	GS-12	1	1	5	7.0	6	GS-3	0	0	0	3	.8	
1	WG-2	0	0	1	6.7	4	GS-9	1	0	3	23.0	6	GS-14	1	1	0	4	10.1	
1	GS-4	0	0	2	9.1	4	GS-3	0	0	3	9.0	6	GS-9	0	0	1	4	5.8	
1	WG-9	1	1	0	25.0	4	0	0	0	1	9.0	6	WG-10	0	0	0	1	6.6	
1	WG-10	0	0	0	10.1	4	GS-5	0	0	2	9.0	6	GS-12	1	1	1	3	22.1	
2	GS-4	0	0	3	1.3	4	GS-9	1	1	3	16.0	6	GS-9	0	1	1	4	5.8	
2	GS-4	0	0	3	2.2	4	GS-3	0	0	3	4.0	6	GS-11	1	1	1	1	8.6	
2	GS-13	1	1	4	13.2	4	GS-11	1	1	4	12.0	6	GS-4	0	0	0	3	17.2	
2	GS-4	0	0	3	4.3	4	WG-2	0	1	1	4.0	6	GS-9	0	0	1	4	1.8	
2	GS-3	0	0	2	1.2	4	GS-9	0	1	3	11.0	6	GS-4	0	0	0	2	6.3	
2	GS-12	1	1	1	8.5	4	0	0	1	1	21.0	6	GS-8	0	0	0	1	43.2	
2	GS-13	1	1	1	14.0	4	GS-4	0	1	1	17.0	7	GS-15	1	1	1	4	21.5	
2	GS-4	0	0	3	3.1	4	WG-3	0	1	1	18.0	7	GS-5	0	0	0	3	3.0	
2	WG-9	1	1	0	27.8	4	GS-5	0	1	2	15.0	7	GS-12	1	1	1	4	12.0	
2	GS-5	0	0	3	13.8	4	0	1	1	3	22.0	7	GS-6	0	0	1	3	20.0	
2	GS-4	0	0	2	20.7	4	GS-5	0	0	3	12.0	7	GS-7	0	0	1	3	6.0	
2	GS-4	0	0	1	11.6	4	GS-13	1	1	5	25.5	7	GS-13	1	1	1	4	21.0	
2	GS-11	1	1	5	28.5	4	GS-12	1	1	4	9.0	7	GS-14	1	1	1	4	9.0	
2	0	0	0	2	24.2	4	GS-4	0	0	3	3.0	7	GS-7	0	0	0	3	12.0	
2	GS-4	0	0</																

EXTENSIONS OF REMARKS

December 14, 1970

(A)	(B)	(C)	(D)	(E)	(F)	(A)	(B)	(C)	(D)	(E)	(F)	(A)	(B)	(C)	(D)	(E)	(F)
7	GS-4	0	0	3	15.0	8	GS-4	0	0	3	3.0	8	0	0	0	2	2.0
7	GS-5	0	0	3	10.0	8	GS-11	1	1	2	18.0	8	GS-4	0	0	0	19.0
7	WG-7	0	0	1	3.0	8	GS-5	1	1	0	4.0	8	GS-4	0	0	2	20.0
7	GS-5	0	0	2	14.0	8	GS-4	0	0	0	8.0	8	GS-4	0	0	2	5.0
7	GS-8	1	1	3	20.0	8	GS-3	0	0	2	1.0	8	GS-4	0	0	2	9.0
7	GS-11	1	1	5	3.0	8	GS-3	0	0	0	13.0	8	WG-2	0	0	1	2.0
7	GS-5	0	1	3	9.0	8	WG-2	0	0	1	2.0	8	GS-4	0	0	3	4.0
7	0	1	1	2	7.0	8	GS-9	0	0	1	4.0	8	GS-11	1	1	0	11.0
7	GS-11	0	1	5	16.0	8	GS-7	0	0	1	4.0	8	WG-2	0	0	1	2.0
7	GS-10	1	1	5	9.0	8	WG-9	0	0	1	9.0	8	GS-4	0	0	0	6.0
7	0	0	0	1	8.0	8	GS-9	0	0	4	18.0	8	GS-3	0	0	3	3.0
7	0	0	0	1	6.0	8	GS-3	0	0	2	1.0	8	GS-5	1	1	3	7.0
7	GS-9	0	0	4	4.0	8	GS-9	0	0	1	4.0	8	GS-9	0	1	4	3.0
7	GS-7	0	0	4	2.0	8	GS-9	0	0	1	4.0	8	GS-9	0	0	1	4.0
7	GS-2	0	0	2	2.0	8	GS-9	0	0	1	5.0	8	GS-9	0	0	1	4.0
7	0	0	0	1	17.0	8	GS-5	0	0	0	28.0	8	GS-9	0	0	1	4.0
7	GS-3	0	0	2	8.0	8	GS-9	0	0	1	4.0	8	GS-4	0	0	3	2.0
8	GS-11	1	1	5	28.0	8	GS-4	0	0	0	6.0	8	WG-6	0	0	1	21.0
8	GS-4	0	0	2	10.0	8	GS-9	0	0	1	1.0	8	GS-3	0	0	1	2.0
8	GS-9	0	0	4	10.0	8	GS-9	0	0	1	13.0	8	WG-2	0	0	2	4.0
8	GS-3	0	0	2	4.0	8	GS-3	0	0	0	2.0	8	WG-9	0	0	1	2.0
8	GS-5	0	0	3	9.0	8	GS-5	0	0	2	25.0	8	WG-7	0	0	1	1.8
8	0	0	0	1	7.0	8	WG-9	0	0	1	3.0	8	WG-8	0	0	2	1.0
8	0	0	0	2	4.0	8	GS-3	0	0	1	1.0	8	GS-4	0	1	2	9.0
8	GS-4	0	0	2	15.0	8	GS-4	0	0	2	6.0	8	GS-9	1	1	4	2.0
8	GS-9	0	0	3	3.0	8	WG-5	0	0	0	7.0	8	GS-9	0	0	0	18.0
8	GS-4	0	0	3	3.0	8	GS-4	0	0	2	25.0	8	WG-8	0	0	1	7.0
8	WG-9	0	0	1	2.0	8	GS-3	0	0	3	3.0	8	GS-9	0	0	2	3.0
8	WG-5	0	0	1	2.0	8	WG-5	0	0	2	6.0	8	GS-7	0	0	0	20.0
8	GS-9	0	0	4	2.0	8	GS-3	0	0	1	1.0	8	GS-4	0	0	2	6.0
8	GS-4	0	0	2	4.0	8	WG-2	0	0	1	5.0	8	WG-3	0	0	0	6.0
8	GS-4	0	0	2	4.0	8	GS-9	0	0	1	17.0	8	GS-4	0	0	1	19.0
8	GS-4	0	0	2	8.0	8	GS-5	1	0	4	4.0	8	GS-3	0	0	0	3.0
8	WG-9	0	0	2	3.0	8	GS-2	0	0	1	30.0	8	GS-3	0	0	2	10.0
8	GS-2	0	0	1	2.0	8	GS-4	0	0	1	2.0	8	GS-11	1	1	0	14.0
8	WG-6	0	0	1	11.0	8	GS-2	0	0	2	15.0	8	WG-8	0	0	1	11.0
8	GS-4	0	0	2	6.0	8	GS-4	0	0	2	5.0	8	WG-10	0	0	1	13.0
8	GS-4	0	0	2	4.0	8	WG-8	1	0	2	20.0	8	GS-9	0	0	1	5.2
8	GS-3	0	0	1	4.0	8	WG-2	0	0	2	1.0	8	GS-9	0	0	5	16.0
8	GS-4	0	0	1	14.0	8	GS-9	0	0	4	3.0	8	WG-5	0	0	1	6.0
8	0	0	0	2	1.0	8	GS-3	0	0	1	10.0	8	GS-11	1	1	2	13.0
8	GS-3	0	0	2	21.0	8	GS-6	0	0	3	20.0	8	GS-5	0	0	3	12.0
8	GS-3	0	0	2	4.0	8	GS-11	1	1	5	1.0	8	GS-9	0	1	4	1.0
8	0	0	0	2	1.0	8	0	0	0	7.0	8	GS-9	0	0	5	2.0	
8	WG-2	0	0	1	5.0	8	GS-9	0	0	4	2.0	8	GS-9	0	0	4	12.0
8	GS-4	0	0	1	12.0	8	GS-9	0	0	1	11.0	8	0	0	0	4.0	
8	GS-4	0	0	1	5.0	8	GS-3	0	0	2	15.0	8	GS-4	0	0	1	17.0
8	WG-8	0	0	1	5.0	8	GS-4	0	0	1	17.0	8	GS-9	0	0	1	13.0
8	GS-8	0	0	1	3.0	8	GS-4	0	0	1	4.0	8	GS-3	0	0	4	23.0
8	GS-3	0	0	2	4.0	8	WG-2	0	0	1	16.0	8	GS-4	0	0	1	14.0
8	GS-9	0	0	4	4.0	8	WG-2	0	0	1	4.0	8	GS-11	0	0	1	7.0
8	GS-11	0	0	4	6.0	8	WG-3	0	0	2	2.0	8	WG-10	0	0	1	19.0
8	GS-9	0	0	4	8.0	8	GS-4	0	0	3	2.0	8	GS-3	0	0	2	1.0
8	GS-4	0	0	3	13.0	8	GS-4	0	0	1	16.0	8	WG-5	0	0	1	19.0
8	GS-3	0	0	1	6.0	8	GS-4	0	0	1	1.5	8	WG-5	0	0	1	7.0
8	GS-9	0	0	4	4.0	8	WG-5	0	0	1	8.0	8	WG-5	0	0	2	16.0
8	GS-3	0	0	1	1.0	8	GS-4	0	0	3	3.0	8	GS-3	0	0	1	1.0
8	WG-5	0	0	1	10.0	8	GS-3	0	0	2	8.0	8	GS-9	0	0	1	10.0
8	GS-11	1	1	5	12.0	8	0	1	1	9.0	8	WG-11	0	0	1	9.0	
8	WG-5	1	1	1	14.0	8	WG-2	0	0	2	25.0	8	0	0	0	2.0	
8	WG-7	1	1	1	10.0	8	GS-9	1	1	5	2.0	8	WG-9	0	0	2	2.0
8	GS-11	1	1	2	16.0	8	WG-9	0	0	2	22.0	9	GS-14	1	1	4	22.5
8	0	0	0	4	2.0	8	WG-5	0	0	1	3.0	9	GS-14	1	1	4	9.5
8	0	0	0	1	2.0	8	GS-9	0	0	4	22.0	9	GS-14	1	1	4	12.5
8	0	0	0	3	2.0	8	0	0	0	1.0	9	GS-13	1	1	0	18.5	
8	GS-4	0	0	1	16.0	8	GS-4	0	0	2	15.0	9	GS-13	0	1	5	28.5
8	GS-11	0	0	1	18.0	8	GS-9	0	0	4	1.0	9	GS-13	1	1	4	13.5
8	GS-9	0	0	4	11.0	8	GS-4	0	0	2	17.0	9	GS-13	1	1	5	5.5
8	GS-3	0	0	3	3.0	8	GS-4	0	0	1	9.0	9	GS-13	1	1	3	14.5
8	GS-11	1	1	1	4.0	8	GS-9	0	0	4	15.0	9	GS-12	1	1	4	17.5
8	GS-4	0	0	3	4.0	8	GS-4	0	0	3	5.0	9	GS-12	1	1	4	20.5
8	GS-4	0	0	1	19.0	8	GS-9	0	0	4	9.0	9	GS-12	0	0	4	7.5
8	GS-9	0	0	4	3.0	8	GS-4	0	0	1	10.0	9	GS-12	1	1	4	7.5
8	GS-3	0	0	1	19.0	8	WG-8	1	1	1	7.0	9	GS-12	1	1	2	14.5
8	GS-9	0	0	1	1.0	8	GS-9	0	0	5	1.0	9	GS-11	0	0	4	20.5
8	GS-3	0	0	2	3.0	8	GS-9	0	0	4	13.0	9	GS-11	1	1	4	13.5
8	GS-5	0	0	3	11.0	8	WG-2	0	0	1	4.0	9	GS-11	1	1	0	7.5
8	GS-4	0	0	3	12.0	8	GS-5	1	0	2	25.0	9	GS-11	1	1	3	4.5
8	GS-3	0	0	2	4.0	8	WG-2	0	0	1	10.0	9	GS-11	1	1	4	14.5
8	GS-3	0	0	1	4.0	8	WG-3	0	0	1	11.0	9	GS-11	1	1	2	28.5
8	0	0	0	3	1.0	8	GS-9	0	0	4	16.0	9	GS-11	0	1	4	11.5
8	GS-4	0	0	3	5.0	8	WG-9	0	0	2	6.0	9	GS-9	0	1	4	2.5
8	WG-2	0	0	1	5.0	8	WG-5	1	1	2	5.0	9	GS-9	1	1	4	17.5
8	GS-5	0	0	1	17.0	8	GS-9	1	1	4	2.0	9	GS-9	1	1	3	17.5
8	GS-4	0	0	1	12.0	8	0	0	0	3	1.0	9	GS-9	0	1	4	3.5
8	WG-7	0	0	2	1.0	8	GS-9	0	0	4	5.0	9	GS-9	0	1	4	38.5
8	GS-4	0	0	2	9.0	8	WG-2	0	0	1	7.0	9	GS-9	0	1	4	15.5
8	GS-5	0	0	4	1.0	8	GS-4	0	0	2	8.0	9	GS-9	0	0	4	2.5
8	GS-4	0	0	2	4.0	8	GS-5	1	0	2	11.0	9	GS-9	0	1	3	35.5
8	GS-4	0	0	1	8.0	8	GS-5	1	0	3	9.0	9	GS-9	0	0	4	17.5
8	WG-5	0	0	2	16.0	8	GS-3	0	0	3	6.0	9	GS-9	1	1	5	1.5
8	GS-4	0	0	1	3.0	8	WG-2	0	0	2	3.0	9	GS-9	0	0	4	5.5
8	GS-9	0	0	1	1.0	8	GS-3	0	0	2	3.0	9	GS-9	0	0	4	25.5
8	GS-4	0	0	1	15.0	8	WG-9	0	0	1	13.0	9	GS-7	0	0	2	9.5
8	WG-10	0	0	1	7.0	8	GS-14	1	1	4	21.0	9	GS-7	0	0	3	16.5
8	WG-9	0	0	1	8.0	8	GS-3	0	0	2	1.0	9	GS-7	1	0	1	26.5</

(A)	(B)	(C)	(D)	(E)	(F)	(A)	(B)	(C)	(D)	(E)	(F)
9	GS-5	1	0	4	16.5	11	GS-5	0	0	3	3.5
9	GS-4	0	0	3	1.5	11	GS-8	0	0	1	21.0
9	GS-4	0	0	2	4.5	11	GS-3	0	0	3	1.7
9	GS-4	0	0	1	13.5	11	GS-9	0	0	3	19.0
9	GS-4	0	0	3	4.5	11	GS-11	0	1	4	9.0
9	GS-4	0	0	3	18.5	11	GS-9	0	1	4	33.0
9	GS-4	0	1	2	12.5	11	GS-9	0	1	4	2.0
9	GS-4	0	0	2	12.5	11	GS-9	0	0	3	7.0
9	GS-3	0	0	3	12.5	11	GS-3	0	1	4	15.0
9	0	1	0	3	11.5	11	GS-12	1	0	1	12.0
9	0	1	0	1	7.5	11	0	0	0	4	8.0
9	0	1	1	1	21.5	11	GS-11	0	0	2	5.0
9	0	1	1	1	14.5	11	GS-5	1	1	5	5.0
9	0	1	1	1	6.5	11	GS-15	1	1	4	7.0
9	0	1	1	1	10.5	11	GS-14	1	1	5	8.0
9	0	1	1	1	12.5	11	GS-12	0	1	2	1.5
9	0	1	0	2	22.5	11	GS-6	0	1	2	8.0
9	0	1	0	2	10.5	11	GS-7	0	1	3	25.0
9	0	1	0	2	24.5	11	GS-13	1	1	3	5.5
9	WG-10	0	1	2	6.5	11	GS-12	1	1	2	20.5
9	WG-9	0	0	2	3.5	11	GS-13	1	1	5	3.0
9	WG-9	0	0	2	17.5	11	GS-13	0	1	2	2.0
9	WG-9	0	1	2	5.5	11	GS-5	0	0	3	3.5
9	WG-7	0	0	2	16.5	11	GS-13	0	0	4	1.0
9	WG-7	0	0	2	19.5	11	GS-5	0	0	3	4
9	WG-5	0	0	1	1.5	11	GS-3	1	0	2	20.5
9	WG-5	0	0	1	18.5	11	GS-7	0	1	4	1.0
9	WG-5	0	0	1	2.5	11	GS-9	1	1	3	23.0
9	WG-5	0	0	2	5.5	11	GS-7	0	1	2	2.5
9	WG-3	0	0	2	7.5	11	GS-5	0	1	3	1.5
9	WG-3	0	0	2	3.5	11	GS-11	1	1	2	20.0
9	WG-2	0	0	2	3.5	11	GS-11	1	1	3	18.0
9	0	0	1	1	8.5						
9	0	0	0	1	18.5						
9	0	0	1	1	15.5						
9	0	0	0	1	6.5						
9	0	0	0	1	4.5						
9	0	0	0	2	6.5						
9	0	0	1	2	4.5						
9	0	0	1	1	3.5						
9	0	1	1	1	20.0						
10	GS-9	1	0	3	21.1						
10	GS-6	0	0	3	16.8						
10	GS-14	1	0	3	36.7						
10	GS-9	0	1	2	20.2						
10	GS-11	0	0	3	5.9						
10	GS-3	0	0	2	1						
10	GS-12	0	1	4	19.1						
10	GS-7	0	1	2	14.5						
10	GS-4	0	1	2	1						
10	GS-9	0	0	2	8.8						
10	GS-11	0	1	5	1.6						
10	0	0	1	2	1.5						
10	0	0	1	2	7.6						
10	GS-9	0	1	2	1.7						
10	GS-7	0	1	4	4.0						
10	GS-9	0	1	4	1.8						
10	GS-9	0	1	4	2.1						
10	GS-11	1	0	5	4.8						
10	GS-3	0	1	1	10.8						
10	GS-12	1	1	2	10.3						
10	GS-5	0	0	2	6.5						
10	GS-9	1	1	4	7.8						
10	GS-4	0	0	2	1.0						
10	GS-4	0	1	2	.2						
10	WG-10	0	0	1	11.7						
10	GS-4	0	1	2	10.7						
10	GS-4	0	0	2	4.1						
10	GS-5	0	1	1	23.5						
10	0	0	0	3	5.1						
10	GS-7	0	0	3	21.8						
10	GS-7	1	0	3	7.8						
10	GS-4	0	0	2	1.4						
10	GS-3	0	0	2	.2						
10	GS-5	0	0	2	11.9						
10	0	0	0	1	8.2						
10	GS-6	0	0	3	23.2						
10	GS-5	0	1	1	22.0						
10	0	1	1	1	8.3						
10	0	1	1	1	6.2						
10	GS-7	1	0	2	33.4						
10	GS-12	0	0	3	27.1						
10	GS-7	1	1	3	4.8						
10	GS-6	0	0	3	10.4						
10	GS-5	0	1	2	14.4						
10	GS-4	0	1	2	1.5						
10	GS-4	0	0	1	.6						
10	GS-4	0	0	2	3.5						
10	GS-5	0	1	4	.6						
10	GS-11	1	1	4	11.8						
10	GS-12	1	1	2	8.8						
10	GS-5	0	0	3	34.4						
10	GS-12	1	1	4	14.8						
10	GS-11	0	1	5	.8						
10	GS-9	1	1	4	7.2						
10	GS-7	0	1	4	1.5						
10	GS-9	0	1	4	4.8						
10	GS-5	0	0	3	6.3						
10	GS-13	1	1	4	19.0						
10	GS-7	1	0	2	5.7						
10	GS-5	0	0	3	1.1						
10	GS-7	0	1	4	2.7						
11	GS-5	0	1	3	8.5						
11	GS-9	0	1	2	1.0						
11	GS-13	1	1	4	16.0						
11	GS-4	0	0	3	8.5						
11	GS-4	0	1	3	7.5						
11	GS-11	0	1	4	5.5						
11	GS-4	0	0	3	.3						
11	GS-7	0	1	2	9.0						
11	GS-11	0	1	3	13.0						

addition, I shall consider some of the methods which the Federal Reserve uses in an attempt to meet some of these difficulties.

SOME PROBLEM AREAS FOR DECISIONMAKING
Conflicts of goals

A coherent monetary policy must be oriented toward achieving both long-run and short-run goals. Long-run goals usually include an optimum growth rate for real output together with minimum levels of unemployment and a relatively stable price level. In attempting to achieve these goals, policymakers must also consider sectoral problems such as the balance of payments, impacts on major industries and geographical areas, and the distribution of income. As is well recognized, choices of trade-offs among these goals and constraints depend heavily on value judgments in the decision-making process.

In addition to these long-run policy aims, however, there may be goals which appear to be short run, but which have longer run implications for the efficiency and output levels of the economy. In the field of monetary policy some of these short-run goals are concerned with the maintenance of orderly markets and with movements of assets and liabilities among financial institutions. Avoidance of extremely sharp shifts in rates and flows, both domestic and international, may mean lower longrun costs as well as more optimum allocations of savings and capital. Some of the possibilities which must be considered in the selection and operation of monetary policies are rapid shifts of deposits from intermediaries to money market instruments, failure of financial institutions and brokers or dealers, sudden changes in demands for liquidity, and the inability of creditworthy borrowers to obtain loans because of a general decrease in confidence in the credit system. Because these and similar eventualities may be extremely costly to the over-all economy, monetary policy must be concerned with its impacts in these areas as well as on the level of spending.

Generally, short-run goals have been ignored by theorists in monetary economics. The problem is that most models deal almost exclusively with policy instruments, and cannot comprehend such forces as the impact of a sudden change in the demand for liquidity, or the difficulties raised by short-run movements in financial flows and rates of return even though these result in subsequent feedback effects on the public and eventual impacts on gross national product. Despite their absence from almost all models, economists recognize that such forces can create extreme pressures on particular types of financial institutions, and that if they become cumulative they can seriously damage or destroy the underlying financial structure of the economy, as they have in past financial panics. Relating the goal of avoiding the disequilibrating effects of such developments to other goals remains a highly judgmental and qualitative process. Thus, to a certain extent, the short-term goal of avoiding the disruptive impacts of sudden liquidity shifts can be pursued as an end in itself, and may at times take precedence over all other goals.¹

Given the varying degrees of interrelatedness among potential goals, the monetary authority is always faced with the dilemma of having to establish priorities among them, and with accepting less than optimal values of conditions in one area in order to achieve a desired setting elsewhere.

Choosing a model for policy

All policy-makers use a model or models (implicit or explicit) to enable them to esti-

¹ For a theory of how a financial system can generate such short-run movements, see Minsky [6]. Unfortunately, there has been no successful attempt to translate the theoretical content of Minsky's work into an operational model which will assist policy-makers.

MONETARY POLICY: UNCERTAINTY AND OPERATIONS

HON. JEFFERY COHELAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. COHELAN. Mr. Speaker, the state of the national economy is an issue of paramount importance. The condition of the economy affects every citizen. I have consistently urged the President to take a stronger hand in dealing with our economic miseries, but he has yet to respond strongly.

The President continues to place heavy emphasis on monetary policy and while few can fault this emphasis—it should be one factor considered with other important economic variables.

In two articles Sherman Maisel, member of the Federal Reserve Board, examines the liabilities in a single emphasis of monetary policy. In his first article "Monetary Policy," he examines the content of the term "money supply" and "The Money Supply" in a longer article "Monetary Policy: Uncertainty and Operations," attempts to place monetary theory in perspective as a methodology which assists in the determination of governmental economic decisions.

I commend these articles to the readers of this RECORD:

MONETARY POLICY: UNCERTAINTY AND OPERATIONS

(By Sherman J. Maisel)

Any useful discussion of economic planning and macroeconomic policy must deal with a wide range of theoretical and institutional problems. Some of the most interesting and important of these problems arise when theoretical constructs are applied to specific policy decisions. I shall discuss some of the difficulties encountered in designing and executing monetary policy as an example of this type of problem.

Specifically, I shall briefly treat problems arising from (a) conflicts of goals; (b) incomplete models; and (c) uncertainty. In

mate the expected impact of changes in the policy variables which they control on movements in the economy and, therefore, on the achievement of the desired goals. Unfortunately, however, there is far from complete agreement on what are proper or correct models for this purpose.

There are at least three major types of strategic monetary variables which theory offers the policy-maker as significant in influencing the final goals:

(1) Monetary or credit aggregates such as: the money supply narrowly or broadly defined; deposits of financial institutions; member bank liabilities or credit; broader concepts of credit flows, liquid assets, wealth, and lending.

(2) Relative and absolute real or nominal interest rates.

(3) The general atmosphere of the credit markets and banking as reflected in expectations; demand for credit; and the amount of credit being supplied.

The movements in these strategic monetary variables in turn result from interactions of the specific instrumental policy variables controlled by the monetary authority together with decisions made by private financial institutions, the Treasury, corporations, and individuals.

There are an extremely large number of models and views which attempt to explain how and to what extent these variables influence prices and economic activity as well as how these intermediate variables are influenced by the policy variables controlled by the policy-maker.²

It should be recognized that much of the debate over the correct choice of a policy model is really not a debate over macroeconomic theory. We could probably build a theoretical model which all could agree on. We could do this by letting one group set down its equations, and then allowing other groups to suggest the addition of other variables and equations. Most theories could be encompassed in a single model, with a large number of variables and equations.

The present debate is really about the number of variables and the size of the coefficients on those variables which are included in the models offered to the policy-maker for his use. Few would completely rule out the possibility that variables or equations contained in the theories of others, but omitted from their own, might at some point in time add to the explanatory capacity of their preferred model. Debates occur because some assume that certain elasticities are large, others that they are small. Some drop equations because they assume that coefficients are zero in the relevant range of variables. Thus, the policy debates center about such questions as how much should a particular monetary variable be altered at a given time if we want to achieve a specific goal? Given a particular setting for a monetary variable, what will be the effect on other goals? Because of all the well-known disabilities of econometrics and statistics, we have no certain method of choosing among the models which are offered.

Another major problem with today's models is that most theory concerned with economic policy-making remains one of comparative statics. Even dynamic econometric models rely on comparative statics for their underlying theoretical base. But policy in the short run deals with a system which is in constant disequilibrium and which is being subjected to a continuous series of shocks. We never reach, nor even approach, the equilibrium position which most theories and models are concerned with. This is not to say that comparative statics is useless in helping to analyze policy choices, but only to point out it is not a fully satisfactory pro-

cedure. For the present, it's about all we have.

Uncertainties

There are at least three major sources of uncertainty in planning. Each of these must be taken into account in the decision-making process.

The problem of selecting a model leads immediately to a first type of uncertainty. When we start to make policy, we are uncertain as to the functional relationships among variables and the values of the coefficients given by the hypothesized relationships. Knowing that our view of the world is not 100 per cent accurate, we encounter two subclasses of uncertainty of this type:

(1) First, there is uncertainty about the relationships primarily within the monetary sphere. When the monetary authority decides to alter the setting of its policy instrument variables, it cannot predict accurately the impact of these changes on the intermediate monetary variables. We have only rough estimates of the relevant monetary demand and supply functions. The relationships of open market operations, or any other monetary instrument, to the money supply or interest rates, particularly in the short run, are neither simple, direct, nor fully understood. Beyond this, most equations in the monetary sphere contain variables outside the control of the monetary authorities. The movements in these variables may or may not be affected by policy changes, but the fact that they are beyond the control of the policy-maker adds uncertainty to any decision.

(2) Another subclass or functional uncertainty is that which surrounds the relationship between the strategic monetary variables and policy goals. For example, even if we accepted a theory which assigned the dominant role in influencing spending to the money supply, there would still be uncertainty as to the value of the coefficients relating current and past changes in the money supply to the GNP, as well as in those relating changes in spending to movements in real and nominal output and employment. In addition, existing theories tell us little about the short-run impact of changes in the money supply on interest rates, liquidity, expectations, or availability of credit, all impacts which may be of considerable relevance to other policy goals of the monetary authority.

A second type of uncertainty arises from the fact that at any time the data which we must use are far from exact. This is a problem which affects our selection of both policy and strategic goals. For example, the United States data on the gross national product are available on a quarterly basis, with a lag of roughly one month for the first "preliminary" estimates and then another month for "provisional" estimates. Finally, once a year, estimates for the previous three years are re-evaluated. The differences between the first and last estimates can be considerable, enough in fact to have led some observers to conclude that economic policy would have been different at certain periods in the past if policy-makers had been working with the "final" estimates instead of earlier ones.

Similar problems of "noise" exist in the monetary variables. At the time a policy decision must be taken, estimates of the monetary variables have a wide variance or a large degree of unreliability. It is difficult to decide whether to change a policy tool if the existing reading of the monetary variable is well within the normal range of error from a desired position.³

Some theories assign most of the responsibility for variations in spending and output to movements in the rate of change in the narrowly defined money supply. As an example, one well-known model estimates that each increase in the narrowly defined money

supply (M_1) of \$170 million will eventually increase GNP by \$1 billion. But consider the implications of the fact that revisions between the money supply as first reported and as currently estimated average \$152 million per week for 1967-69. Revisions had a range of \$-1.4 billion to \$+1.0 billion. Their mean deviation was over \$490 million. In 1969, revisions of the estimated growth rate of the money supply in the first six months amounted to over 100 per cent. The difference between the model's estimate during the decision-making period and that which the model predicted from the revised data of the total monetary policy impact on the GNP was nearly \$10 billion, or a magnitude that in many cases would encompass the difference between an inflationary and deflationary policy.

A third type of uncertainty confronting the policy-maker concerns the values of the exogenous variables beyond his immediate control. Government itself is frequently a major source of such disturbances, with major changes in predicted spending plans and revenues. Business investment is another example. Clearly, the larger the number of exogenous variables that must be included in any model, the greater the uncertainty from this source. Making more variables endogenous does not, however, solve this problem. They tend to increase—not decrease—the standard error of forecast.

These and similar sources of uncertainty are what make the choice of proper indicators of monetary policy so difficult. Any single indicator can at any time be giving a completely incorrect reading of the actual impact of monetary policy. Coefficients in policy-makers' models may be wrong, the assumed values of the data may be incorrect, the strength or weakness of exogenous variables may be improperly estimated. As a result, because of distortions introduced in the decision-making process by the vagaries of the real world, a given indicator or model at the moment of the policy decision may yield an estimate of the impact of monetary policy decisions which differs significantly, even to the point of an opposite sign, from those actual requirements which would be shown by a correct and true model.

PLANNING IN THE SHORT RUN

Having discussed how difficult it is to design monetary policy in a world of conflicting goals and uncertainty, I shall now suggest a somewhat idealized and over-simplified procedure which enables policymakers at the Federal Reserve to come fact-to-face with reality, if not to unanimous agreement. It is, of course, a truism that policy must be made no matter how great the uncertainty. Failure to alter monetary policy variables is as much a policy decision as altering them. The problem is to obtain the best possible decision given all the difficulties of the underlying situation.

The system utilized contains at least five distinct attributes. It attempts, obviously, to achieve the best possible current performance. In addition, in designing and operating it, attention has been given to the importance of maintaining a structure which can improve future performance. Such improvements are only possible if errors and mistakes are recognized and corrected. This means that existing theories and models must be constantly tested in order to develop better theories, data, and judgment for the future.

(1) There is a constant struggle and a large expenditure of effort to maintain and improve the flow of information. The knowledge sought includes both qualitative and quantitative data of the past and current situations as well as forecasts of the future.

(2) Many different models are used. Each

²For a discussion of this problem, cf. Mises [5].

³Cf. Davis [2].

is under continuous study with elements being constantly revised so as to enable each to encompass the latest developments in both theory and actuality. The models are used to simulate varying policy options and possible changes in the non-policy spheres so that the sensitivity of the economy to different exogenous and policy changes may be estimated.

(3) Policy is not usually altered in response to week-to-week or short-run movements in the data. Rather longer run spans are used in order to avoid the pitfall of over-interpretation of short-run developments. Insofar as possible, attempts are made to give proper weight to the past reliability of the data.

(4) Policy is not based on a liberal acceptance of any specific fixed model. Rather it develops with the use of discussion and debate which allow for the introduction of judgment as to the economy and the model and value judgments over goals. All of these tend to be excluded (or deeply buried) in the more formal models.

(5) A variety of policy tools and several monetary variables are encompassed in the analysis and decision-making process. It is recognized that each tool may have a differing impact on each monetary variable depending on circumstances. In addition, in particular periods, both tools and monetary variables may reach limits beyond which any movement may endanger some of the desired goals. Flexibility is maintained in both plans and operations to allow switching among policy variables as indicators move outside their normal range. In practice switching appears to improve current performance. In addition, it appears proper and logical on theoretical grounds.

The models

The earlier references, Malsel [5] and Davis, [2], outline the basic type of very general models used by the Federal Reserve. In effect, the Fed has some specific policy instrument variables: open market operations, the discount rate, ceilings on interest rates paid by banks, required reserve ratios, and some policy with respect to the frequency and amount of discounts. Changes in these variables interact with demands and actions of other financial institutions—in particular, commercial banks and the Treasury—and the general public. The result of these interactions are changes in the monetary aggregates, in interest rates, and in the willingness to lend. Movements in these strategic monetary variables in turn influence total spending (the GNP) as well as particular markets and sectors of the economy.

The decision-making problem is to determine when and to what degree to alter the policy variables so as to move the economy closer to desired goals given current assumptions about the economy, exogenous variables, and the reactions to any changes in Fed policy.

In the Federal Reserve System we take as the relevant planning period the next twelve months, broken down into four quarters. The staff of the policy-making Federal Open Market Committee (FOMC) constructs a four-quarter forecast of gross national product, broken down into components. The GNP is projected based on expected movements in non-monetary forces and on specific assumptions about future monetary and fiscal policies including their impact on the monetary variables. The projections include movements in all monetary aggregates such as bank reserves, the money stock, bank credit, all financial institution assets, total credit flows and short- and long-term interest rates. These are based on the expected interaction between the movements in the GNP and the assumed monetary and fiscal policy.

Within this general type of framework, we rely on both judgmental and econometric models to assist us in evaluating alternative

courses of monetary policy. Appendix I lists the contents of a typical forecast of this type. The over-all structures are based on the GNP and the flow of funds accounts. A judgmental model of spending, output, employment, and prices consists of roughly 100 variables including monetary and credit variables. Forecasts are made partly from past trends, partly from individual equations, and partly from computer models of past relationships. These projections are then checked against the logic of the large-scale econometric model and simulations made with it.

Not surprisingly, we continue to rely rather heavily on the judgmental forecasts. In fact, when it comes to short-run policy, even the most dedicated econometricians will concede that mathematical models of the economy have a serious disadvantage. An econometrician can explain errors as stochastic disturbances, or a deviation of actual from predicted gross national product as falling within the standard error of his model. The policy-maker, however, particularly in a democracy, cannot use this language to comfort critics if he wishes to remain an effective policymaker.

Alternatives

In the actual decision-making process, to the basic projection one or two alternate courses for monetary policy are added. Staff analysis works through the interrelated movements in the monetary aggregates, interest rates, output, employment, and prices which would be expected to result from different settings of the policy instruments.

Ideally, those projection exercises can be (and to some extent are) repeated for different views on how monetary policy affects the economy. The differing results highlight the critical variables and their impact on agreed-upon policy goals. Staff resources impose practical limits on the number of exercises. Even with extremely dedicated and competent staff members, we are able to investigate only a small number of alternatives at each FOMC meeting.

It is difficult to over-emphasize the importance of considering alternative monetary policies. Without adequate presentation of the implications of alternative policies, decision-making by policy-makers becomes a largely hit-or-miss affair. If policy-makers do not consider alternatives, they are, in effect, abnegating their responsibility to make decisions. This point of view quite clearly runs counter to that which holds monetary policy-making should be largely confined to following fixed "rules" concerning monetary aggregates.

In my view, the central bank must develop policies based on its recognition of lack of knowledge of both the complete economic situation and the actual workings of the economy. Contrary to the views of some that uncertainties should lead to less flexible policies, I believe, on both practical and theoretical grounds, uncertainties require the use of more judgment and flexibility. A critical problem in using a simple rule would be what to do when the levels of the indicators are in areas with potentially large policy implications, but still well within the range expected because of the "noise" in the system. Particularly when we admit the existence of short-term goals, such as avoiding sharp fluctuations in exchange rates and the adverse impacts of sudden shifts in desired financial asset holdings, it is doubtful that any monetary authority could properly function with only a set of unchanging rules to guide them.

Group decisionmaking

The alternative models as presented by the staff are subject to analysis and debate by the policy-makers—which in the case of the Federal Reserve System consists of either the Board of Governors with seven members or the broader Federal Open Market Com-

mittee which includes the Board plus five regional Federal Reserve Bank presidents.

This debate brings out differing theoretical interpretations and views with respect to the basic presentation. Each policy-maker adds his judgment plus any arguments he may wish to advance for theoretical concepts or coefficients different from that of the staff. These differences may be concerned with the staff's estimate of the current situation, views as to the probable future movements of exogenous variables, or as to the impact of possible policy changes on both the monetary and banking variables and on spending, output, employment, and prices.

The policy-makers may also, of course, and frequently do differ as to their views of the weight to be given to conflicting goals. Such differences encompass both the importance of specific short- versus long-run goals but also the trade-offs among prices, employment, balance of payments, residential construction, etc.

The debate among the policy-makers ends up with a decision as to the desired movements of the monetary variables over a future period. If necessary, action is taken to reset the policy variables in line with these desired movements. Policy is under constant re-examination with a semi-formal review at least weekly and a more formal and detailed examination at monthly intervals.

Similarly, revisions of the projections occur at far shorter intervals than the actual horizons used in the analysis and/or that adopted for policies. Ongoing and prospective movements in the policy variables are estimated on the basis of incoming daily data. As the data accumulate, changes in their expected future relationships are indicated and every week regular re-estimates of the policy and monetary variables are made for the next 90 days. However, the detailed projections of the GNP and all financial variables may be completely reworked as few as three times a year.

Uncertainty

How do the FOMC's decisions take account of the presence of uncertainty? There are four channels through which allowances for uncertainty are made: multiple objectives, the use of ranges, the use of proviso clauses, and the ability to adjust settings on any of a variety of policy tools.

In the formal directive and associated memoranda which result from policy meetings of the FOMC, multiple strategic goals for the intermediate monetary variables as well as over-all policy goals are laid out. The directive contains desired movements in the monetary aggregates plus ranges of bank reserves and borrowings and sensitive money market interest rates believed to be internally consistent both with respect to the monetary variables but also to the desired movement of the economy. While numbers are given for the expected movements in each variable, it is recognized that variations around each of these numbers are to be expected. As a result, it is not a matter for immediate concern if the expected relationships between policy goals, strategic goals, and the day-to-day banking and money market indicators do not work out in exact detail. The specific parameters which govern these relationships are unknown; they may vary tremendously in the short run because of the erratic behavior of the data, and because the nature and extent of all future exogenous disturbances cannot be predicted. In between meetings of the FOMC, it is the job of the Manager of the Open Market Account to carry out operations according to the directive and its associated memoranda. Given the multiple objectives and ranges, the Manager's task of dealing with uncertainty is rendered more feasible than if he were given a single objective and single-valued indicators.

Because the variances in both the data and the relationships are recognized, the Manager need only make certain that the

general direction and, within a rather broad range, the rate of movement of the monetary variables are maintained. He has as guideposts the development of relationships in the recent past as well as historically. He must react when the estimates of the key monetary variables move too far from the desired path or when they remain above or below the targets for several weeks. But, given the Manager's close and continuing contact with the financial markets, he is allowed to use his own judgment as to how best to move to the desired path with a minimum of under- and overshooting. He is given the best technical and statistical aid available but the success of the operation to meet the targets will depend greatly on individual skill and judgment.

The existence of proviso clauses gives the Manager new instructions in case the postulated relationships deviate beyond acceptable ranges. In effect, he is told to switch his primary target if it can only be maintained at the expense of an overly large movement in one of the secondary targets. As an example, assume the Manager has had as a prime target the blending of a 3 per cent growth rate in the narrowly defined money supply with an 8 per cent growth rate in a more broadly defined money supply (such as bank credit). The blend is used partly because of knowledge that the errors in measuring the two separate concepts are likely to be less than the errors in either one and partly to encompass conflicting theories of how monetary variables influence spending. Such a monetary movement might, in the assumed case, be estimated as consistent with a 7 per cent call money (Federal funds) rate. Then depending on the directive the proviso might come into effect even if the growth rate for money was on target when the call money rate rose over 8 per cent. The proviso would require that he switch his target and instead of aiming at the growth rate in the monetary aggregates he would attempt to lower the call money rate below 8 per cent by his operations.

The logic of the proviso, or "switching rule," arises from the lack of certainty. The break in past relationships may reflect errors in the measurement of the growth in money or it might reflect a shift in the liquidity schedule, and therefore a larger demand for money. In either of these or similar cases the reported growth rate of money should be larger than initially projected. This increased growth would be in accordance with and not harmful to the ultimate policy goals. In each of these cases, the policy-maker has determined in advance that a change in targets would be proper. Model simulations indicate that such switches give better results than maintaining the original target.⁴ Furthermore, any movement in the call rate above 8 per cent might threaten a short-run goal because of its impacts on confidence and financial institutions.

Such a re-ordering of targets, however, is a delicate matter. The Manager, and ultimately the FOMC, is faced with the possibility that the numbers are really accurate and the relationships have not changed so that the higher than expected short-term interest rates arise from a larger than desirable rise in spending. In such a case, since the subordination of long-term to short-term goals is costly, there may be a consequent need to undertake drastic action to "get back on the path" towards the long-run targets. A shift to allow higher than previously expected current interest rates may be necessary even if the switch to using a maximum rate rather than a monetary aggregate guide was not wrong. For example, if a sudden shift in liquidity preferences calls for a large increase in the amount of reserves supplied to the banking system via open market operations, the Manager and the FOMC have to

consider the implications if liquidity preferences shift rapidly in an opposite direction within a short period. Clearly, long-run objectives must have an influence when decisions are being reached on how to deal with short-run phenomena.

The logic of the way in which policy is formed and the use of multiple objectives should be understood. No matter what the basis for operations—either monetary aggregates, money market conditions, or interest rates more broadly—the FOMC can hardly avoid making judgments at each meeting as to the appropriateness of the targets it sets. Moreover, when data do not move according to expectations and past relationships, it must make judgments as to the degree by which it may be willing to sacrifice its long-run goal in the short run, or may be willing to alter its long-run goal given the existence of uncertainties. With emphasis on the path of monetary aggregates over the longer run, monetary policy can permit unexpected shifts in the demands for goods and services to be offset by countervailing movements in interest rates and credit conditions. At the same time, because of concern with the condition of money markets over the short run, it is desirable that monetary policy be conducted in such a way that purely short-run shifts in demands for credit and money are not permitted to lead to cumulative and undesired changes in market conditions and the public's spending propensities.

The existence of policy tools other than open market operations also enables monetary policy-makers to deal more effectively with the problems caused by uncertainty and multiple goals. Reserve requirements, lending policy toward commercial banks, and interest rate regulation can be used to assist in achieving strategic and policy goals. While none of these tools is as sensitive and capable of day-to-day adjustments as open market operations, they nonetheless do enable policy-makers to influence different sectors of the monetary system and in such a way as to help in the achievement of differing goals.⁵

CONCLUSION

Let me conclude by re-emphasizing what I consider to be the important results of this examination.

Coherent monetary policy can be best achieved by forcing policymakers to (1) specify their goals clearly, (2) think quantitatively, (3) explicitly allow for the presence of uncertainty, (4) consider in some detail alternative policy paths and their implications, and (5) enable non-quantitative and judgmental considerations to be expressed in the quantitative form necessary for operations. With guidelines based on these factors we can get a better idea of the trade-offs, risks, and lack of knowledge associated with different policies and differing theoretical constructs of the world.

If our objective is to minimize the difference between the target and realized values of a policy goal, it makes both theoretical and practical sense to use overlapping models and as many policy instruments as possible rather than to attempt to guess at the right theory or to put one's entire trust in one or a minimum number of variables. Such a procedure will tend to minimize undesirable results.

⁴ The tendency for real world policy-makers to use all available tools (or "instruments"), no matter what the number of goals, suggests that the conclusion reached by some writers, such as Tinbergen [10] and Mundell [7] ("we need no more instruments than there are goals"), is not applicable to a world of uncertainty. And recently Brainard [1] and Poole [9] have formally demonstrated how the presence of uncertainty can lead to operational policies quite different from those which would be followed in a world of certainty.

Progress is being made at constructing workable rules of thumb to guide policy-makers. Even though we may not be able to get optimal solutions given the current state of knowledge, examining past policy successes and failures in light of theoretical advances should help us to avoid the worst mistakes of the past.

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FIGURE I—DESCRIPTION OF A RECENT FEDERAL RESERVE BOARD JUDGMENTAL FORECAST

A total of 106 variables were projected forward one year with estimates of the level and rate of change for each variable in each quarter of the year ahead. These variables can be classified into six groups:

GNP and National Income (22 series). Includes estimates of personal consumption expenditures, broken down into durable goods, nondurables, and services; private domestic investment, broken down into residential construction, business fixed investment, and the change in business inventories; government purchases of goods and services, divided into defense-related items, other, and state and local purchases; corporate profits; and personal income.

Employment and Labor Force (5 series). Employment is manufacturing, armed forces, nonfarm payroll employment; total labor force; and the unemployment rate.

Physical Volume of Production (4 series). Industrial production index; capacity utilization; housing starts; and sales of new domestic automobiles.

Balance of Payments (19 series). Includes imports, exports; military expenditures; receipts and payments of investment income; corporate claims on foreigners; purchases of U.S. corporate stocks; and increase in liabilities to commercial banks abroad.

Flow of Funds (48 series). Total borrowing by type of credit instrument by sector borrowing, and sector supplying; net purchases of government securities by sector; and commercial bank assets and liability acquisitions.

Key Monetary Variables (10 series). Reserves; money supplies; bank credit; and interest rates.

From these 106 variables, a total of 187 series were constructed as the variables were expressed singly or in combination as levels, changes, ratios, and rates of change.

⁴ Cf. Piercem [8].

MONETARY POLICY: THE MONEY SUPPLY (By Sherman J. Maisel)

Daily I am surprised by the sweeping statements reported in the press by economists, financial analysts, pundits, and others of what has happened, is happening, or will happen to the money supply, and what the results have been or will be on interest rates, jobs, prices, and the stock market.

My surprise arises because so many of these statements accept as facts what may be misconceptions, partially tested theories, errors, or wishes. Common themes of many of these pronouncements are the large differences in gross national product, prices, and interest rates that will result from rather small differences in the rate of growth of the money supply. The magnitudes involved, and the implied cause-and-effect relationships are frequently described with a confidence that rarely acknowledges the lack of certainty surrounding these matters.

I should like to draw your attention today to some of the problems involved in defining and measuring the money supply, and in interpreting the implications of changes in its rate of growth. I would not go so far as to point to the Bible and say that "the love of money is the root of all evil," for many economists and others interested in monetary policy, but I don't think it amiss to suggest that the love of money, to the exclusion of some other important facts and uncertainties of economic life, can result in incorrect and misleading conclusions.

Let me begin by making some statements which are in a considerably different vein than many current comments.

First, there is no general agreement as to what the term "money supply" means. Its meaning frequently varies with the user.

Second, if one believes that changes in the "money supply" cause movements in prices, output, and interest rates, and that more or less fixed relationships exist between the changes in money and the other quantities, then in recent months and years different definitions of money would yield substantially different results.

Third, similarly, even with a single definition of the money supply, predicted results can vary widely depending on whether the estimates of money used are preliminary, revised, or final and on the periods used for measuring changes.

Fourth, how much the "money supply" changes in a month, quarter, or year results from decisions of millions of separate and independent units. The Federal Reserve's influence over the money supply is indirect. The links between Federal Reserve actions and the decisions of others to alter the money supply are not fully understood. Estimates of how much the money supply will change in any period given a specific course of Federal Reserve action have a considerable margin of error.

None of these four statements imply that monetary policy does not have a considerable impact upon the economy. None imply that measures of movements in various monetary aggregates or concepts of money are not useful gauges for formulating or implementing monetary policy. There is almost complete agreement that monetary policy does affect jobs, interest rates, and prices.

What these statements do imply is that any simple assertions as to how or to what extent current or lagged movements in the "money supply" cause or may cause specific movements in the very complex economic and financial world ought to be examined with care. An understanding of the lack of accuracy in the data, theories, and analysis surrounding oversimplified causal statements should lead to a better appreciation of possible errors in the analysis of current and prospective movements in the economy.

Money supply is a helpful tool to use in guiding monetary policy. However, like many useful but complicated tools, it has great potential for being misused, to the discomfort of its practitioners, as well as the economy.

THE MONEY SUPPLY AND THE ECONOMY

Economists are in general agreement that output, jobs, prices, and interest rates rise or fall in response to a wide variety of specific forces. Included among the factors which can alter the pace of economic activity are changes in the growth of the labor force, technological developments, changes in wage rates, shifts in desires to save and invest, changes in government taxes and expenditures, movements in money and credit, as well as expectations of what will happen to all of these forces.

While some analysts put more stress on a particular set of factors, few disagree that each of these forces has, at times, caused economic fluctuations. Not many economists accept the idea that movements in the economy can be described in simple terms or that one can predict accurately what will happen over the next month, six months, or several years from movements in a single variable such as the money supply. In fact, I know of no one who has been able to predict successfully how the money supply will change let alone how these changes will influence the major economic variables.

Yet as I read the daily and weekly press, see comments of experts on money and stock prices, bond prices, or the economy, I fail to note the same skepticism or agnosticism with respect to statements on these matters that I find in the technical literature. Simplified statements about money made to clarify examples or help in debates among theoreticians appear in entirely new contexts. In their new habitat they are surrounded by far more specificity and far fewer qualifications than in their original context. Each further remove of such statements from their origin seems to increase their certainty. That, in my judgment, decreases their likelihood of being accurate descriptions of what is happening or is likely to happen in the economy.

"THE MONEY SUPPLY"

Any article on money points out the diversity of elements that have served as money in the past. As our financial system has grown in complexity, the possible elements to include have expanded rapidly. Table I shows a few of the most common definitions of money currently in use. In magnitude the amounts they represent vary from the \$48 billion of currency in circulation to a total of \$674 billion if we include as money currency plus deposits at all financial institutions. Even this list leaves out what many would think of as obvious candidates for inclusion such as money orders, travelers checks, or debt created by the use of credit cards, which, to an increasing extent, is being monetized.

What you call "money" really depends on who you are and what you do. To the world's central banks, special drawing rights on the International Monetary Fund are "a generally accepted means of payment"—but not to any commercial bankers. Money can be one thing for a lawyer and another thing for an economist.

According to one school of thought, definitions should not be based on grounds of principle, but on grounds of usefulness in organizing our knowledge of economic relations. Thus, we should define as "money" that collection of private and public debt which yields the best predictions of changes in prices and nominal income or GNP.

Unfortunately for this approach, it frequently turns out that what seems like the

best definition based on past periods does the poorest job in predicting the future.

Because of failures and dissatisfaction with the purely empirical approach to the definition of money, economics is full of theoretical debates as to what should properly be considered as money. Because of the well-known difficulties of any theory proving another wrong, these debates change few allegiances when it comes to preferable definitions of the money supply. Those who use the term "money supply" glibly are frequently unaware of or unconcerned with these basic differences and the impact they can have on current analysis.

MEASURING THE MONEY SUPPLY

In Table I, columns 2-4 give the rate of growth for each of seven definitions of the money supply for the years 1967-1969. Columns 5-7 give the annual rates of growth of more recent periods.

You might expect that if the money supply described as demand deposits and currency grows at, say, 5 percent, other monetary aggregates would also grow at or near 5 percent. Columns 2-7 demonstrate that this is simply not the case. In 1969, for example, while demand deposits and currency were growing at an annual rate of 2.5 per cent, member bank deposits were shrinking at an annual rate of -4.2 per cent.

Even if the rates of growth are not identical, however, one might nevertheless assume that the relative rates of growth should be roughly constant. For example, we might expect that the rate of growth of currency in circulation should always bear some constant relationship to the rate of growth of currency and demand deposits. But, as columns 8-13 demonstrate, this also is not the case. When we look at year-to-year data, the rate of growth of currency fluctuates from .83 to 2.32 times the rate of growth of currency plus demand deposits. The similar ratios for currency, demand deposits, and time deposits vary from -0.61 to 2.14 even though the narrower concept makes up nearly half the second. The variance is even greater when we look at shorter periods.

Obviously, if one thinks there are close and quite exact relationships between changes in money and what happens in the economy—how one defines money is extremely important. Any forecast based on one definition of money will vary from one using another definition by the full amount of the large differences in movements among the concepts of money shown in the table.

The problems of measurement go far beyond the differences in definition. They exist within each series. The figures one sees quoted as to how the "money supply" grew over the past week, month, or quarter has an error factor (RMS) of 50 per cent or more. Therefore what should be expected to happen to some other magnitude if there were a direct causal relationship would have this great an error also.

For example, consider the implications of the fact that differences in the money supply as it was first reported for each week in 1967-69 and as it was revised early this fall had a range of minus \$1.4 billion to plus \$1.0 billion. The mean deviation was over \$490 million. In 1969, revisions of the estimated growth rate of the money supply in the first six months amounted to over 100 per cent. The difference between one well-known model's estimate during the period when monetary policy decisions had to be made and that which the model predicted from the revised data of the total monetary policy impact on GNP was nearly \$10 billion. Such a magnitude, in many cases, would encompass the difference between an inflationary and deflationary policy.

COMMONLY CITED MONETARY AGGREGATES: RATES OF CHANGE AND RELATIVE RATES OF CHANGE, DECEMBER 1966-SEPTEMBER 1970

	Annual rates of change in percent							Rates of change relative to rate of change of currency and demand deposits					
	Sept. 1970 ¹	1967 ²	1968 ²	1969 ²	Dec. 1969-Sept. 1970	May-July 1970	May-Aug. 1970	1967 ²	1968 ²	1969 ²	Dec. 1969-Sept. 1970	May-July 1970	May-Aug. 1970
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1. Currency and demand deposits.....	206.2	6.6	7.2	2.5	4.4	1.2	4.1	1.00	1.00	1.00	1.00	1.00	1.00
2. Currency, demand deposits, plus time deposit.....	423.2	14.1	6.5	-1.5	10.0	11.4	14.2	2.14	.90	-.61	2.27	9.50	3.46
3. (2), minus large certificates of deposit.....	401.8	13.2	6.0	1.8	6.7	7.2	8.3	2.00	.83	.72	1.52	6.00	2.02
4. Net monetary liabilities of the Treasury and Federal Reserve (monetary base).....	82.2	6.1	6.4	3.1	6.4	2.9	5.0	.92	.89	1.24	1.45	2.42	1.22
5. Member bank deposits (credit proxy).....	308.0	11.8	9.0	-4.2	10.4	14.3	19.5	1.79	1.25	-1.68	2.36	11.92	4.76
6. Currency in circulation.....	48.2	5.5	7.4	5.8	6.7	6.3	5.0	.83	1.03	2.32	1.51	5.25	1.22
7. Deposits at all financial institutions plus currency in circulation.....	674.2	9.9	8.2	.6	8.1	(³)	(³)	1.50	1.14	.24	1.84	(³)	(³)

¹ Billions of dollars outstanding.² Measured on a December-to-December basis.³ Not available.

These revisions arise partly because preliminary data include a large number of estimates. They also arise, however, from the fact that the actual treatment by banks and other institutions of what is considered money alters over time. When the new treatment becomes obvious, either the definition must be changed or the series revised. As an example, most definitions of the money supply include demand deposits at commercial banks adjusted for certain factors. One of these factors is usually cash items in the process of collection. But the tremendously heightened activity of American banks abroad, plus the operations of their international subsidiaries such as Edge Act corporations, taken together with the activities of foreign banks and agencies in our own domestic banking operations, added to the ever-present ability of bankers to devise new techniques of making payments, have resulted in considerable problems in estimating the amounts of cash items considered to be in collection. Changes in regulations and the estimates of these items result in significant differences in rates of monetary growth.

These difficulties, plus the yearly changes resulting for re-estimates of deposits at non-member banks and re-adjustments in the seasonal factors which give us a seasonally adjusted money supply figure, should make any commentator cautious. He who points to a particular number as representing "the" money supply at any given point in time, and who then makes sweeping judgments about the direction of Federal Reserve policy and its implications for the future is bound to find that frequently he has built a fine analytical structure on shifting sands. After the next revision in data, his theories and analysis may find their foundation surely shaken, if not removed entirely. In fact, it is not at all uncommon to find that by merely substituting later data in the analysis, conclusions drawn from earlier data might be reversed.

THE USEFULNESS OF THE MONEY SUPPLY CONCEPT

This critical view of what I believe to be uncritical uses of the money supply concept is, of course, not new. I and many others have spoken and written of this problem frequently in the past. I am, however, often asked whether I don't see an inconsistency between these observations and the fact that for the past five years I have even more frequently stressed the need for the Federal Reserve to pay more attention in its policy formulation and operations to changes in the money supply and monetary aggregates. [The term "monetary aggregates" simply reflects the fact that the theoretical and operational concepts of the money supply are so inexact. If for short-hand purposes one defines the money supply concept narrowly, one needs a broader term, i.e., "monetary aggregates," to reflect the other and more broadly based re-

lated concepts such as those shown in the table.]

The simple answer is, "No!" The Federal Reserve did in the past pay too little attention to movements in the monetary aggregates. The increased attention given to changes in the money supply have, in my judgment, improved the System's responses. Critical to progress, however, has been a recognition of the uncertainties in theory, in data, and in operations which surround the concept of the money supply. Past and future improvements require that these uncertainties be explicitly taken into account and not neglected or assumed away.

The Federal Reserve does influence the growth rate of money. Through its direct impact on bank reserves, or interest rates, and on expectations, the Federal Reserve influences bank credit, currency, bank deposits, bank and corporate liquidity, interest rates, and lending and borrowing. These changes in money and credit have an impact on how much the economy spends and on what. This spending together with supply conditions—including the price and wage actions of business, labor, and governments—in turn influence prices and employment.

The chain of causation and the amount of the relationships between Federal Reserve action and movements in money, in spending, prices, and employment, may be hidden in the shadows and far from clear, but experience shows that they do exist. This means that the Federal Reserve must manage its operations with the greatest possible skill to avoid the type of disasters which our and other economies have experienced too often in the past.

In formulating policy and conducting operations, paying greater attention to the money supply has many advantages. When considered in conjunction with movements in interest rates, sales, and output, attempts to use the money supply as a guide or target require that greater attention be paid to unexpected and undesired movements in the basic economy.

If operations are related to movements in the monetary aggregates, the impact of unwanted movements in the economy which become reflected in the demand for money and credit will not be allowed to lead automatically to too much or too little expansion in reserves and money. Instead, if for example, real demand is falling, action to maintain the growth of the monetary aggregates will cause a greater fall in interest rates than would otherwise occur. This in turn will cause a counter-depressing improvement in basic demand.

At a more technical level, operations related to the money supply allow the Federal Reserve to focus more readily on the intermediate term and the longer run or lagged effects of its actions. Even though in the short run rates of change in the monetary aggregates may be extremely erratic, for the longer period it appears to be simpler to

construct probable relationships between movements in the aggregates and in spending than it is using other monetary variables.

CONCLUSION

Let me conclude by summarizing a more lengthy paper I have written on this topic. To conduct monetary policy successfully, the Federal Reserve must think in quantitative terms. It must be clear as to where it wants to go and must specify how its actions are likely to aid in reaching those goals. In formulating its plans for operations the concept of the money supply serves a useful purpose.

At the same time, the Federal must take into account the great uncertainty which surrounds this matter. We do not have a 100 per cent accurate map of the critical relationships. We have only rough ideas as to what will happen to the monetary aggregates when the Fed changes its operations. We know even less about the relationships between changes in money and changes in spending. At any time our monetary data, on which operations must be based, have a high possibility of error. Finally, we cannot be certain as to how the other major movers of the economy, such as government, households, and businesses, will react in the period ahead.

This means that in operations we must: Constantly struggle to improve our data and knowledge;

Take explicit account of the degree of uncertainty;

Consider in detail alternative policy paths and their implications;

Enable non-quantitative and judgmental considerations to influence decisions; and

Remain flexible at any given time in the weight given to a particular tool, theory, analytical concept, or method of operation.

A PRIORITY FOR THE HOUSING ACT OF 1970

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mrs. CHISHOLM. Mr. Speaker, I speak today on a matter of urgent concern for black businessmen. This week the House and Senate conferees will meet to consider the final form of the Housing Act of 1970. One of the items in the bill which will have to be considered in the section introduced by Representative MOORHEAD which is designed to provide bonding relief and additional Government contracts for minority contractors.

I urge all of the conferees, both House and Senate, to keep this section of the House bill in the conference report. This kind of assistance is desperately needed and would be a sign of positive action by the Congress in the eyes of the black business community.

I should like at this time to include in the RECORD a copy of an article which appeared in the November issue of *Minority Builder Newsletter* concerning Representative MOORHEAD's proposal:

MOORHEAD LEGISLATION ARISES FROM LONG CONCERN WITH MAKING INSURANCE COVERAGE AVAILABLE TO ALL

"The construction industry has traditionally been the way up the economic ladder for ethnic groups," stated William Moorhead, Democratic Congressman from downtown Pittsburgh, as he discussed the factors that led to the introduction of his bonding guarantee bill. "But in the past, (Surety) bonds have been unavailable to members of minority groups or small contractors with limited credit," he said. "My bill will allow these men a chance to compete in the construction industry."

Moorhead's bill, formerly H.R. 15470, empowers HUD to guarantee bonds for any disadvantaged contractor on any construction contract. The bill also allocates \$3 million to HUD for technical assistance in the implementation of the guarantee. Moorhead's bill has been added to the Housing Act of 1970, which will be voted on when Congress reconvenes after the November elections.

Moorhead, one of the House experts on insurance matter, was responsible for holding hearings on bonding for minority contractors in the subcommittee on Housing for the House of Representatives. He was also responsible, as a member of this subcommittee, for securing passage by the subcommittee as well as by the full committee on Banking and Currency which approved the bill in September.

BONDING PROBLEMS COME UP AT FAIR PLAN HEARINGS

Moorhead first became aware of the obstacle that bonding presented minority contractors at the FAIR Plan hearings conducted in Chicago during the Spring of 1969. Moorhead had, during the previous year, been instrumental in obtaining passage of the Urban Property and Protection Law which sponsored the Fair Plan. FAIR plan hearings were held by Moorhead to determine the impact of the plan. However, during the hearings, several contractors testified that bonding was more crucial for them than property insurance and that it was impossible for them to obtain.

THE 1969 BILLS

Moorhead listened carefully. When he went back to Washington, he was determined to get legislation passed that would help minority contractors obtain bonding. He met with Senator Birch Bayh, (D. Ind.) and eventually acted as the House sponsor for Bayh's three bills that were designed to provide bonding relief and additional government contracts for minority contractors. Moorhead stated that he felt "these bills were an extremely comprehensive attack on the problem." However, he knew that passage would take some time. He therefore introduced a fourth bill that called for SBA to guarantee bonds on all contracts to disadvantaged contractors.

WHAT HAPPENED TO THE 1969 BILLS

Of the four bills introduced, only one passed in 1969. This bill provided for affirmative action on letting HUD contracts in poverty areas. But no bonding relief was passed. Yet the need for bonding by minority contractors was urgent, Moorhead reassessed the

legislative situation, and decided to introduce another bill that would have a better chance of being passed and immediately implemented. He thus turned to HUD as the guarantee agency. HR 15470, now incorporated into the Housing Act of 1970, mandates HUD to guarantee bonding on any contract to a disadvantaged contractor.

LEGISLATIVE PROSPECTS IN 1970

The Moorhead amendment to the Housing Act of 1970 stands an excellent chance of being passed. The only obstacle to passage would be a possible conflict with the Administration's Small Business Bill. This bill has incorporated Bayh's and Moorhead's bond guarantee provisions, but has named SBA as the guarantee agency. The bill has been endorsed by Senator Bayh, although he has stated that it only goes half way in solving the bonding problem. Moorhead, however, feels that HUD is better equipped to administer such a program. He also feels that HUD has a better reputation among minority contractors and would be able to obtain the confidence of the minority community in this program. HUD officials themselves, it has been stated, would like to see the surety guarantee program operate out of HUD.

THE SST—SUPERSONIC TRANSPORT: TWO VIEWS

HON. G. WILLIAM WHITEHURST
OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES
Monday, December 14, 1970

Mr. WHITEHURST. Mr. Speaker, it has been called an environmental monster and a taxpayer's nightmare, an unneeded extravagance, and a raid on the Treasury. In fact, it is none of these, but the supersonic transport has stirred the imaginations of proponents and opponents, generating much comment.

The reasons for not developing the plane have been given widespread publicity. Generally they include—

The great cost of development.
Need to divert Government funds to poverty and other social programs.

Lack of any apparent need for such airspeed.

Sonic booms.
Danger of radiation damage to passengers.

Pollution of the upper atmosphere by jet exhausts with effects on world climate.

Destruction of the zone layer that protects against ultra-violet rays.

The SST is a public question, and these are not the kind of objections that should be swept under the rug. The public is entitled to hear and weigh these points. It is also entitled to hear the answers to them.

In the face of these objections, I wonder how many can say why an American SST is wanted.

There are certain things the SST is not being built to make sonic booms, pollute the air, change the climate, waste money, and irradiate passengers. Just as assuredly, there are certain things the SST is. It is the next generation of passenger plane.

The supersonic age is here, whether the United States builds an SST or not. They are going to fly, even over this Nation. The "Concorde" built jointly by

Great Britain and France, and the Russian TU-144, both fly at 60,000 feet in the supersonic range. When put into service they will be the fastest planes in the commercial skies. To meet the competition of the airlines of Britain, France, and Russia, the airlines of America will be forced to import \$12 billion worth of Concorde SST's.

The question that has to be answered is, what can we do about this situation. What is open to us, what is the best way to proceed?

OBJECTIONS TO SST

First let us consider some of these objections listed previously.

There is no basis in fact for the allegation that water deposited at high altitudes by SST's could destroy the ozone layer of the atmosphere. The problem has been carefully studied by two scientific groups, the National Research Council of the National Academy of Sciences, and the Office of Meteorological Research. They say water particles will not combine with ozone to destroy the protective shield.

Their findings also help answer the allegations of pollution and effects on the upper atmosphere. Under standard atmospheric conditions aircraft are unlikely to produce contrails below 25,000 feet, or above 60,000 feet, where the SST will fly.

The water contributions of the SST are insignificant. It has been calculated that a single large thunderstorm, the type common to the tropics, can inject as much water vapor into the stratosphere as would a fleet of 400 SST's making four flights a day. There are 3,000 to 6,000 such storms daily around the world. The insignificance of SST water contributions to the total vastness of the atmosphere allows no such dire predictions to stand. However, the problem is being carefully studied, since the subject is not a trivial one even if the supporting evidence for the charges is lacking.

But how about ordinary pollution by exhausts and smoke? Jet engines do not pollute as much as internal combustion engines. The engines for the SST will have even better pollution control equipment than the redesigned engines currently being introduced on aircraft flying today. The smokesless burner and other features are being designed into them from the start.

Let us compare the SST exhaust to the automobile. A fully loaded American SST going at top speed will be emitting the equivalent of three cars doing 60 miles per hour. If the maximum of 500 planned planes were all flying at once, they would add as much pollution as the next 1,500 cars to pass on your nearest thruway, and much less than the more numerous slower planes they replaced. Also, the American SST has from the start taken into consideration the various environmental concerns in the plane's design, unlike the Concorde or TU-144.

Looking at the facts relating to the radiation hazard reveals that SST passengers would receive little more radiation than if they were flying at the 35,000-foot level of present day jets. Indeed, at the 65,000-foot level the radia-

tion generally is almost the same as it is at ground level in New York City, and not as great as in some areas of South America.

In time of solar flares the pilot would be ordered to fly at a lower level; military planes have been flying at these altitudes for over 30 years. Actually, time is a factor in radiation exposure. Passengers flying the Atlantic on a 2½-hour SST flight will absorb less radiation than the passenger making a 6¾ flight today. Radiation in either case is usually negligible, and it is easily avoidable when it is not negligible. The radiation factor is not an argument against the SST, only a warning to observe time-tested precautions.

The sonic boom is not nonsense. A plane flying faster than sound makes a boom. There is no known way to prevent it, and therefore the SST will have to be tightly regulated. Proposed rules by the Department of Transportation are tougher than those imposed on military planes. SST's will be forbidden to fly at boom speeds over land in U.S. territory. Ships at sea will certainly hear the 2 pounds per square foot sound, the same pounds per square foot that hits the ears of a Volkswagen driver when he shuts his car door. For many years military planes have been flying at twice the speed of sound over the oceans without creating a maritime problem.

We will not escape from supersonic transport booms by preventing the United States from developing SST's. Britain, France, and Russia have their's already flying. If we keep American firms from making SST's, we will lose the business and still get the booms.

The American SST can operate from today's runways. It will take off in a shorter distance than today's 707, and it does not require runways as thick.

Regarding the need for such flying speeds; probably not one passenger in ten could do much with the 4 hours saved in crossing the Atlantic, though few would choose a 7½-hour flight if a 2½-hour one were available. The interest in speed centers on a more productive passenger haul.

The 298-passenger American SST could make three New York-London round trips in the flying time of one 747 at its cruising speed of 595 miles per hour. In actual service this would be lowered to being about twice as productive as a 747.

This kind of performance represents a vast operating savings for the airlines as well as the passengers. The economical performance of SST's will help hold down air fares as well as save time. The foreign-equipped SST airlines would have a huge competitive advantage to offer passengers the U.S. lines would not have. An alternative for the United States would be to artificially raise the prices of tickets on foreign lines, an inefficient and free-trade hampering action.

The great redeeming value of the American SST is its greater productivity, nearly twice the 747.

THE VALUE OF THE SST

Now we get to the real reason that the Nation needs to keep moving at full speed on SST development. It is purely economic.

There are several different aspects of the economic situation, each important and contributing to the total picture.

In civilian plane sales we have provided very nearly all the planes flown by U.S. airlines, and 84 percent of the jets flown by free world commercial airlines. We sold \$3.2 billion in commercial planes in 1966, with \$1 billion in overseas sales. In 1969 we hit a high of \$5.6 billion, with foreign sales rising to \$2 billion.

Since then a series of blows has struck the industry. Commercial jet plane orders slipped off because of a monetary crisis in the airlines.

Congress ordered a cutback both in military and space programs.

National policy dictated that we would not sell military planes to aggressive small countries abroad. The French moved into that market with assorted sales. Today, South American countries no longer buy any U.S. combat planes. One may applaud or condemn the loss of military and space orders, but for the aerospace industry they mean that the bread and butter of millions of Americans must depend more than ever on holding and enlarging the commercial plane market.

However, in the commercial field we have been losing ground in foreign sales even when we get the business. Sound impossible? Not really; it all hinges on technology and the law of diminishing economic returns.

Today when we bring out a better subsonic jet there is less of it that is brand new. More of it can be made abroad by firms that have caught up with American technology that first developed the model.

When McDonnell-Douglas gets a contract for planes to Canada, that nation insists she will make the wings and tail. When Lockheed signs an order to supply planes to British airlines, Britain stipulates that she will install Rolls-Royce engines in them, and so on.

In short, there is less work for the U.S. companies even when they get the orders. The same thing applies to replacement parts, which are a good part of the business.

Let us briefly review the ground we have lost in some other industries due to the technology catch-up. Foreign competition is making inroads in the areas of automobiles, movies, cameras, steel, textiles, shoes, electronics, and many others.

When the United States could make electronic products others could not, we owned the world electronics market. But when other countries had a few years to study the products and production techniques, we could no longer rule the mass electronics market. By 1972 competition by Japan and West Germany will see us with an unfavorable trade balance in electronic products.

Even if nobody makes an SST the airplane situation will get worse. If the world could somehow freeze commercial plane performance at the 600 miles per hour level of the Boeing 747, it would only be a matter of time before other countries, with cheap labor, could provide equivalent planes cheaper for their airlines and ours. All they need is time

to catch up with American technology if the march of our know-how is willfully arrested.

They will not only catch up, they will get ahead of us if we willfully check our own progress and they do not.

The 120-passenger Russian TU-144 made its first flight in 1968, and has a top speed of 1,550 miles per hour. It is expected to be carrying passengers and bidding for world markets in 1972.

The Concorde first flew in 1969 and has hit 1,350 miles per hour. It is expected to be ready to carry its 128 passengers in 1973.

The 298-passenger 1,780-mile-per-hour American SST is only in the form of a full scale mock-up, where it has been for some time. Even if there are no further delays, it would not be ready until 1978.

The manufacturing of aircraft has been a bright spot in the Nation's international trade picture. If that \$5.6 billion trade in commercial plane sales in 1969 had gone to foreign firms, the United States would have lost another \$11.2 billion in both trade balance and dollar flow. From \$5.6 billion in to \$5.6 billion out. If the United States fails to develop an SST, the best estimates show we will lose, in trade balance and dollar flow, \$50 billion between 1978 and 1990.

We Americans can live at our present living standard only if we keep ahead in technology, and continue to offer the world better products than anyone else can make.

That is what this Nation was betting on when we joined in a series of long-term trade agreements with other nations to do away with protective tariffs. Those nations are betting they can manufacture existing products cheaper than we can. And they can do it. We're betting we can make what they can not. And we can.

Where is our advantage in making an SST if we are already years behind?

If the SST moves on its present schedule it will rule the roost for years. There are two main economic advantages.

Britain and France made a huge investment in the Concorde based on an aluminum technology. They designed their SST for about the top speed that an aluminum fuselage can endure heat caused by air friction. That speed is 1,350 miles per hour cruising, and a top speed of 1,550 miles per hour for short bursts only. The Russian TU-144 has this same limitation.

These two planes are at the limit of the known technology, and all design, systems, and engines have this limitation in mind.

One reason the United States has a later inservice date has been the development of a titanium technology for fuselages and structure to withstand the greater air friction heat at higher speeds. We have that technology today. We have successfully used it in two military planes. No one else has the ability to mass produce titanium airplanes. All our basic SST research has moved ahead with an over 1,700 miles per hour plane in mind, and a technological ceiling above 2,000 miles per hour.

A catastrophe awaits us if we fail to utilize this advantage.

Nearly every American commercial transport airplane has grown out of design and production for the military. Thus the Government paid the manufacturing costs of research and development of the airframe, the engine, and other components.

Now for the first time a commercial transport is being developed without benefit of military research. The industry simply cannot bear the entire cost; the Government should help.

The facts on the Government assistance are these:

The SST program is being carried out as a partnership between Government, the manufacturers, and the airlines, with each sharing the risks as well as the rewards.

The cost of the prototype development phase is estimated at \$1.3 billion. The prime contractors, Boeing and General Electric, will invest about \$300 million. The airlines will put up about \$60 million.

The Government will collect a royalty on all U.S. SST sales and will recover all of its costs plus interest when the 300th airplane is delivered. If 500 are sold, as expected by 1990, the Government will directly profit \$1.1 billion on its investment. Employment from a full SST program will net between \$6 and \$7 billion in income taxes.

Overseas routes for 500 planes in the 1980's have already been projected. Twelve U.S. and 14 foreign airlines have already deposited \$22 million to assure delivery of 112 American SST's.

An American SST will cost an airline about \$52 million at 1978 prices, compared to a 747 price of \$24 million at 1970 prices. Since commercial flight began, plane owners have consistently recaptured the cost of a new plane in 5 to 6 years. As businesses the airlines would rather get full life use from their present equipment than invest in new facilities.

Therefore an in-service date of 1978 is considered by the airlines as good timing.

The SST will meet increased needs at that time and still allow the recovery from heavy investments in prior aircraft purchases. Their support of the American SST is 100 percent.

The American SST will make and save full production jobs in the 1970's and 1980's. A major aircraft manufacturer, McDonnell-Douglas, has been cited as an outstanding example of an industry which has restyled its jobs and its production methods to employ and quickly train unskilled labor. One need only walk among the laid-off workers in many cities to see that what hurts the aerospace industry makes poverty grow.

The American SST will share the wealth. Ultimately 90 percent of the fabrication work will be subcontracted. Thus far in the prototype program more than \$150 million has been subcontracted out to companies in 36 States. My own State of Virginia will realize \$2.5 million in the prototype program alone.

The U.S. aerospace industry, one of our best exporters, is now seriously depressed for a variety of reasons which may not soon change for the better. The industry looks to the SST to give it the lift it needs.

The economic meaning of the SST to 4 million Americans and our total economy is the big case for the aircraft. These, then, are the American SST's advantages, and why those who want it are urging that it be built.

To say more would belabor the point.

B. F. BIAGGINI COMMENTS ON RECENT DEVELOPMENTS AFFECTING THE RAILROAD INDUSTRY

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. JOHNSON of California, Mr. Speaker, in the wake of recent developments affecting the railroad industry, actions which have been taken by both the executive and legislative branches of Government, as well as management and labor, the views of the head of one of the Nation's biggest transportation systems which operates not only an extensive rail network, but also features a national trucking operation, are worthy of careful consideration by all people.

This afternoon, the president of Southern Pacific Co., B. F. Biaggini, addressed the National Press Club at a meeting attended by the presidents of 12 or more other railroads.

I was privileged to hear the remarks made by Mr. Biaggini, and I thought, in view of their extreme timeliness, they should be shared with all the Members of Congress.

Accordingly, Mr. Speaker, I insert these remarks in the RECORD at this point:

REMARKS BY B. F. BIAGGINI

Good afternoon, gentlemen—members of the National Press Club and guests. I'm happy to be here this afternoon and have what I consider to be both the honor and the privilege of speaking to you about the current standing of the railroad industry.

It seems to me that we've come a long way since Abraham Lincoln said that private enterprise must build the transcontinental railway because the federal government could not. We've come a long way when, today, we find some labor leaders, some people in government and some of the general public advocating nationalization of this country's railroads.

The railroads themselves have come a long way in the brief span of slightly more than 100 years. We've bound the continent together. We've brought the miracle of fast, efficient freight service to metropolitan areas and country hamlet alike. We built a fine passenger service and have seen it displaced by a more convenient and efficient technology. We've seen the United States grow into the greatest self-contained market in the world. We've shared in the development of both import and export trade.

I doubt that any other country in the world has ever come as far so fast, with so many resultant benefits for its people. We in the railroad industry are proud of the part we've been able to play in this, and proud of the contribution we've been able to make to this nation.

But we haven't come so far as to cause me to conclude that there is any real need for, or any benefit in, thinking seriously of nationalization.

Let's review the situation. We have a major railroad system in reorganization, and we have liquidity problems for about half of the major roads because of decreases in working capital. About one-third of the major roads may show net losses this year—cause for concern, of course. But cause to abandon private ownership in transportation? Not at all.

The industry's greatest problem has been its inability to earn an adequate rate of return on its investment for any sustained period in its history. In 1969 the average rate of return on net investment was only 2.8%, compared to 12.5% for the leading manufacturing corporations, and for the 12 months ended September 30, 1970 the railroad return dropped to an alarmingly low 1.77%. By and large, this totally inadequate rate of return for the railroads has been the result of strict economic regulation and of a national policy that has actively promoted and financed the growth of other forms of transportation, while at the same time fostering unwarranted competition between railroads.

For example, since the end of World War II the federal government has spent more than \$77 billion while state and local governments have expanded over \$203 billion maintaining and expanding transport capacity, almost exclusively for modes of transport other than railroads. Besides these huge investments in other transportation facilities, several of the federal regulatory agencies lobby extensively for and otherwise promote the forms of transportation which they regulate.

To these results of the national transportation policy add the difficulty of making changes in rates, service and plant brought about by treating the railroads as though they are pure public utilities enjoying protected monopoly status while in fact they fight to stave off government-subsidized transportation at every turn. Rate cases, merger cases, line abandonments and matters of wasteful duplication of facilities drag on endlessly in the administrative procedures of the various commissions and in the courts.

By general definition a public utility is an organization which performs an essential service in an assigned territory. It gives up certain managerial freedom—notably in the pricing of its product or service—and is usually required to serve all comers on an equitable basis. In exchange, it is protected from competition and is permitted to earn a rate of return on its investment in plant and equipment that allows retirement of debt and planning for the future while paying an adequate return to its owners—a return, in other words, sufficient to attract private capital.

Now let's try that utility definition on the Penn-Central passenger service between New York and Washington. With shuttle planes always overhead and with good highways and turnpikes running parallel we don't get much of a fit, do we? Well, how about the Illinois Central's fine railroad freight service between New Orleans and Chicago? The Mississippi, Ohio, Missouri and Illinois rivers deepened and maintained at government expense for barge traffic and the St. Lawrence seaway bringing ocean vessels to the docks at Chicago surely ruin the monopoly picture there. What about the Southern Pacific out in California? The finest highway system in the nation and over 14,000 authorized highway carriers keep any view of monopoly completely out of focus.

The truth of the matter is that railroad monopoly is limited to the few cases where other forms of transportation either cannot or do not choose to meet the rail rates, and to a few locations where there is not enough demand for transportation to justify another mode. As soon as any substantial busi-

ness begins to develop, some governmental agency dredges a harbor, deepens a creek, builds an airfield or widens the highway.

Then, to add to the list of things that contribute adversely to the railroad posture, we have the work rules and labor practices that long have been incongruous with the technology of today's railroad plant. Billions of hard-earned railroad dollars have been spent on dieselization, centralized traffic control, modern freight cars, computers and the like. Yet railroads are forced to operate with the work rules of long ago. The large sums that have been spent on improvements and modernization have made the average railroad employee's job safer and easier, yet these outdated work rules artificially keep him from producing all of the transportation he's capable of producing with modern tools and equipment.

So that's where we are today. Is it such a sad and gloomy picture that we should give up the system of private ownership and take the giant step into the unknown that is represented by nationalization of the railroads? The answer to that question lies not in the Penn Central picture as we see it. In spite of the serious problems I have mentioned, we still have strong and financially able railroads in the East, the South and the West.

Before we give up, in any unwise move unworthy of a nation that regularly solves problems of major proportions, let's examine this nationalization proposal.

First, we tried it once, in World War I. The federal government ran the railroads and managed to lose \$2 million a day. In World War II the railroads stayed in private hands and set new records for efficiency in handling both troops and freight. During those war years of 1941-45 the railroads paid the federal government over \$3.8 billion in income taxes alone.

I assume that those who advocate nationalization of the railroad system don't intend to steal them from their owners. It is estimated by a recent study that the cost of government takeover on the basis of fair market value of assets would be about \$60 billion. Surely this isn't the kind of liability most of us would like to see our government assume when we know the pressing need for funds for other government programs.

We in the industry know that over \$36 billion must be spent during the next ten years to improve plant and equipment to meet the country's transportation needs in the 1980's. These capital needs must be met no matter who owns the railroads. We know also that nationalized railroads generally pay no state, local or federal taxes, while last year our industry paid over \$1 billion to all of these tax collectors. So the first result from nationalization would be a staggering expenditure for the acquisition of the properties, a continuing large commitment for improvements, and a substantial loss of tax revenues.

The Federal Railroad Administrator recently testified that interest on government purchase of the railroads, plus loss of tax receipts by state, local and federal government, would add at least \$2 billion annually to the cost. He further declared that an annual operating deficit could be expected from removing the profit motive as an incentive for efficient operation as well as adding government interference in management.

Consider the record of publicly owned railroads around the world. The national railroads of Western Europe and Japan operate at an average 20% deficit. That is the annual operating loss—meaning that expenses average 120% or more of income. In some cases the stated deficit doesn't include the subsidies paid for heavily losing passenger services. These publicized operating deficits also frequently don't include the large additional amounts spent for capital improvements and for research and development.

If the American railroads were to be operated on this basis and had the average 20% deficit experienced by the foreign lines, the bill to the U.S. taxpayer to cover operating losses alone would be more than \$2 billion a year.

Canadian National and Canadian Pacific are virtually parallel operations. Canadian National—which the government owns—had a deficit of \$24.6 million last year, while Canadian Pacific had net income of \$55.8 million.

W. Graham Claytor, Jr., president of Southern Railway System, recently ticked off some interesting comparisons of 1968 statistics for his own railroad and British Railways. Let me highlight them for you: The route mileage is comparable—12,447 for the British and 10,165 for Southern—but there any resemblance ends. Southern Railway clerks earned about three times as much as their British counterparts. It took 15 times as many people to operate the British Railways. Yet the British system produced only 40% as much freight service as Southern, and its charge per ton-mile to the customer was nearly triple the Southern's. Despite higher average charges per ton-mile and larger gross freight revenues than Southern, British Railways ended 1968 with a deficit of over \$217 million and paid no taxes. Southern earned \$43 million and paid more than that—\$50 million—in federal, state and local taxes. Enormous British passenger losses were partly responsible for this situation, but even so, the comparison is startling.

Since these are 1968 figures, I must add my own footnote: British Railways at the end of 1969 published an annual report which at last showed a modest profit. But this was only possible because a Parliamentary Act effective January 1, 1969 provided for payment of necessary subsidies in advance. So British taxpayers go right on making up the annual deficits as they have been doing for 22 years, ever since Britain declined to grant its railways the kind of regulation and financial relief now proposed for U.S. roads, and took the nationalization path instead.

Thanks to two recent study and business development trips to the Far East, I am more familiar with the Japanese National Railways, and I have some information for those who hear only about the famous Tokaido Line. What we read about from Japan, and what vacationers come back talking about, is the sleek blue and white "bullet train," fastest in the world. Indeed, it is a fine train, and the line itself is a masterpiece of engineering and construction, but this shouldn't obscure the rest of the Japanese National Railways picture.

I know the August 25 Wall Street Journal was right in reporting: "JNR is stuck with money-losing lines and with jammed, aging commuter trains. Politics control its rates. Couple this with increasing wage costs and a tough union, and the system's deficit soars to more than \$1 a day."

Japanese National Railways' debt of over \$5 billion carries annual interest charges greater than its entire income from commuter operations, which is how the bulk of its operation really would be classed in our country. Only 10 of its 245 lines are in the black. It has 12,000 miles of railroad and employs 470,000 persons—more than any other single organization in Japan and almost as many as the total U.S. railroad industry employs to operate 20 times the trackage.

The Japanese have great railroad technology, as the Tokaido Line attests, and they are working hard to solve their problems. But, like the U.S. railroads, they are finding they cannot solve them by technology alone. Last spring in a symposium in Tokyo I heard Japanese railway officials talking about the problems of being forced to continue to maintain and operate unprofitable branch lines and of their inability to close little-used stations. Railway officials from Western Europe, South

Africa and South America echoed many of the same complaints. While in San Francisco in October to study Southern Pacific operations, President Guibert and five vice-presidents of the French National Railroads were telling us that they now have a plan to try to make their system more self-supporting so that, hopefully, it can be freed of some of the subsidies and the frustrating political regulation which inevitably goes along with subsidy.

Almost every nationalized railroad has a "showcase" passenger train. These crack trains are seen or ridden by our tourists and business travelers abroad. Many travelers return home asking why we don't have similar trains here. The fact is that we do have—in such fine trains as the Union Pacific's dome-liners and the Santa Fe's Super Chief. We had them on all American railroads until the public turned to automobiles and jet aircraft in numbers just too great to keep most of these fine passenger trains going.

We don't find these returning travelers reporting on the little 20-foot, 2-axle freight cars in most of those overseas countries. We don't find them recognizing that the American railroads provide twice the ton-miles of service generated by the national systems of Japan and all of Western Europe combined. We don't find them observing that Japan, Italy and France, for example—countries that are geographically small but extremely densely populated compared to the United States—have opted for passenger-carrying railways while, on the other hand, West Germany has chosen to accent rail movement of freight so as to make highway conditions easier for the motorist.

We don't find them particularly noting that in England, France and West Germany gasoline taxes average 48 cents per U.S. gallon, or three-fourths the price, versus 11 cents, or one-third the price, here at home—resulting in charges reaching over 80 cents a gallon which hardly encourage the European to drive. Despite this, we don't find the casual visitor aware that although rail passenger traffic in Western Europe increased in the 'fifties, it was down 15½% in the 'sixties, in significant correlation with a rapid increase in automobile ownership to a ratio of one car for less than every five persons. This is about the same ratio the United States reached in the early 'twenties, when rail travel declined here—not surprisingly—by 12½%.

We don't find them taking into account that American railroads are seeking a way to raise in this decade about \$36 billion—total—to get back on their feet, but that 24 billion in tax dollars in the last year alone was spent on transport modes that compete with our railroads. And we don't find them recognizing that, while U.S. railroads recently have been operating less than 400 intercity passenger trains a day, we run 10,000 freight trains and run them pretty well—in fact, better than anyone else in the world.

Now we can't expect the layman to be abreast of all I've mentioned. But—with possible nationalization of his railroads being talked about—we can hope that he will listen to those whose business requires them to be close students of the reasons for the wide variation in transport requirements around the world.

The American railroad system moves more freight tonnage faster than any other and at lower cost. The shipper and the receiver of freight have nothing to gain and much to lose by nationalization. To illustrate, President C. B. McCoy of du Pont recently had this to say: (Quote)

"We would be prepared to support an overall national policy that states a clear objective of restoring this industry to competitive health. . . . In our judgment this is the best route to follow, for the alternative—nationalization of the railroads—is more costly and less effective." (Unquote)

Consider, if you will, the status of the freight shipper in the United States who has

a variety of railroad equipment available to him on short notice at practically all times. Compare this with the status of a shipper or receiver of freight in Russia who has to request allocation of a freight car days in advance. The Russian is allowed 30 minutes to three hours, depending on type of car and lading, to load or unload his car. He must load to capacity and, when unloading, he must leave the car clean for the next user. Failure to comply with any of these regulations costs him a substantial fine.

I can't imagine why some leaders of organized labor in this country would seriously consider government ownership of the railroads or of any other part of transportation or of industry generally. American labor has been the greatest beneficiary of the American free enterprise system. Because of the great benefits that flow from this system of ours, the leaders of labor unions have achieved prominence and recognition unknown to their counterparts (if there are any) elsewhere in the world, and their memberships have become the best equipped and best paid while in service and the best cared-for in retirement.

Names like John L. Lewis, Walter Reuther, George Meany, Leonard Woodcock, Charles Luna and Lester Dennis, to mention a few, are known throughout the world. I challenge any man in this room to give me the name of the head of any nationalized industry's union in Britain, France, Germany or Japan—or for that matter, the name of any head of any labor union in Russia.

We don't have time today to go into what we might expect in industry generally if our railroads should be nationalized. But if experience in other countries is any guide, nationalization of other industries would probably quickly follow. Where other transport modes are not actually nationalized, we usually find them placed under heavy restrictions to make sure that they do not divert too much traffic from the rails which the government suddenly, in an about-face of policy, must now operate and promote.

Regulation of all transportation would expand beyond anything we complain about now. Expenditures for transport capacity would become more responsive to political pressures and less rational economically, instead of aimed at markets and competition as they should be. Under nationalization, as it was recently summed up by Alan S. Boyd, our first Secretary of Transportation and now president of the Illinois Central, "Railroads would lose a hell of a lot of money and competitive modes would have to compete against the U.S. Treasury."

As we look once again at the country's transportation needs for the next decade or two, it's clear that the railroad industry must be returned to the strength its assignment requires. The railroads are now carrying some 41% of all intercity freight. Agencies such as the Department of Transportation and the National Planning Association indicate that freight traffic will increase by 48% by 1980, and out in Southern Pacific territory we plan for a doubling of transportation demand by 1985. Think what this means. If the government pursues the policy it has in the recent past the highway system will have to be doubled, and so will the domestic waterways and airways systems. If the railroads are neglected, capacity of the other modes of transportation will have to triple in the 1975-1990 period to keep up. If we consider once more the \$280 billion spent by government on transportation since 1945, we get an idea of the magnitude of the tax monies that will be required.

Economics and service requirements aside, if other forms of transportation are to be expanded while railroads are allowed to decline, we will be faced with many times the air pollution and infinitely more disturbance of the landscape that now concerns us all.

So from every standpoint it seems to be

good sense to put aside any ideas of nationalization of railroads or any other transportation and to adopt policies that will permit and encourage private ownership and free enterprise to do the massive job that lies ahead. Decided changes in national transportation policy and in government treatment of transportation are required, and required soon. As alternatives to any consideration of nationalization let me suggest the following:

The unjust burden of passenger services losses must be lifted from railroads whose deficits in this area of operations have been their greatest financial problem. The National Railroad Passenger Corporation, popularly known as Rallpax, is about to alleviate this chronic difficulty.

We must reform the existing pattern of transportation regulation, with deregulation as our goal. Railroads cannot survive under continued regulation which treats them as though they were monopolies while it promotes other modes. In spite of vast government expenditures the air transport industry is also in trouble, and huge subsidies are required for our merchant marine. Rigid regulation and compartmentalization of transport are national failures and must be modified.

Barriers to common ownership of different forms of transportation should be removed. Transportation companies, in the broadest sense, should be free to offer a wide range of modes and services to the users of transportation.

Railroads should be allowed more freedom in pricing their services. I propose that they be permitted general freight rates changes up or down by 6% during any calendar year without the need for administrative proceedings—this as a desirable step in the direction of deregulation.

The regulatory process should be expedited. In the meantime, specific time limits should be put on merger cases, general rate increase cases and branch line abandonment cases.

National transportation policy should encourage mergers and rationalization of the railroad plant.

Railroads should be relieved of the burden of inequitable local taxation. One bill to accomplish this has already passed the Senate and I hope that it can pass the House in this session, but time is short.

Federal assistance is required for an expanded program of highway grade crossing protection and separation. The principle of such government participation is well established for crossings on the federal highway system, but extension to all state, county and local roads is needed.

Federal assistance is required for the modernization of railroad trackage, rights of way and terminal facilities. This can be accomplished through a variety of programs involving a new Federal Transportation Fund, government guaranteed loans or tax incentives.

The government should assist the railroads in meeting their locomotive and freight car needs. There are two bills pending to accomplish this—S-4463, which calls for a National Freight Car Corporation, and S-4464, which is known as the Railroad Equipment Obligation Insurance Act. The principle followed in 4464 is well established in government guarantees of FHA mortgages and loans under Title XI of the Maritime Act. In addition, the investment tax credit which successfully operated in the sixties ought to be restored.

Federal programs of research and development should be carried out in behalf of rail transportation just as they are for other modes.

I suppose these points sound familiar to you and they should, because they're all within the scope of the ASTRO Report that was prepared by a highly competent task

force headed by former Senator George A. Smathers for the Association of American Railroads. This 10-month effort, completed just before the Penn Central reorganization, is the most comprehensive study of the railroad industry's problems that has been done in many years. And its recommendations for solutions to the industry's problems are carefully and well thought-out action measures that would insure a sound railroad system to meet the transportation needs of an ever-growing nation.

The ASTRO proposals don't represent just a market basket of ideas or a letter to Santa Claus. Rather, they embrace the essential changes in national transportation policy that the nation must have if we're going to have a healthy transportation industry in this nation.

The final proposal in the ASTRO study is that railroad labor and management must make their own commitments for correction of the industry's shortcomings. With that I heartily agree. The ASTRO Report itself represents many changes in traditional positions for much of the industry. Railroad management today realizes more than ever before that ours is an interdependent industry and we must find ways to restore the ailing segments of the industry to health.

Railroad labor should be, and I believe is, concerned. If the present trend continues there can only be further reduction in jobs and security for its members. Labor's interest lies in a revitalized and vigorous industry in which it can make a real contribution to improved efficiency, capacity and service. Railroad labor leaders have recently implied that although they had always opposed nationalization it would be preferable to the situation in which the Congress has had to impose labor settlements repeatedly. This seems to me too massive a price for labor to pay to achieve goals attainable by simpler means.

Here I should like to stop, but I also want to note that the press of this country has been practically unanimous in editorially rejecting the idea of nationalization. Perhaps because its own set of difficulties has some close similarities to ours, it has displayed real appreciation of the railroad industry's problems. In spite of financial and labor troubles which have closed many great newspapers and magazines, and in the face of governmental agency opposition to such rational and efficient measures as combined printing plants, our free press still recognizes the true value of free enterprise and is apparently prepared to fight for it.

The ASTRO Report recommendations have been styled "a program of creative federal involvement." What it's really trying to say is "Let's get the legislative and regulatory boot-heel off the neck of the railroad industry, and let's have a national transportation policy that will meet the needs of the 21st Century which is just around the corner." That is the thought I wish to leave with you as I ask your help in implementing and realizing these worthy goals in the national interest.

GEORGE BUSH NOMINATED U.N.
AMBASSADOR

HON. JERRY L. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 11, 1970

Mr. PETTIS. Mr. Speaker, it is with a great sense of pride that I salute my friend and colleague GEORGE BUSH upon his nomination as Ambassador to the United Nations.

As a personal friend and next-door neighbor, one obtains an understanding

of another's thoughts and characteristics and an appreciation of his capacities. Let me assure you that it is in the tradition of Mr. BUSH to excel whether it be on the House floor, on a tennis court, or in diverse aspects of public service. I have not the slightest doubt that his demonstrated ability will carry forward to his new endeavor and he will serve with excellence the people of the United States and the world in the quest for peace.

We all recognize the tribulations that beset this world organization, and can acknowledge that our representative faces innumerable difficulties and challenges. The intuitiveness and perspicacity that Mr. BUSH brings to his new position, to which I personally can attest, bodes well for both the United States and the United Nations in these crucial times.

TOO MANY COLLEGE STUDENTS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mrs. SULLIVAN. Mr. Speaker, for the last few years everyone—from parent, to student, to principal, to public official, to lawmaker—has been concerned with the problem of education. In the search for a solution, it seems most people have concluded that young people, regardless of aptitude, should receive a college education. However, in the last year or so, there are some who have begun to have misgivings about the wisdom of this course. Among those questioning this policy is KMOX—CBS radio—in St. Louis.

KMOX has been a trail blazer in the media field, being the first station to inaugurate the "talk" or "At-Your-Service" programing some 10 years or more ago. It also was one of the first to inaugurate a policy of editorializing and has written an enviable record in this regard with its earnest and well-researched editorials.

One of those recently aired was on the subject of college students and I urge my colleagues to read and consider the merits of the arguments presented by KMOX:

TOO MANY COLLEGE STUDENTS

The pressure begins early. While little girls are still in pigtails and boys still in the tree-climbing state, teachers and counselors are already talking about it, worrying about it and consulting parents about it.

The children are tested, analyzed, and criticized. What's the objective of all this attention: It's that universal madness that seems to have seized American parents in recent years . . . getting their youngsters into college.

Grade school pupils are told that certain subjects are essential for college. Junior high students are tested intensively and their scores held up to the magic standard . . . are they college material? And by the time a youngster has reached the third year in high school, the obsession has really taken hold. The last years revolve around college board tests and college applications.

Is this necessary . . . or is it even right? KMOX Radio doesn't believe it is. College

and graduate schools are essential for many of our citizens who want and are capable of careers in law, medicine, engineering, the sciences and other academic fields.

But many young people would be better off going directly from high school to trade school into life's best graduate training . . . the working world. Even in today's complex society, most occupations don't require a college degree. And many young people find that they have simply wasted four years . . . and cost their parents thousands of unnecessary dollars . . . by studying literature and foreign languages when they could have been learning their life's work . . . on the job.

Our society needs mechanics, plumbers, clerks, pipe-fitters and roadbuilders . . . as well as professors, doctors, and lawyers.

And many young people would build happier, fuller, more productive lives if they were oriented in these directions in the first place. Our colleges are in trouble . . . big financial trouble. And the rest of the problem lies in the fact we are trying to educate masses of young people . . . many of whom don't belong in college in the first place. Degree standards have inevitably deteriorated for this mass production procedure.

It's time for America's schools, and America's parents, to stop this preoccupation with college as the most desirable choice for most young people. Our colleges, our youngsters, and our nation, would benefit by a more down-to-earth approach.

TRIBUTE TO BOYD CRAWFORD

HON. WILLIAM T. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 9, 1970

Mr. MURPHY of Illinois. Mr. Speaker, I wish to join with my colleagues in paying tribute to Mr. Boyd Crawford, the retiring chief of staff of the Committee on Foreign Affairs of the House of Representatives, for his many years of outstanding service.

Mr. Crawford was first appointed clerk of the committee in 1939, after serving as a Member in the U.S. House of Representatives for 3 years. In 1950, he became staff administrator and has effectively performed that function under both Republican and Democratic chairmen. Mr. Crawford has served under such outstanding chairmen as Sol Bloom, Charles A. Eaton, John Kee, James P. Richards, Thomas S. Gordon, Robert B. Chipperfield, and the present chairman, THOMAS MORGAN.

In addition, Mr. Crawford has participated in numerous international and parliamentary conferences. In 1945, he was a member of the U.S. delegation to the United Nations Conference on International Organization. He has also been a delegate to the United Nations General Assembly. In addition, he has been a staff member of numerous study missions abroad for the Foreign Affairs Committee. Most recently he attended the NATO Conference which I also attended.

As a member of the Foreign Affairs Committee since 1959, I have had the privilege and pleasure to know Mr. Crawford personally and have come to appreciate and admire his talents as a professional in the field of foreign affairs. His great knowledge of the intricacies of

foreign affairs obtained during his long tenure on the committee has been an invaluable asset to myself and other members of the Foreign Affairs Committee. He has served Congress and the Nation with dedication and devotion. Mrs. Murphy joins me in extending my warm wishes to Boyd and Mrs. Crawford for much happiness and contentment in the years ahead.

BETTER CARE AT LESS COST WITHOUT MIRACLES

HON. JEFFERY COHELAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. COHELAN. Mr. Speaker, on a number of occasions I have expressed my deep concern over the current crisis in our health delivery system. My concern extends beyond the issue of manpower shortages, although these shortages are vital components of the entire crisis. It is readily apparent that the health crisis is deeply rooted in the uncoordinated nature of our health care system. For example, it has been tragically commonplace for hospitals in the same area to construct and maintain expensive medical care units that are underutilized. The investment of scarce health dollars in underutilized equipment places major constraints on other aspects of the health care system.

A few statistics help to place the problems in graphic perspective. In less than 2 decades, it has been estimated that the costs of health care will increase fivefold. It will come as no surprise to most citizens that health costs usually lead in increases in the price index. The trend in the future seems to past experiences; some estimates place the costs of health care at \$200 billion by 1980.

Given these costs at times without an appreciable increase in the efficiency for health care delivery, some new directions have begun. Recently I and many of my colleagues in the House and the Senate have introduced legislation that would provide for a national health insurance plan. Such a proposal deserves serious and careful consideration.

Mr. Speaker, the people involved in health care have been attempting to reduce the rising costs of medical care. One of the more noteworthy attempts has been the increased usage of group health plans. This approach to health care has the potential for reducing the costs of health care without a reduction in services.

At this point, Mr. Speaker, I would like to insert an article by Edmund K. Faltermayer, entitled "Better Care at Less Cost Without Miracles," and I commend the reading of this article to my colleagues in the House:

BETTER CARE AT LESS COST WITHOUT MIRACLES

(By Edmund K. Faltermayer)

Our present system of medical care is not a system at all. The majority of physicians, operating alone as private entrepreneurs, constitute an army of pushcart vendors in

an age of supermarkets. Most patients pay by the cumbersome "fee-for-service" or piecework method, which involves separate billing for visits to doctors, shots, x-rays, laboratory tests, surgery, anesthesia, hospital room and board, etc., etc. The American hospital system, as Herman M. and Anne R. Somers of Princeton University said in their book, *Medicare and the Hospitals*, "is largely a figure of speech," the result of a haphazard growth of isolated, uncoordinated institutions.

For a patient simply to find medical care can be maddeningly difficult. In poor city neighborhoods and rural areas, the supply is sometimes fatally sparse. The middle-class citizen, living in a region where doctors are statistically abundant, encounters frustrations when he seeks "access"—a suitable entry point into the medical labyrinth, where a competent person can give an accurate diagnosis of his ailment, or relay him to the proper specialist. With more and more doctors working a five-day week, access has become especially difficult on evenings and weekends. Increasingly at those hours, people are forced to resort to the overcrowded, understaffed emergency rooms of hospitals, where admissions have shot up by 250 percent in the past twenty years, and where only a third of the people waiting for attention are true emergency cases. When he is finally in what he hopes are good hands, the patient is incapable of evaluating either the quality or the quantity of the service he receives. In his ignorance he may submit to more care than is necessary—adding both to the personal risk and to the strain on an inflation-prone system.

Some of the rise in medical costs has been inevitable, because the new life-extending techniques require more manpower and equipment (see "Costly Machines to Save Lives," page 92). And some of the increase in hospital costs is unavoidable, too (see page 96). But the real propellant forcing up costs is the archaic manner in which most hospital care is arranged and paid for in the U.S. Since all the components of medical care are generally paid for on a piecework basis, doctors profit by prescribing more elaborate care than is needed.

Even when doctors have the best of motives, as a majority of them doubtless do, this lax competitive climate discourages the efficiency that comes with cost-consciousness. And even if the doctor has a conscience about wasting the money of patient, government, or insurance company, the growing menace of malpractice suits may induce him to pile on precautionary tests and treatments—which he can do without restraint. "Almost nowhere else in the economy," says Victor R. Fuchs, a leading economist at the National Bureau of Economic Research, "do technologists have as much control over demand." The only parallel, Fuchs says, is the military's control of the defense budget in time of total war.

The growth of "third party" payment of medical bills through Blue Cross, Blue Shield, and group insurance policies has provided another inflationary thrust. Until very recently the Blues and the insurance companies, which now disburse about \$13 billion a year, have directed very little hard scrutiny at fees or the quantity of the services that they are buying. They have contented themselves instead with the role of a largely automatic "cost-pass-through" mechanism. In the past, some check on costs came from individual patients complaining about high bills. Doctors and hospitals had to worry about the financial hardship that the larding on of services might create. But the emergence of large, "rich," impersonal insurers has removed even these controls.

Third-party laxity has unquestionably contributed to the steep rise in hospital fees. Cost controls have always been weak in many hospitals, partly because many of the doctors

have no stake in promoting hospital efficiency. Today, most of a hospital's income is provided by Blue Cross and the insurance companies, which dutifully reimburse on the basis of costs after they are incurred, rather than agreeing on a fee in advance. This type of cost-plus reimbursement in Fuchs's words, is "an open invitation to inefficiency."

The bad effects of third-party payment do not stop there. Private health insurance covers some phases of medical care more extensively than others. About 85 percent of Americans under sixty-five have at least some hospitalization insurance, and 78 percent are covered to some degree for surgeons' fees, but only 51 percent have any insurance whatever for x-rays and laboratory tests outside the hospital, and only 40 percent for visits to doctors' offices. As a result of this uneven pattern of coverage, says Walter J. McNeerney, president of the Blue Cross Association, "use tends to follow prepayment." The whole pattern of medical care is warped in favor of providing treatment in those expensive hospitals. Summing up all these influences, McNeerney declares that U.S. medical care is suffering from "a serious discombobulation of the principles of the free market, with no 'invisible hand' to move resources about efficiently."

HENRY J.'S NEW MODEL

Those patterns, however, are not like the laws of the Medes and the Persians—they need not stand forever. Evidence that they can be changed, with benefit for all the parties involved—doctors, patients, and insurers—is piling up. Some eight million Americans now receive medical care under plans that work well, and that are subject to the constraints of the marketplace. These "prepaid group practice" plans are not the only model for reform. Further, even these plans have not yet been brought to the degree of efficiency that they may someday reach. Nevertheless, they represent an alternative that more Americans should be able to choose. Their expansion would exert a badly needed competitive discipline under the rest of the medical system.

The Kaiser Foundation program is by far the largest of the prepaid systems. It has two million members and its own network of hospitals and outpatient clinics in California, Oregon, and Hawaii. The program began in the late 1930's when the late Henry J. Kaiser then building hydroelectric dams in remote locations, felt obligated to provide medical services for construction workers and their families. After a conventional, fee-for-service payment system proved unpopular Kaiser substituted a single fee covering all needed services, and the plan was enthusiastically accepted. In response to requests from hundreds of former shipyard workers, Kaiser kept the program going on the West Coast after 1945, and opened it to the general public. Today, employees of the various Kaiser companies and their families constitute only about 3 percent of the membership.

The Kaiser plan has made some notable improvements over the orthodox means of distributing medical care. To begin with, access is easy. Physicians of all major specialties are housed in large clinics in each of the regions covered by the plan. A middle-aged man with an abdominal pain can see his internist and can be referred within minutes to another specialist in the same building, which has its own x-ray and laboratories. If the patient requires hospitalization, he is sent to one of the Kaiser Foundation's nineteen hospitals, many of which adjoin the outpatient clinics.

Unlike ordinary private "health insurance," which is really sickness insurance designed to reimburse selected medical expenses under the fee-for-service system, the Kaiser program assumes broad responsibility for keeping its members sound of body. The range of

services varies according to the employer group or individual member, but a fairly typical plan offered in the San Francisco-Sacramento area currently costs a total of \$35.40 a month for a subscriber with two or more dependents, including the employer's contribution. This covers all professional services in the hospital, in the doctor's office, and in the home, including surgery; all x-ray and laboratory services; all preventive care, including physical examinations; and hospital care for up to 111 days per person in a calendar year. Some nominal charges are made for drugs and for doctors' visits (\$1 per office visit, and up to \$5 for house calls after 5:00 P.M.), and there is a \$60 charge for maternity care. Some items are excluded, notably dental care, psychiatry, and nursing-home care (though some Kaiser plans offer psychiatric and convalescent care, too). For an additional monthly payment of 15 cents, hospitalization can be extended all the way to 365 days.

A REWARD FOR CUTTING COSTS

The more liberal of the Kaiser plans probably cover about three-quarters of a family's insurable medical expenses. The very breadth of the coverage provides two important benefits. On the one hand, no paid-up member need be deterred from seeking medical care for fear of the expense. On the other hand, no built-in bias exists favoring a particular type of care, since most types are covered anyway. A patient does not have to be admitted to a hospital for a test or a minor operation, which could be given on an ambulatory basis, solely in order to gain insurance coverage.

The Kaiser plan also provides an incentive for efficiency. The providers of medical care—the doctors and the hospitals—share the financial risks of illness with the patient. Members' monthly charges are set for a year, and during that period the program must operate on the revenue generated by these charges. If costs exceed revenues during that period, the Kaiser system must absorb them.

But any reduction in operating costs below management's projections swells a bonus fund that is shared by doctors and hospitals. Doctors are not paid on a fee-for-service basis, but receive a relatively stable annual income. When they render excessive treatment, they waste their own time and risk a reduction in their bonus, which, coming atop generous regular incomes, can be sizable. In 1968 the eligible doctors in Kaiser's northern California region each collected a bonus of \$7,900. Since they also received regular incomes that ranged from \$20,000 to \$53,000, they probably fared better, on the average, than solo practitioners in the area. And because working hours are fairly regular in group practice, with members taking turns working nights and weekends according to schedules set in advance, the doctors probably lead a more pleasant life.

Even though there is no limit to the number of times a member can see a doctor, members of the Kaiser plan make slightly fewer visits to doctors than the public in general. But the most dramatic savings are in hospitalization. One 1965 study, comparing Kaiser members in northern California with the population of California as a whole, showed that the average Kaiser member spent only 69 percent as much time in a hospital. Still, the Kaiser plan has been affected by the wage inflation common to the health industry. Its nurses won a 40 percent wage increase in 1966, and its hospital workers came under the federal minimum wage law in 1967. As a result, premiums in northern California have risen about 50 percent since 1960, slightly more than the rise in the nationwide index of medical care during this period. But Kaiser's health services still cost from one-fourth to one-third less than the same package of services would cost outside the system.

The Kaiser plan operates in the black. Counting depreciation and some other items, the program generated a total cash flow of \$17,200,000 in 1968 on revenues of \$216 million, enough to provide funds for expansion. Except for one recent federal grant under the Hill-Burton hospital program, the Kaiser Foundation has financed all of its expansion from its own revenues and from borrowings. Unlike most voluntary hospitals, the Kaiser hospitals have never had to fall back on rich trustees or public fund-raising programs to cover deficits or obtain funds for expansion.

PRACTICING "PURE MEDICINE"

Kaiser's experience refutes the widely held belief that if medical services are "free," or virtually free, the public will stampede to them. Neither does the evidence indicate that Kaiser has gone to the opposite extreme, cutting corners and denying needed medical care. This criticism is often voiced by doctors opposed to prepaid group practice, along with the familiar charge that group practice precludes the free choice of "family" physician, and that it renders care in an impersonal, "assembly-line" manner, which lowers the quality of medical services.

In fact, the Kaiser program makes possible an educated choice of a family physician, because the patient in a large clinic is in a position to compare doctors. The atmosphere at one Kaiser clinic, in suburban Walnut Creek, California, is a good deal less suggestive of an assembly line than the typical jammed office of a solo practitioner; the place has more the relaxed ambience of a resort inn. A study team from the Johnson Administrations' National Advisory Commission on Health Manpower gave the Kaiser program a thorough going-over in 1967, and found the quality of services to be high. One factor raising quality, according to Dr. Wallace H. Cook, the sun-tanned physician in chief of the Walnut Creek Center, is that doctors devote themselves to "absolutely pure medicine here." They have nothing to do with the billing, and they do not have to worry about the financial impact of the type of care that they prescribe on the patient, since virtually all phases of medical care are prepaid.

"Peer review," that much-evoked but little-practiced procedure for uncovering medical incompetence, is inherent in a group operation. "We constantly look over each other's charts," says Cook. An incompetent doctor can quickly lose the respect of his colleagues. In solo practice, doctors obviously can never lose their jobs no matter how incompetent they are; with only a few exceptions, licensed doctors are in business for life regardless of performance. At Kaiser, however, even doctors who have attained relatively secure "partner" status, which comes after a three-year probationary period, can be discharged. Not long ago a surgeon too inclined to use the knife was let go.

Another advantage that Kaiser physicians enjoy over their counterparts in solo practice is access to good health records. Generally, health records are in a medieval state, with incomplete data on each individual scattered in every doctor's office and hospital that he has ever visited. Most Kaiser members' medical histories are readily retrievable, and in a growing number of cases are stored on computer tapes. The eventual goal is to give each member a lifetime electronic medical file, based in part on the periodic, multiphasic testing with which the Kaiser Foundation is now experimenting on a large scale.

Probably the greatest spur to maintaining the quality of medical services is the fact that Kaiser does not have a monopoly over health care in the areas it serves. Once a year each group, and each individual within a group, has the chance to drop out of the program if he wishes. If enrollment figures are any guide, the consumers couldn't be happier. Membership has grown threefold in

the last ten years, and the Kaiser Foundation is expanding about as fast as its financial resources will permit, currently at a rate of 200,000 persons a year. It has recently moved east of the Rockies to start a health plan in Denver, and to team up with a group plan in Cleveland.

By almost any measure, then, the Kaiser program represents a quantum leap ahead of the prevailing pattern of health care in the U.S. Edgar F. Kaiser, Henry J.'s son, who besides heading the various Kaiser industrial companies also serves as chairman of the health foundation, says the plan demonstrates "that it is possible, within our free enterprise system, to organize medical care on a private, financially self-sustaining basis so that the consumer is satisfied and the physician is professionally gratified by his role."

Savings on hospitalization and other medical costs are not unique to the Kaiser program. In recent years members of the Health Insurance Plan of Greater New York (HIP), the country's second largest prepaid group program with 775,000 members, have spent 20 to 25 percent less time in hospitals, on the average, than the general population in the New York City area. According to studies by the United Auto Workers, members of the U.A.W.-sponsored Community Health Association, a group-practice plan in the Detroit area, spent 45 percent fewer days in the hospital in 1966 than persons insured by Michigan Blue Cross-Blue Shield.

HOW TO AVOID APPENDECTOMIES

The experience of federal employees also testifies to the efficacy of group-practice plans. In many areas they have a choice of three forms of health insurance—Blue Cross-Blue Shield, "indemnity benefit plans" sold by insurance companies, and group practice. Those enrolled in the principal group-practice plans spend less than half as many days in the hospital as those covered by the other two methods. Because group practice stresses early diagnosis and treatment, and contains no incentives for needless surgery, federal workers also spend less time on the operating table. A study comparing federal employees and their families in group-practice plans with those covered by Blue Shield surgical benefits showed that the latter had 86 percent more appendectomies and more than two and a half times as many tonsillectomies and adenoidectomies per 1,000 persons. Under Blue Shield, female operations, e.g., hysterectomies, were 52 percent higher.

While some of the other group plans have matched or even exceeded Kaiser's cost savings, they have not enjoyed the same rapid growth in membership. Detroit's Community Health Association, whose rolls have been static for several years, is hampered in part by its "union" label that deters white-collar and other middle-class workers from joining. New York's HIP has been stalled at approximately its present membership for the past year or so, and some unions have withdrawn from the plan. HIP has been handicapped because until recently it did not own hospitals; it simply referred patients to community hospitals and paid the bill. In some cases its doctors handled HIP members along with nonmembers paying on a fee-for-service basis. As a result, HIP members have often been kept waiting, and some of them, says a spokesman for a union that recently pulled out, "felt they were being treated as second-class citizens."

Elsewhere around the country, new group-practice programs are getting under way. The main impetus is coming from teaching hospitals—which until now have remained aloof from the nitty-gritty of community health services—and some of the insurance carriers. The new Harvard Community Health Plan, which hopes to attract members from the entire Boston area, is the outgrowth of years of

soul searching by the Harvard Medical School on the mission of the medical school and the hospital. Jerome Pollack, associate dean of Harvard Medical School who designed the new program, has combined some existing institutions—four community hospitals that will accept patients from the new program—with a newly opened outpatient clinic operated by the plan itself and staffed mainly with salaried physicians. With premiums set at \$50 a month per family irrespective of size, the coverage will be somewhat broader than Kaiser's: patients will be eligible for fairly extensive psychiatric care, as well as convalescent care in nursing homes.

Pollack expects the plan to break even in about three years, by which time he hopes enrollment will have reached 30,000. Instead of bypassing the insurance companies, as the Kaiser program does, Pollack has enlisted their help in canvassing members from among those already signed up under existing programs. Blue Cross is expected to supply 70 percent of the members and a group of ten commercial insurance companies—including such giants in the health field as Aetna, Metropolitan, Equitable, and Travelers—will supply the rest. Pollack is aiming for a cross section of all income groups and races, in order to gain operating experience meaningful for the whole U.S. population. "We envision," he says, "something that the giant insurance companies and Blue Cross will be able to duplicate on a large scale."

The insurance companies have been initiating some experiments of their own. As President Charles A. Siegfried of Metropolitan Life concedes, the big carriers have until recently been "standoffish" about improving the nation's medical system. For a long time, he says, there was "a fatalistic acceptance of rising costs," and "we felt we shouldn't tell doctors how to run their services." All this is beginning to change. Following a meeting in Boston last October, the Health Insurance Association of America, representing most of the commercial carriers, recommended that the companies "exert their influence to bring about soundly conceived changes" in the U.S. health system.

Metropolitan has already supplied funds for a new ambulatory care center at Washington University Medical School in St. Louis which will include a "demonstration" group-practice program. Equitable is providing most of the mortgage money for the construction of a combined neighborhood health center and nursing home that will house a new group-practice system in a Washington, D.C., Negro neighborhood. Perhaps the most deeply involved insurance company is Connecticut General, which is putting up \$3,750,000 of mortgage money for a clinic and hospital at the new town of Columbia, Maryland, which will serve members of a new prepaid group-practice plan, Connecticut General, which is also providing \$500,000 of development costs, will have first crack at selling the plan, but its involvement stops short of actually setting it up and running it; Johns Hopkins Medical School in Baltimore will do that.

SELLING HEALTH, FOR A PROFIT

Some insurance companies are beginning to consider actually running health systems of their own. The leading advocate is Dr. Paul M. Ellwood Jr., executive director of the American Rehabilitation Foundation in Minneapolis. The Kaiser experience, Ellwood says, proves that comprehensive health care can be provided efficiently and profitably by corporations competing for the citizens' health dollar. The Nixon Administration is sympathetic to the idea. In their statement last July warning of an impending "breakdown" in health care, Secretary of Health, Education, and Welfare Robert H. Finch and Assistant Secretary Dr. Roger O. Egeberg declared: "We will ask and challenge American

business to involve itself in the health-care industry, including the creation of new and competitive forms of organization to deliver comprehensive health services on a large scale."

While the insurance companies are the obvious ones to enter this field because of their large pools of capital, other parts of the health industry, including hospitals, groups of physicians, and drug companies, could also evolve into medical corporations. The Upjohn Co., which already operates a network of medical laboratories in addition to manufacturing drugs, is "exploring the possibilities." Ellwood sees absolutely nothing wrong, in principle, with industrial and merchandising corporations, such as I.B.M. or Sears, Roebuck, entering what is obviously destined to be a growth industry. Two nationally known conglomerates recently asked New York's HIP for information on how to run a medical system.

The one type of business involvement that Ellwood vehemently opposes is the recent spread of proprietary hospitals and nursing homes. These offer only one phase of medical care, which the owners, who in many cases include doctors, have an incentive to promote aggressively whether it is required or not. The recent, fantastic boom in nursing home stocks, large amounts of which are held by physicians raise possibilities of conflict of interest that call for governmental scrutiny.

THE POTENT MEDICAL LOBBY

The biggest obstacle in the path of a more rational medical system, whether in the form of a health-care corporation or more modest innovations, is organized medicine. Even if the insurance companies or other organizations should decide that the economics of comprehensive health care are very attractive indeed, they might still hesitate to enter the field for fear of antagonizing the medical profession. The American Medical Association has recently muted its opposition to prepaid group practice, but some state and local medical societies still fight it, sometimes viciously. Some incredibly retrograde law and regulations in seventeen states still prohibit the ownership and operation of prepaid group-practice systems by consumer-oriented groups—i.e., by those who would have the most interest in establishing them.

The legislative history of medicare and medicaid illustrate the potency of the medical lobby, as well as the danger in simply pumping more money into the existing health system. A misnomer, medicare is not a health-care program at all, but a financing mechanism under which the Social Security Administration passes out money to the insurance carriers—Blue as well as insurance companies—which in turn pay part of the medical bills for persons over sixty-five. To make medicare more palatable to the A.M.A., which had long opposed it, Congress wrote into the law a passage making clear that the financing plan would not be employed to bring about changes in the U.S. medical system. Indeed, the rather arbitrary division of medicare into Part A (hospitalization) and Part B (doctors' bills) tended to sanctify the fragmentation in the system. The law also specified that hospitals were to be reimbursed on the basis of costs rather than fixed fees, and that physicians were to be paid according to the "customary" fees in their communities.

The quantity of medicare services rendered to the aged increased roughly in line with government forecasts. The deluge that some had feared simply didn't materialize. But the inflation in hospital costs, which had already been steep, was accelerated. The same thing happened to doctors' fees. The "customary" provision, which had been intended by Congress as a sort of benign ceiling on doctors' fees, actually became a floor under all doctors' fees; before medicare went into

operation in July, 1966, most doctors raised their "customary" fees to everybody, young and old, to qualify for higher medicare payments. Partly as a result, doctors' fees, which had been rising by about 3 percent a year before medicare, started shooting up by 6 percent a year.

Medicaid, of course, was an even more potent inflator. It represented an open-ended commitment by the federal government, jointly with the states, to finance through general revenues a whole range of medical services for the poor and the so-called "medically indigent," those whose incomes are too high to enable them to receive welfare payments, but who are judged too poor to pay for medical care.

There are many reasons why the cost of medical skyrocketed from \$2 billion in 1966 to an estimated \$5 billion in 1969, and why it could easily reach \$24 billion by the mid-1970's. For one thing, its potential universe is far larger than medicare's, including all the people considered poor or near poor according to the federal government's definitions—far more than are currently receiving services. Another reason is an incredible amount of bureaucratic red tape and, until fairly recently, very little cost control by the insurance carriers. Still another is the fact that, as author Herman Somers puts it, "the availability of money doesn't produce resources where they don't exist"—in the ghetto and in rural poverty areas where the supply of doctors and medical facilities is stretched thinnest. The result was an ominous, upward pressure on costs, and outright gouging by an unscrupulous minority of doctors.

Compounding the difficulties, medicaid also missed much of its main target group, which was the young poor and near poor. To a far greater degree than its architects foresaw, it has become a device under which the aged poor have supplemented their benefits under medicare. Almost half the money is currently going to persons over sixty-five, and about two-thirds of that is going for nursing-home care, much of it of the long-term custodial type—i.e., for senile and infirm persons who are not convalescing from a serious illness, but have simply been "put away" until they die.

Having made the initial mistake of simply superimposing medicare and medicaid upon an inflation-prone, fee-for-service medical system and then pouring in money, the federal government is now trying to impose some cost controls. Under both medicare and medicaid, for example, the reimbursement of hospitals has been tightened up somewhat, and when new regulations take full effect, doctors' fees generally will be permitted to rise no faster than the cost of living. Like any form of price control, these measures can have only limited effectiveness. They do nothing, by themselves, to eliminate the fundamental causes of medical inflation. And if price control becomes too strict, doctors and hospitals may turn down medicare and medicaid patients.

SOME TEMPTING HEALTH-INSURANCE PLANS

As the sorry history of medicare and medicaid makes clear, any future national health-insurance system must be coupled with measures for imposing order on the distribution of medical care. Of all the proposals being considered, the most ill conceived and most dangerous is the A.M.A.'s "Medicredit" plan for federal income-tax credits to defray families' health-insurance premiums—with credits covering 100 percent of costs for low-income groups and tapering off to zero in the highest brackets. This is strictly a financing plan. To Herman Somers, it "is a proposal to subsidize the present system on the assumption that everything in it is just jim-dandy."

Rashi Fein, professor of medical economics at the Harvard Medical School, has a tax-credit plan somewhat like the A.M.A.'s that

also contains no reforms. Unlike the A.M.A., Fein admits and deplores the great waste in the present system. But he believes that only the crisis atmosphere brought about by pumping in additional money will jolt the American people into creating a more rational medical system. This is a precarious assumption.

In contrast to such views, reform is intimately and ingeniously woven into the health-insurance proposal recently presented by Daniel W. Pettengill of Aetna to the House Ways and Means Committee. Pettengill proposed extending private health insurance to everyone in the population under sixty-five, with the federal government providing a subsidy for the poor and for non-poor individuals rated as bad health risks. Washington would establish guidelines for minimum coverage, including a strong emphasis on ambulatory care that would cut down on hospitalization, and it would use its taxing powers to enforce these requirements. Thus, employers who failed to cover their workers for ambulatory care within, say, five years would lose half their present tax deductibility for health-insurance premiums.

The Committee for National Health Insurance, headed by U.A.W.'s Chairman Walter P. Reuther, has proposed a federally run health-insurance plan that would supplant medicare and medicaid, as well as most private health insurance. Two-thirds of the cost would be shared by employers and employees, in somewhat the same fashion as social security taxes, and the rest would be financed out of general federal revenues. The objective is not merely to provide complete health insurance for all but also, in Reuther's words, to disburse the money in a manner that will bring about a "restructuring" of a medical system that is now providing "unacceptable, unsatisfactory, second-rate health-care services."

The Reuther committee does not propose a governmental take-over, or even direct regulation, of doctors and hospitals, nor does it have a precise blueprint for reorganizing the private medical system. "We don't want to lock step with any existing system" such as Kaiser's, says Max Fine, the committee's executive director. "We want to encourage competition and experimentation." For a time, doctors would have the option of solo practice on a fee-for-service basis, but the plan would contain incentives to encourage the spread of prepaid group practice. While it is easy to find fault with the Reuther committee's somewhat ideological disdain for private health insurance, it is hard to question its insistence upon reshaping the medical system.

AN AGENDA FOR REFORM

A lot must be done, and done soon, to prepare the U.S. medical system for the approaching day of universal health insurance. The most important step is for the federal government, which now pays about a third of the country's medical bill, to encourage the emergence of more efficient forms of care. The Hill-Burton program, under which Washington has made available nearly \$3.5 billion in grants since 1947 to build new hospitals, has largely accomplished its mission. The task now is to modify Hill-Burton, as the Nixon Administration and some Congressmen have proposed, to make grants available for the construction of ambulatory care centers, including those operated by group-practice plans. Also, it would cost nothing for the federal government to realign the various laws of the 1950's and 1960's that encourage regional planning of medical programs and facilities—laws that now overlap in scope, and carry little more than moral force—and to make effective planning a condition for all future grants and loans. The U.S. Public Health Service, which has abandoned its long-standing neutrality on the matter, has allocated \$1,100,000

during the past two years to acquaint community organizations, including labor unions, with the prepaid group system. But a bigger educational effort is needed.

The private insurers, too, can exert far greater control over medical costs. In New York State, Blue Cross is shifting over to a fixed-fee method of reimbursing hospitals, with fees set for two years in advance. More such innovations are needed. The insurers must also simplify health insurance, and provide broader coverage. Walter McNerney of Blue Cross, fully aware that his system has encouraged excessive use of hospitals, believes that insurance coverage must reach 80 percent of medical costs before the bias in favor of certain types of care will disappear.

ADEQUATE CARE FOR ALL

Under the existing chaotic state of affairs, the goal of adequate care for all citizens seems utterly unattainable. Although millions of people are still denied adequate care, the proportion of our G.N.P. devoted to medicine has already climbed to 6.8 percent from 4.5 percent twenty years ago, and promises to keep right on increasing. In this situation, the public and Congress are certain to resist any proposals to shift massive new resources to medical care, especially in view of all the country's other unmet needs in such fields as housing, welfare, and urban transportation.

The only hope, therefore, is to get more value from the money spent on medical care—to remove the glaring inefficiencies, to bring the proper incentives into play, and to make a maximum effort to supplement doctors with lower-paid para-professionals, as proposed in the article beginning on page 84. If this were done, the country might save enough from the elimination of waste to do a creditable job with that same 6.8 percent of G.N.P. The strongest evidence that this is possible comes from abroad. Countries such as Sweden and Britain, which enjoy lower infant mortality rates and morbidity rates for childhood diseases than the U.S., devote only 5 percent and 4 percent of their G.N.P., respectively, to medical care.

Harvard's Rashi Fein believes that "at least 10 percent of the \$63 billion we spend on medical care is wasted." Howard Ennes of Equitable Life guesses that "we're losing 40 percent of what we're putting in." One benchmark of what good care ought to cost is provided by the Kaiser program, whose services currently cost about \$120 a year per person, counting the nominal fees paid by members when they receive treatment. Making allowance for services not provided, the Kaiser experience indicates that a good job could be done for the non-aged, non-poor population for about \$175 per capita—or about one-third less than what this group currently spends for the unsatisfactory care it gets.

These figures show, among other things, that a majority of the population under sixty-five does not need a government subsidy to pay its medical costs, provided employers pay a generous share of private insurance premiums. They also suggest that if an efficient system existed right now, some \$10 billion to \$20 billion a year might be available, in the form of savings, to provide better coverage for disadvantaged groups. Assuming that it would cost even as much as 50 percent more per capita to care for the poor because of past neglect (or about \$250 per person a year) \$10 billion could pay all the medical bills for the approximately 35 million persons below or near the poverty line. For another \$3 billion or \$4 billion, medicare—which now pays 45 percent of the aged's medical bills—could be liberalized, and it could be extended to persons under sixty-five who are permanently and totally disabled.

To construct such a system would take at least five years, and require considerable

capital investment and redeployment of medical manpower. But there is reason to believe that if the country has the will, good medical care for all is within our reach.

WHITE HOUSE CONFERENCE ON CHILDREN

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. RARICK. Mr. Speaker, the White House Conference on Children and Youth is now actively underway in Washington.

The local papers are redundant with accounts of strange proposals and new laws to warp the contemporary status of the youth in our country. This youth progress is of course, being led by non-youth, and as could be expected all of the weird ideas and unnatural promotions are to be financed by the taxpayers' dollars.

I include pertinent newsclippings:

[From the Washington Star, Dec. 13, 1970]

PARLEY ON CHILDREN FACES FORMAT FIGHT

The carefully structured White House Conference on Children is facing a major challenge to its planned format even before President Nixon addresses the formal opening session tonight.

Most of the leading national organizations in the child welfare and education fields, who say they are represented by nearly 1,000 of the some 4,000 conference delegates, have scheduled a caucus this afternoon to map strategy.

Blacks, Spanish-speaking delegates, women and labor delegates are also planning caucuses. And Dr. George Wiley, director of the National Welfare Rights Organization, which dominated the White House Conference on Food, Nutrition and Health a year ago, said yesterday, "We're thinking about bringing a lot of children to the children's conference." Wiley, whose organization was not invited, would give no details.

NATIONAL PRIORITIES ISSUE

The national organizations meeting this afternoon are expected to demand that Stephen Hess, the White House aide whom the President selected as conference chairman, agree to schedule plenary sessions that would bring all the delegates together at one time to deal with major issues.

Many of the organizations want the conference as a whole to take action on resolutions calling on the President to rearrange national priorities from spending for defense and such programs as the supersonic transport to social welfare needs. Specific criticism of the President's two vetoes of education bills and cutbacks in health and poverty programs also are expected.

The request to Hess for plenary or general sessions of delegates has already been made in a letter by Mrs. Richard M. Lansburgh of Baltimore, president of the Day Care and Child Development Council of America, Inc. The organization lists Mrs. Richard M. Nixon as its honorary chairman.

Mrs. Lansburgh, who is a vice chairman of one of the conference's 24 forum groups, said many delegates are participating while taking into account that "the present administration is unresponsive to reports from citizen bodies."

Delegates are also concerned, she said, that "while this conference will be allowed to move, pro forma, through a week of meetings, it will not be allowed to act as a body on issues of national social policy."

The only general meeting comprising all of the more than 4,000 delegates is the formal opening session of the conference tonight. The opening session is restricted to speeches by President Nixon and conference chairman Hess and a welcome to the city by Mayor Walter Washington.

160 IN EACH FORUM

For most of the week, delegates will meet in the 24 forum groups of about 160 persons each, spending about six hours a day discussing issues. The forums will meet in larger clusters of about 600 persons for two hours tomorrow and for two hours on Friday, the closing session of the conference. Final recommendations to the President are to be drawn up at the closing sessions.

Hess indicated yesterday he has no plans to change the conference format, which he and his staff devised. "We have created a mechanism for dealing with overriding issues," he said.

Chairmen of the 24 forums are scheduled to meet Wednesday night and determine what major issues are being emphasized in the groups. The chairmen then can go back to their forums and propose action on specific issues, Hess said. Delegates will also be asked to mark ballots listing major issues and to assign them priorities, Hess added.

Hess said the 1960 White House Conference held a plenary session which he considered ineffective. "People spent hours lining up at microphones, then delivered hundreds of monologues," he said. "Our plan is to get delegates to participate, instead of being just observers."

Among organizations seeking to reshape the conference are the National Education Association, the AFL-CIO, the National Association of Social Workers, the American Psychological Association, the National Conference of Catholic Charities, the American Psychological Association, the Urban League, the Association for Early Childhood Education and the National Organization of Women, the women's rights group.

SEPARATE PARLEYS SET

Also likely to be a point of debate at the conference is the decision made by Hess to depart from the 60-year history of White House Conferences and hold separate youth and children's conferences. Some delegates feel the youth conference was split off and scheduled next spring 1,500 miles away at Estes Park, Colo.

Last week, the 24 forums released reports containing hundreds of recommendations, including a call for creation of a national system of child advocacy to represent the interests of children, funding of experimental schools, new legal protections for children and a health insurance program for children.

Conference critics are likely to say that the delegates are not representative of the nation's population particularly its poor. Some 1,800 delegates were chosen by governors through their state committees on children and youth; over 1,000 by professional and voluntary organizations, 535 by members of Congress and 300 by other groups.

Hess said delegate selection was aided by a computer to help insure geographic, racial and age balance for the conference. He said members of minority groups make up about 25 percent of the delegates. No funds were available to the conference to bring poor people to Washington, he said, although some organizations will have low income people in their delegations.

[From the Washington Star, Dec. 13, 1970]

HEALTH: NATIONAL PROGRAM IS NEEDED

This forum is convinced that a federally financed, national child health care program needs to be developed and established promptly, and, to be effective, must be implemented aggressively.

Prior White House Conferences, attempting to fulfill charges similar to the one we have accepted, devoted themselves primarily to information gathering. Ours is the task of closing the gap between what we know and what we do. We know a great deal more about health maintenance, prevention of illness and disability, and treatment of disease in childhood than we did when the first White House Conference was called. We know more than we did 20 years ago about the normal developmental phases of childhood and youth, physically, intellectually, emotionally. We are infinitely more aware than we were 10 years ago of the relationship between a child's health and his total environment—family income, parental education, quality of nutrition, housing, stability of family relationships. The gap between what we know and what we do is growing wider and there is increasing public uneasiness about this gap. Everything we have learned must be placed at the disposal of all children—no matter where they live or what their racial or ethnic origin or how disadvantaged the homes in which they are being reared.

Debate has been initiated among various concerned segments in the country about national health insurance programs. A number of alternative approaches have been proposed and are currently in the process of review, consideration, and reformulation. These approaches include:

An extension of Medicaid, with adherence to national standards and with provision of federal financing.

Voluntary health insurance in a variety of formats, including proposals developed by certain private carriers, one which would be financed by income tax credits, and one patterned after the Federal Employees Health Benefits Program.

Social insurance programs, several of which have been formulated as legislative proposals.

It seems to us that all of the proposed programs neglected the specialized services which many children need—services such as early case finding, special care for high-risk newborns, mental health services, services for handicapped children and child protection services.

Nor do any of the programs come to grips with the special problems of providing adequate health services to populations in rural areas where there is absence or maldistribution of resources, where geographic distances make limited resources virtually inaccessible, and where there is little economic or political power to correct these deficits.

We are aware of the contradiction of proposing a program of health care for children, since we do not perceive them as separate consumer entities, isolated from their families. We would be reluctant to further fragment services which desperately need to be bound together as an integrated whole. We do not advocate a separate health policy for children nor separate resources for health services. Our proposals for children and youth are advanced within the context of a total family health care system. We are special pleaders only in the sense that we feel children must come first.

In 1969, this country spent \$8.4 billion for personal health care for persons under the age of 19; of this total, more than \$2.2 billion was spent on government-supported programs. We are not prepared to say that higher total expenditures are called for, but it is evident to us that despite the money spent there were inequities and inadequacies in the availability of care.

We recognize that the health needs of children in poverty are more urgent and more generally neglected than those of other children. But this urgency does not mean that the needs of the poor should be met haphazardly, or in terms of sheer expedience, or in terms of sheer experience, or in any way that compromises quality.

We believe that society should take the initiative in seeing that the health needs of children are met. Children cannot speak for themselves or seek out what they need. Not all parents are able to act to safeguard the health of their children.

[From the Washington Star, Dec. 13, 1970]

ADVOCATE: TO GUARD THE CHILD'S RIGHTS

It is indisputable that a large segment of children exists whose basic needs are only partially met or totally ignored. The effect of such neglect is obvious. Unemployment among school dropouts is nearly four times that of others in the employment market. The spiraling increase in delinquency and youth crime is largely attributable to lack of proper parental control and the alienation of children and youth by the community agencies. Children from poor and lower income families, especially minority groups in ghetto areas and children of migratory workers, seldom achieve full potential because of cultural and environmental handicaps. Permissiveness and affluence have produced a significant force of dissident youth whose conduct ranges from harmless idleness to gross drug abuse and violent disruption.

While many factors contribute to the plight of such children and youth, certainly one significant cause is the absence of a person or agency responsible for securing the basic rights guaranteed them under our Constitution.

Some limited child advocacy now exists. Included are representation by lawyers in juvenile and family court proceedings and in some other legal, or quasi-legal areas; the services of a school social worker or counselor; the protective services of a child welfare worker to an abused or neglected child. Some organizations also represent child interests in broad terms by fostering improved child care programs, increased health service, better schools and needed protective legislation. And some institute legal class actions to improve the lot of a whole segment of children.

While these services for children are both useful and necessary, they do not meet the day-to-day wants of the individual child in his own environment, nor are they designed to do so. Services meet fragmented needs of the child but rarely his total needs; and such split responsibilities also lead to limited coordination of efforts and poor follow-up.

Every child, because of his immaturity and legal disabilities, requires a skilled, experienced, and dedicated advocate whenever his liberty or health are jeopardized, whenever he is deprived of a home, school, medical care, property, rights, entitlements or benefits or is subjected to involuntary treatment.

Such situations occur not only in the context of a juvenile court petition for delinquency, dependency or neglect. A child often needs protection from, or assertion of rights against, his family, agencies of government, or private individuals, institutions, and organizations.

This forum believes an independent representative for children, a Child Advocate, is urgently needed, and should be created in each community.

The Child Advocate, as we conceive him, differs from any existing person or service; he is exclusively committed to the interest and welfare of children. He is an advocate for individual children who seek his help, or who come to his attention; and an advocate for procuring non-existent child care services, and for improving those which already exist.

It should be stressed that the advocate does not duplicate or supplant existing services. For example, he is not a lawyer to displace the public defender, court-appointed counsel, or the parent-selected attorney in juvenile court matters. Yet he may perform or purchase such service where it is non-existent or ineffective, or where his client,

the child, is dissatisfied and requests other representation.

He does not institute class litigation on behalf of children and families if OEO or other legal services are available for this purpose, except where such service is unresponsive to his client's needs.

He does not assume the role of the teacher, school counselor, principal, or other school official in prescribing school programs or curricula. When the child fails to learn because the school program is meaningless to him, or where he is suspended or expelled, the Advocate may negotiate with the school on behalf of his client, the child. He does not encroach upon the domain of the medical or mental health specialist or marriage or child guidance counseling service in child health problems, but he sees that these services are available to his client, the child.

He does not interfere in legitimate parent-child relations, but he may seek help for the child, even to removal of the child from parental care, where persistent abuse or neglect occurs.

He does not impede the lawful functions of the police in their dealings with child and family problems, but he will intercede with the police on behalf of individual children; to prevent unnecessary detention, to avoid court referral where possible, to foster better police-child-family relations, and to preserve human dignity and promote respect for law.

We conceive the Child Advocate as a full-time, salaried individual responsible for children in a designated geographic area. Despite the broad duties described, the Advocate is not, nor need he be, a "superman," one who is all things to all people. Rather, he is foremost an empathetic child-oriented administrator whose professional qualifications are less important than practical and energetic zeal for the well-being of the children for whom he is responsible.

Despite his principal role of advocacy, the Child Advocate is not without the power to achieve his ends where persuasion may fail.

First, the Child Advocate is supported by a representative council, the members presumably committed to the betterment of the Child's lot. When informed that a given community agency's policies make it less helpful and responsive than it should be, the council should be able to marshal public opinion to bring about change.

Second, through funds available to the Child Advocate for purchase of services, he may demonstrate the need for, and benefits to, the community by providing a given form of presently non-existent assistance. In this fashion he may create a demand for a locally established and funded form of such service.

Third, by appeal to such legal aid as may exist in the community (OEO) Legal Services, legal aid societies, ACLU, Family Law Committee of the bar association, etc., class litigation, actions for declaratory judgments and similar suits may be instituted to reform existing public agency practices.

Finally, through the local Child Advocate's affiliation with his national office, he may report any local deficiencies or abuses of federally funded child care programs so that these may be corrected.

[From the Washington Sunday Star, Dec. 13, 1970]

SCHOOLS: STRUGGLING THROUGH A MAZE OF MYTHOLOGY

Some examples of educational "myths" assembled and attacked by one of the forum groups:

"Children Have To Go To School To Learn." Although most of us pay lip service to the notion that learning can take place virtually anywhere and anytime, our worshipful attitude toward formal schooling reveals a refusal to explore alternatives which maximize learning outside the classroom.

A spoof in Phi Delta Kappan entitled "Harry, the Crawler," suggested what our

future might be like if we continue to permit our educational system to evolve into a sprawling labyrinth of requirements and prerequisites: children would eventually have to attend and graduate from Crawling School before we would recognize their ability to successfully meet all of the requirements of "Crawling 101."

Consider the extraordinary amount of learning which takes place during a child's first four years, most of which is beyond the purview of any classroom or educational institution. The article takes on added force if we consider how poorly we utilize learning which takes place outside the classroom at all age levels; daily lessons taught by the media, where a child's attention is stronger than it is for most teachers; the stories told by Aunt Emma about life on the other side of the state (or on the other side of the world); the lessons of siblings and the learning effects of unsupervised play, the experiences of summer camp, field trips, and the indispensable "survival skills" learned by the ghetto child outside the classroom.

The growing number of schools dedicated to the amplification and use of "non-formal," out-of-class experiences as the central core of their curricula indicates that educators are beginning to recognize the potential of these largely untapped sources of learning. In these preliminary attempts, they are seeking alternatives which will enable them to capitalize on all experiences relevant to the child's world. The World of Inquiry School in Rochester, N.Y.; The Urban School in San Francisco; Project Gold Mind in Woodland, Calif.; Metro in Chicago; and the Parkway Project in Philadelphia are a few examples of schools where the entire community is made a learning resource for the children.

"Teachers Know and Children Don't." One of our most destructive educational myths is that "teachers know and children don't." This myth's psychological consequence is the preservation of an authoritarian school mode, which runs counter both to the democratic ideal of encouraging students to think for themselves and to learning theories which indicate that as students grow older they depend more on their peers for information than their elders.

The educational consequence of this myth is teacher-oriented rather than student-oriented schools. Historically, the teacher has been the focus of learning because he was the primary source of knowledge about the outside world. Today the proliferation and diffusion of information has placed the role of teacher in a different context. The availability of knowledge through visual media as well as the abundance of leisure time for travel and enjoyment of cultural events have broadened the horizons of most students, reducing the teachers monopoly on information. And the rapidity with which the known world now changes provides new perspectives and reduces the "stability" of previous knowledge, so that a teacher may frequently have difficulty keeping up with changes in our society—changes about which students may be the most informed sources.

One alternative which might help us break out of the authoritarian mold, already in experimental use, is cross-age teaching. Such an alternative may offer tutorials to seventh and eighth grade students as well as fourth, fifth, and sixth grade students in an attempt to: (1) increase the academic achievement of both younger and older students by providing individualized help for the younger and reinforcing learning for the older; (2) enhance the socialization process of the younger child by encouraging interpersonal relationships with older children; (3) enhance the socialization process of the older child; and (4) improve the self-image of both the younger and older child.

Our search for new ways to involve the

student as teacher in the learning process must not diminish the status of the teacher. We envision the role of the teacher taking on a new importance, as children become aware of the value of the special perspectives and judgment of the oldest "student" in the classroom.

"You Can't Change Education Without More Money." Many of us believe that it is impossible to make major changes without large infusions of money. Change then becomes wholly dependent upon grants from the state or federal governments. Another major problem in counting on large sums of money to effect change is a dependency which jeopardizes the innovation if funding is removed.

Clearly, changes in the educational structure which do not require additional resources are more favorably received, and are more likely to be continued. The easiest way to avoid major recurrent costs is through the reallocation of resources. Most schools still operate on the rather rigid fixed budget which, in a hypothetical case, might allow for 10 teachers at the rate of \$10,000 a year. Suppose a superintendent wishes to hire an "expert" in a particular field whose current position pays much more than the \$10,000 per teacher limit. By employing paraprofessionals at lower salaries to perform routine functions, the superintendent can hire an expert teacher at a competitive salary, while improving teaching staff who now have more time for self-enrichment, individual instruction and tutoring, and lesson preparation.

Another budgetary option which requires no additional resources might be called a "squeeze-offset" approach. This strategy assumes that 100 percent of any present budget is not necessary for successful performance. The resources are arbitrarily reduced to 90 percent with no reduction in the task. The remaining 10 percent becomes available for new programs.

We must realize that the greatest costs in any major educational innovation are costs of transition from the old system to the new; at the same time we must prepare ourselves for self-sufficiency. Imaginative use of present resources helps ensure that, once "seed money" has dried up, continuance of the program is possible.

"Local School Boards Control Education." One of the most popular misconceptions about the process of educational reform is that local school boards control American education. Studies both in large cities and the suburbs indicate that school board members have neither the information nor the facility, much less the authority to control policy. Policy decisions rest largely with school professionals. School boards are authorized to make final determinations about budgetary and policy matters that too often have already been decided either by state law or teacher contract. When they do strike out on their own, they are subject to conflicting and divisive pressures.

No one comes to the school board to praise its decisions; people only come to petition and complain. Parents' organizations petition for better bus service, teachers' organizations petition for higher salaries, students petition for more rights, and politicians attack the schools for the manifestations of these conflicting pressures.

Caught in the middle of these competing forces, out of bewilderment the school board members often reject all suggestions for change. Under such conditions, it is tempting for school board members to insulate themselves completely and make their decisions arbitrarily.

Considering that school boards have to prepare budgets without any real control over referendum votes or the local tax bases which provide their monies, one becomes aware of the awesome juggling act which school boards are normally forced to perform. They

must somehow match uncertain resources to growing demands from all quarters to produce an effective educational program.

Unfortunately, when a coordinated educational program is now required more than ever to foster the kinds of change which will sustain our society, the local school boards can hardly be said to control local education. If anything, they are yet another factor in an anarchic situation. What is needed is the strengthening of the local school board, so that parents, teachers, and students have an equal voice in setting priorities.

[From the Washington Sunday Star,
Dec. 13, 1970]

A SAMPLING OF TOPICS FOR WHITE HOUSE CONFERENCE—FAMILIES: THE ISOLATION OF THE CHILDREN

America's families and their children are in trouble, trouble so deep and pervasive as to threaten the future of our nation. The source of the trouble is nothing less than a national neglect of children and those primarily engaged in their care—America's parents.

We like to think of America as a child-oriented society, but our actions belie our words. A hard look at our institutions and way of life reveals that our national priorities lie elsewhere. The pursuit of affluence, the worship of material things, the hard sell and the soft, the willingness to accept technology as a substitute for human relationships, the imposition of responsibility without support, and the readiness to blame the victims of evil for the evil itself have brought us to the point where a broken television set or a broken computer provokes more indignation and more action than a broken family or a broken child.

Our national rhetoric notwithstanding, the actual patterns of life in America today are such that children and families come last. Our society expects its citizens first of all to meet the demands of their jobs and then to fulfill civic and social obligations. Responsibilities to children are to be met, of course, but this is something one is expected to do in his spare time. But when, where, and how? In today's world, parents find themselves at the mercy of a society which imposes pressures and priorities that allow neither time nor place for meaningful activities, and relations between children and adults which downgrade the role of parent and the functions of parenthood, and which prevent the parent from doing the things he wants to do as a guide, friend, and companion to his children.

The frustrations are greatest for the family of poverty, where the capacity for human response is crippled by hunger, cold, filth, sickness, and despair. No parent who spends his days in search of menial work and his nights in keeping rats away from the crib can be expected to find the time—let alone the heart—to engage in constructive activities with his children or serve as a stable source of love and discipline.

For families who can get along, the rats are gone, but the rat race remains. The demands of a job, or often two jobs, claim mealtimes, evenings, and week-ends as well as days; the trips and moves necessary to get ahead or simply hold one's own; the ever increasing time spent in commuting, parties, evenings out, social and community obligations—all the things one has to do to meet so-called primary responsibilities—produce a situation in which a child often spends more time with a passive babysitter than a participating parent.

And even when the parent is at home, a compelling force cuts off communication and response among the family members. Although television could, if used creatively, enrich the activities of children and families, it now only undermines them. Like the

sorcerer of old, the television set casts its magic spell, freezing speech and action and turning the living into silent statues so long as the enchantment lasts. The primary danger of the television screen lies not so much in the behavior it produces as the behavior it prevents—the talks, the games, the family festivities and arguments through which much of the child's learning takes place and his character is formed. Turning off the television set can turn off the process that transforms children into people.

In our modern way of life, children are deprived not only of parents but of people in general. A host of factors conspire to isolate children from the rest of society. The fragmentation of the extended family, the separation of residential and business areas, the disappearance of neighborhoods, zoning ordinances, occupational mobility, child labor laws, the abolishment of the apprentice system, consolidated schools, television, separate patterns of social life for different age groups, the working mother, the delegation of child care to specialists—all these manifestations of progress operate to decrease opportunity and incentive for meaningful contact between children and persons older, or younger, than themselves.

And here we confront a fundamental and disturbing fact: children need people in order to become human. The fact is fundamental because it is firmly grounded both in scientific research and in human experience. It is disturbing because the isolation of children from adults simultaneously threatens the growth of the individual and the survival of the society. The young cannot pull themselves up by their own bootstraps. It is primarily through observing, playing, and working with others older and younger than himself that a child discovers both what he can do and who he can become—that he develops both his ability and his identity. It is primarily through exposure and interaction with adults and children of different ages that a child acquires new interests and skills and learns the meaning of tolerance, cooperation, and compassion. Hence to relegate children to a world of their own is to deprive them of their humanity.

Yet, this is what is happening in America today. We are experiencing a breakdown in the process of making human beings human. By isolating our children from the rest of society, we abandon them to a world devoid of adults and ruled by the destructive impulses and compelling pressures both of the age-segregated peer group and the aggressive and exploitive television screen. By setting our priorities elsewhere and putting children and families last, by claiming one set of values while pursuing another, we leave our children bereft of standards and support and our own lives impoverished and corrupted.

This reversal of priorities, which amounts to a betrayal of our children, underlies the growing disillusionment and alienation among young people in all segments of American society. Those who grew up in settings where children and families still counted are able to react to their frustration in positive ways—through constructive protest, participation, and public service. Those who come from circumstances in which the family could not function, be it in slum or suburb, can only strike out against an environment they have experienced as indifferent, callous, cruel, and unresponsive.

We do not condone the destruction and violence manifested by young people in widely disparate sections of our society; we merely point to the roots of a process which, if not reversed, will continue to spread.

The failure to reorder our priorities, the insistence on business as usual, the continued reliance on rhetoric as a substitute for fundamental reforms can only have one result: the far more rapid and pervasive growth

of alienation, apathy, drugs, delinquency, and violence among the young and not so young in all segments of our national life. We face the prospect of a society which re-creates its own children and fears its youth. Surely this is a road to national destruction.

This is not the road for America. Our society still has the capacity and the value commitment necessary to reverse the trend. What is needed is a change in our patterns of living which will once again bring people back into the lives of children and children back into the lives of people.

[From the Washington Star, Dec. 14, 1970]

DELEGATE GROUP RAFS CHILD CONFERENCE CHIEFS, SEEKS NEW FORMAT

Organizers of the White House Conference on Children were facing a revolt today by a significant minority of delegates who have "condemned" them for inadequate citizen participation in planning the session and have demanded a basic change in conference format.

Stephen Hess, the conference chairman who is also a White House aide, said last night he would meet today with representatives of the Council of National Organizations for Children and Youth, the sponsors of a special caucus that has criticized the planning.

The council is an umbrella group for some 500 education, welfare and social organizations, ranging from the American Legion, Boy Scouts and the American Humanist Association to the AFL-CIO, the National Education Association and the Urban League.

With about 600 persons present, most of them also among the same 4,000 convention delegates, the organization's caucus voted, with few objections, to demand a plenary conference session to "express judgments on issues of national social policy."

The resolution, introduced by Lawrence C. Feldman, executive director of the Day Care and Child Development Council of America Inc., said that if Hess does not provide for a plenary session Thursday the protesting organizations are "ready to move outside the conference."

While Hess had no immediate comment on the action, another conference staff officer, who said he was speaking for himself, criticized the dissenters. "These organizations are just concerned with maintaining stifling institutions and agencies," said Dr. David Gottlieb, the conference's research director.

Dr. Gottlieb, a sociology professor, at Pennsylvania State University, said the conference is attempting to develop new alliances of persons and groups concerned about children and to critically review institutions. "Here is an opportunity to get together and on the first day these groups are declaring war," he said. "They're actually declaring war on children."

The other resolution, introduced by AFL-CIO representatives and passed by the caucus, "condemned" the organizers for their "refusal to invite active citizen participation and consultation" in planning the conference. Miss Alberta L. Meyer of the National Committee for Children and Youth, an organization that grew out of the 1960 White House conference, said Hess had acted "autocratically and arbitrarily" in excluding established groups from conference planning.

The organizations object to the conference format which calls for bringing all 4,000 delegates together only at the formal opening session addressed last night by President Nixon. From then through Friday, the conference is divided into 24 forums of about 160 persons each, but meets today and Friday in larger groups of about 600 delegates.

Dissenting delegates, reviewing position papers drawn up for the conference, repeatedly criticized them for not demanding strong federal action and increased spending in the child, family and welfare fields. The

papers were also criticized for omitting specific evaluations of the Nixon administration's record in the social welfare and education fields.

At the opening session last night, Hess assured delegates their recommendations will be considered by the administration, which plans to submit to Congress in January a \$300,000 budget request to fund a "follow-up" office, which will report on action taken on recommendations.

He also said forum groups will be coordinated in a general way, so that overriding issues can be considered and voted on by all. Delegates will also vote by ballot on a list of priority issues, he added.

VANDALISM

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. EILBERG. Mr. Speaker, widespread vandalism among abandoned housing has become a very serious problem. In Philadelphia alone it has been estimated there are 20,000 abandoned housing units. Responsibility of ownership continues, however, in the owner of an abandoned house. A recent court decision in Philadelphia authorized the legal abandonment of such a unit.

It is obvious that the cities need help from the Federal Government, because they simply cannot raise the money to do the job alone. We must do a better job in Washington to help the cities in this very serious crisis.

Enclosed for the attention of my colleagues is a recent article which appeared in the Philadelphia Sunday Bulletin of December 13, which highlights the problem:

JUDGE SHOYER DEPLORES VANDALISM, PERMITS HEIRS TO ABANDON HOUSE

(By Harmon Y. Gordon)

The widespread vandalism of housing in Philadelphia was given judicial recognition last week when the heirs of an insolvent estate were permitted to legally abandon a boarded worthless house.

"The current situation," Orphans' Court Judge Kendall H. Shoyer said, "recalls the Depression of the '20's and '30's, aggravated now by widespread and seemingly unpreventable vandalism."

The house at 254 W. Wensley st., near 2d and Ontario st., Kensington, was owned by Fritz Alfred Ulbricht, a former Sears and Roebuck Co. worker, who died Nov. 3, 1969. Ulbricht left no will. His "estate" consisting of \$712.94 in cash and the house which was declared "no value," was to go to brothers and sisters.

HEIRS FILE PETITION

Ulbricht's nine-month hospitalization and funeral expenses, debts and administration costs totaled \$2,512.30 which were paid by his brothers and sisters.

In October, the heirs filed a petition to abandon the two-story row brick house which has been vandalized, boarded up and produced no income.

Judge Shoyer found that neither the Philadelphia Housing Development Corporation nor the Housing Authority was interested in the property and would not accept title to it as a gift.

No one would take it as a gift, the judge said.

ASSESSED AT \$2,500

The assessment of \$2,500 is so low, he said, that the heirs sought no reduction from the Board of Revision of Taxes.

But the owners, he noted, are responsible for real estate taxes which fall due January 1 of each year.

To escape liability for taxes on the house, the judge said they would have to pay a "straw man"—a legal ghost—to take title.

"They will thus transfer a personal problem to the community which has created the problem by its failure to come forward with effective measures to check the decline of residential real estate," said Shoyer.

STOPGAP REMEDIES

"Stopgap rehabilitation remedies to date have been no more effective than a band-aid on a cancer and have been severely criticized as futile and inadequate by the recent investigating grand jury," the judge said.

A local realtor testified that it would cost more than the property is worth to make it livable, Shoyer said.

"It is the same tragic situation that is constantly being repeated in the old neighborhoods of every large city in America" Shoyer said.

Bernard C. Meltzer, real estate writer for *The Bulletin*, reported on Oct. 16, Shoyer said, that 100,000 housing units were abandoned in New York City between 1965 and 1968.

And in Philadelphia Meltzer said the comparable figure is 20,000, the judge noted.

FIDUCIARIES ACT

Judge Shoyer relied on a provision of the Fiduciaries Act of 1949 which says that "when any property is of no value to the estate, the court may authorize the personal representatives to renounce his right to administer it." He cited several Supreme Court decisions to backstop his ruling.

"No one has to accept an inheritance" Shoyer said, "and no law prohibits an heir from abandoning an unwelcome fee after he has determined that to hold on to it would incur a never ending expense.

"It is obvious from the petition and the testimony that the proposed abandonment is not detrimental to the creditors or to the next of kin of the decedent," said the judge as he decreed the property legally abandoned.

BREAKTHROUGH IN CANCER DRUG DEVELOPMENT

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. PUCINSKI. Mr. Speaker, the Chicago Sun Times recently carried an article which shows the exciting research that continues to go on in Israel's renowned Weizmann Institute.

I am pleased to place in the RECORD today the Sun Times article because it brings into proper perspective the efforts being made by the Weizmann Institute.

The article follows:

ISRAELI INSTITUTE CLAIMS CANCER DRUG PRIORITY

REHOVOT, ISRAEL.—Israel's Weizmann Institute of Science pioneered research on a possible anti-cancer drug for which Princeton University has claimed credit, an Israeli scientist said Sunday. The drug has been produced in this country for more than a year, he added.

The scientist, Michael Inbar, a researcher on the Weizmann Institute team of Prof. Leo Sachs, said he was puzzled by reports quoting

Princeton Prof. Max Burger as saying he had extracted from plants a drug that might inhibit the runaway growth of cancerous cells and restore them to their normal function.

Inbar said that the drug, concanavalin A, is a chemical compound known to scientists since 1919, but that its anticancer possibilities were first discovered at the Weizmann Institute in 1968.

Inbar said Burger visited the Weizmann Institute a year ago and worked with the Sachs team on one project using the drug.

Sachs and his team have published five papers in international scientific journals on their research with the drug since then, detailing its effects on cancerous tumors in laboratory tissue cultures and in hamsters, Inbar said.

As a result of their research, the Israeli subsidiary of America's Miles Laboratories has been producing the drug, also known as con A, for 18 months and exporting it to cancer researchers around the world, he said.

FOOD STAMPS AND THE RIGHT TO STRIKE

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. O'HARA. Mr. Speaker, there are many features of our free system of government which distinguishes us from dictatorships. We have the right of a free press and free assembly. We have free speech. We have the right of private ownership of property.

We also have the right to strike, to withhold our labor. This is something which is not permitted in Communist Russia, nor in any other totalitarian system in the world. The right to strike is a uniquely free right which only a free society permits. In a Communist land any group of working people who strike are sent to prison labor camps, sent to Siberia, or shot. We pride ourselves in America in our free system. Part of that pride is the right we bestow on free men to the right to refuse to work at what they regard as intolerable working conditions. Anything less than the full exercise of this freedom is a step toward totalitarianism.

It is, therefore, strange that the right to strike is now under attack disguised as an attack on the use of food stamps during a labor dispute. We now see people who are openly advocating a doctrine which says that strikers can be starved into submission. I consider such a doctrine of bargaining by hunger as totally alien to our American system.

No labor dispute is pleasant. A strike is no picnic. But a strike is the American way. The right to withhold a person's labor is as American as the right to make a profit and the right to set a fair price for one's products. The purpose of a strike is the right of a working man or woman to set the price for their labor. The right to strike is the very essence of the free system of collective bargaining.

The Congress has voted billions upon billion of dollars to provide food for the hungry of the world. We feed the prisoners in our Federal prisons and in our local and State jails. We speed food to the

needy wherever they happen to be. Most of the time we do not stop to ask the politics of the hungry, we do not question the religious faith of those with outstretched hands. I consider it a grave departure from the American system to now say that an American striker should be denied the right to have food which his own taxes have helped to pay for.

Much of the antagonism against strikers comes from people who have never worked a day in a factory, never suffered the long, dreary hours at a job paying substandard wages, never faced the cries of children for shoes, never heard the knock of creditors at the front door. Strikers are human beings. They strike as a last resort. They strike because they are free men and refuse to work for what they regard as inadequate wages, hours, and working conditions. Those who rant and rave against strikers without knowing the facts in a particular dispute, without understanding what the pay scale is, have no right to condemn strikers.

When we say to an American striker that he must go hungry and be starved back to the job he left, we are telling that American workman he is no longer a free man. We are telling him the system will starve him into submission if it cannot gain its way in any other manner.

Let us compare the financial power and might of labor unions and corporations. For starters, let us compare the UAW and General Motors. The UAW had a strike fund of \$120 million, part of which was made liquid by temporary short-term loans from other major unions. Now, \$120 million seems like a lot of money, but this strike fund was depleted at the rate of \$20 million a week in strike benefits to 400,000 workers in weekly payments of between \$30 and \$40 a week. Now compare this with General Motors—the largest, wealthiest corporation in the whole wide world. GM has assets of \$24 billion—20,000 times greater than the entire strike fund of the UAW.

Or consider the total assets of all the unions in the United States. According to the U.S. Statistical Abstract for 1970—page 240—the total assets of all labor bodies in the United States amount to \$2,354,800,000. Broken down this comes to \$1,037,600,000 for national unions, \$171,900,000 for intermediate groups, and \$1,145,300,000 for local unions. This figure of \$2.3 billion is a lot of money, but it represents the total financial organizational strength of roughly 20 million organized workers in the United States.

Corporate power in the United States is many times greater than the financial power of American unions. Again the Statistical Abstract—page 476—cites corporate assets for 1970 as \$554 billion for some 200,000 corporations. The largest 102 corporations with assets of \$1 billion or more have total assets of \$267.7 billion—or 48 percent of the total—and net profit for these 100 largest corporations comes to \$3.6 billion, which amounts to 53 percent of the profit earned by all U.S. corporations in 1970.

Now I ask my colleagues if these huge and wealthy corporations are about to

be swallowed up by the puny financial power of the American labor unions. Granted a shutdown of a company's operations can be uncomfortable, but whatever strikes have occurred in major industries in the United States have not reduced the ability of U.S. companies to make a neat profit.

In terms of comparable resources and strength to withstand a strike there is no question that the major corporations in the Nation can weather a strike far better than can the working men and women of the Nation who work for them.

It is a piece of common current fiction to imagine that workers in industry are rich. Even after the General Motors settlement, the going wage for an average UAW member is only \$4.55 an hour. This is not a lush wage. Workers are not basking on the sands of Bermuda at these wages. Many autoworkers are not able to afford even the products of their own hand. Their yearly wage does not permit them to earn the wherewithal to buy a new car.

In this connection I insert at this point the UAW's position paper on "Wage Equity" which debunks many of the current myths about how much money factory workers make and what it can buy. It is an eloquent document, and while the new wage rates make some of this outdated, the same facts apply to workers who are currently trying to negotiate new earning levels and who would be most penalized by forcing strikers to starve during a wage dispute:

UAW POSITION PAPER—WAGE EQUITY

What the inadequate pay of the average auto worker today means in actual experience was poignantly expressed in a letter sent by the wife of an auto worker to our late President, Walter Reuther, on March 4, 1970, just a few weeks before his tragic death. She wrote to Mr. Reuther in part:

"DEAR MR. REUTHER, After reading the March issue of Solidarity, I feel compelled to express my views to you. I feel my views are shared by many other . . . worker's wives. On the front page there is an article stating that the Department of Labor feels a 4 member city worker's family needs \$10,077 per year to live modestly. [Note: This was the cost of the BLS budget at prices prevailing in the spring of 1969.]

"As a . . . family with 6 children (my husband is a spray painter . . .) we made the monumental sum of \$7,737.88 last year. Federal withholding was \$1,500.14, state withholding was \$265.56, F.I.C.A. was \$371.42 and union dues were \$101.87. This leaves a take-home pay of \$5,498.89. (Our withholding figure is larger than normal because we claim no dependents. Getting a large sum back from the government is the only way we can pay dentist bills and other 'unexpected' expenses, because . . . wages do not allow us to budget for such things as dentists.)

"I would like to briefly show you our problem and that of most other . . . families.

House payments	\$138.25
Home improvement loan	54.00
Car payment	75.00
VA life insurance	12.80
Gas and lights (paid in equal payments of \$44.00 per month for a year)	44.00
Telephone	7.00
Rubbish removal	8.00
Water bill per month (sometimes it's more)	9.00
Hot lunch for 6 children	35.00
Per month	378.05
Per year costs	4,536.60

"Over and above the aforementioned expenses (all of which must be considered necessities) we had in 1969:

Dentist	\$318.00
Drugs (thank God and the UAW for the group health plan)	132.83
Total	450.83
Necessities	4,536.60
Medical	+450.83
Total	4,987.43
Car insurance	+165.00
Total	5,152.43
Take home pay 1969	5,498.89
Less expenses	5,152.43
Balance	346.46

"I would like you to ask . . . [the head of the company] how he would like to feed & clothe 8 people, plus gas money to go to and from work on \$346.46! You will note there is no figure for (ha, ha) entertainment.

"It's pretty bad when a . . . worker with 12 years seniority, working all year, qualifies for Federal food stamps, which we do, but we do not partake in the program because we both feel we should make it on our own, therefore I work as a real-estate salesman and count on the grandparents for clothing as birthday and Christmas gifts . . . I am not criticizing the union because without all the benefits you have obtained for us, we could never make it. After working as hard as we do all year, and still having to scrounge for food money it gives one a feeling of utter futility . . .

"Please, when you are bargaining for the new contract, don't forget a substantial raise in pay! I can verify all the above figures, I have not padded them by even a penny. Use them in your bargaining if you feel they would be helpful. I read an article the other day which stated the average White House Dinner costs \$35 per guest. Makes me sick when I realize \$35 has to feed 8 of us for 2 weeks, sometimes longer . . .

"Anyway, in closing let me say I am extremely grateful for union-won benefits like paid medical etc., but please don't forget we could sure use some added hourly pay."

Even with the withholding tax rebate, this family has a difficult problem making ends meet. Simply put, it needs more income.

As we have said, General Motors is a wealthy and highly profitable corporation which can well afford the cost of meeting the needs of its workers and their families to live in decency and comfort on the proceeds of one person's straight-time pay. The clearest proof on GM's ability to do that can be summed up in two simple facts.

1. Over the long term GM's profit rate on its U.S. operations has been approximately double the average of all U.S. manufacturing companies. In the whole 23-year period from 1947 through 1969, GM's before-tax U.S. profits, totaling \$44.1 billion, represented a rate of return on U.S. investment of 43.9 percent, more than double the 21.3 percent rate of all U.S. manufacturing; and its after-tax U.S. profits totaling \$21.4 billion, represented a rate of return of 21.4 percent, not quite double the 11.9 percent rate of all manufacturing.

2. GM's U.S. profits per hourly worker in its U.S. plants have also been extremely high, ranging in the past seven years from \$6,589 per worker in one year to \$3,807 per worker. In 1969 they were \$6,676 per hourly worker, representing 70 cents of profit for every dollar of hourly payroll.

Mr. Speaker, we can argue to doomsday whether a particular wage is a living wage or not. Frankly, I do not consider a person working in an automobile fac-

tory earning \$4.55 an hour to be on easy street. When you take into account the humdrum pace of a factory assembly-line, any person who earns \$4.55 an hour earns every penny, even if he gets a 30-minute coffee break during an 8 hour shift.

Yet there are people seriously under the impression that a strike is an easy thing for a worker to endure, that life for strikers is easy, that food stamps are frosting on the cake. It is not so. Food stamps have helped thousands upon thousands of needy families stave off hunger and malnutrition. Families with a weekly income of \$40 strike benefits have barely enough to pay their utility bills, pay their mortgage or rent, or pay for the gas to operate whatever family vehicle they have. A \$40 strike benefit—and strike benefits are the rare exception in labor disputes—plus a weekly supply of food stamps is not luxury fare for any family.

The U.S. taxpayer pays for food stamps, and American workers are taxpayers, too. In fact, the blue-collar worker pays more than his fair share of taxes and during a strike to improve his economic position he certainly has a right to get some share of the food resources of this Nation which his own tax dollars have made possible.

A feature article on "Food Stamps and Strikers" appeared recently in the UAW Washington report and was written by the staff of Press Associates in Washington. It enumerates the many reasons why food stamps should be given as freely to American working men and women as to any other needy group in our free society:

FOOD STAMPS AND STRIKERS

It is characteristic of much American legislation to lay down noble principles and then to accompany these with all sorts of amendments that take a good deal of the nobility out of it.

This was true of the Taft-Hartley Act, which echoed the noble purpose of the original Wagner Act in proclaiming that it was the policy of the U.S. Government to encourage unions and collective bargaining and then set up conditions that weakened that policy considerably.

It was true of the "Full" Employment Act, which ended up only encouraging the provision of useful employment opportunities, a far cry from the original concept of the "right to a job" of every American.

Currently we have a food stamp program that calls for the use of America's vast agricultural surpluses "to safeguard the health and well-being of the nation's population and raise levels of nutrition among low-income households."

Yet, conservative interests have long been trying and are still trying to water down this concept notably in cases where poor people happen to be strikers. By a twist of really mean-spirited logic the "health and well-being" of strikers who happen to be poor is cast aside in favor of support for great corporations who would just as soon see their strikers starve and so be forced to accept sub-standard contracts.

Right now an effort to bar otherwise eligible strikers from buying food stamps for their "health and welfare," including above all that of their children, is in progress in the automobile strike. The Chamber of Commerce of the United States wants to keep food stamps from strikers; a number of Michigan newspapers and friends of General Motors would like to do the same.

The renewal legislation, as reported out by

the House Agricultural Committee—an enemy of food stamps to begin with—is a harsh bill. It is true that it specifically says that an eligible worker shall not be denied food stamps because he is on strike. But it does make it a great deal harder for a striker to become eligible for food stamps than at present.

He would be ineligible for food stamps if he refused another job at the \$1.60 minimum wage, a condition even harsher than that under the Unemployment Compensation Act. In addition, tougher financial conditions would be called for. Such a bill, if approved, would be a serious blow to many thousands of automobile workers on strike at GM and would eventually affect many other strikers in other industries.

On top of the House Committee action, there is strong likelihood of the introduction of an amendment which would deny in specific language the right of eligible strikers to buy food stamps. Such a move was defeated in the House two years ago through the intervention of Rep. Leonor Sullivan, Missouri Democrat. Mrs. Sullivan is exposed again to fight off any such move.

In any event, the answers to the anti-union forces that have been used in the past to defeat the anti-striker move are still valid.

The very purpose of the food stamp program—"to safeguard the health and well-being" of Americans who need the program—would be defeated. There can be no possible moral justification to deny needed food to men, women and children no matter what the circumstances.

We feed the hungry of other countries and the victims of disasters without asking about their politics; we feed the men and women in our prisons and don't deny food stamps to their families at home; we feed prisoners of war and even have strict international codes to make sure that they are properly fed.

Of the utmost importance is the fact that to deny strikers food stamp rights because they are on strike would be in complete contradiction of the National Labor Relations Act which guarantees workers that very right and protects it through the National Labor Relations Board. The "right to strike" is not an idle phrase; it would be made so if strikers were punished in food stamp legislation.

Corporations argue that it is their tax dollars that are being used to support a food stamp program which "takes sides" against them in a strike situation; workers are taxpayers and are still taxpayers—strike or no strike—and to deny them rights given to other citizens who are in need would indeed be "taking sides" against them.

If food stamps, in the name of impartiality are to be denied strikers, are corporations to have their government contracts cancelled or denied them in the name of that same impartiality?

Finally, the whole purpose of modern labor law is to calm rather than exacerbate conflict between employer and employee. Sooner or later strikes come to an end. Are good labor relations to be encouraged through the denial of needed food to workers and their families? Is hunger a weapon that a modern employer really is willing to use?

Whatever the answer, Congress should make sure that the answer is "No." It spoke to that effect two years ago. It should repeat that answer this year in no uncertain terms.

MAN'S INHUMANITY TO MAN— HOW LONG?

HON. WILLIAM J. SCHERLE
OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 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?

UNITED NATIONS—CREATURE OF THE INVISIBLE GOVERNMENT OF MONETARY POWER

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. RARICK. Mr. Speaker, this week Congress is to consider House Joint Resolution 1146, authorizing a \$20 million grant to the U.N.O. for the purpose of expansion of its headquarters in New York City. This grant is in addition to all other assessments against our country by the United Nations and represents 20 percent of the \$80 million cost of the expansion. The remaining \$60 million is planned to be derived as follows:

Five million dollars from the UNICEF fund, derived by selling Halloween candy and Christmas cards, supposedly to be able to help disadvantaged children.

Twenty million dollars from the city of New York, whose mayor professes that his city is in such financial distress that it is necessary to lay off city employees.

Twenty-five million dollars from the regular U.N. budget assessed against the 127 member nations.

More and more people are becoming disenchanting at the United Nations and are taking a second look. Most people support the idea of an international body working for world peace so long as its operations do not deny us our national sovereignty. However, more and more people are aware that while the United Nations has not achieved peace it is infringing upon our national sovereignty and as such constitutes a clear and present threat to the liberties of our individual citizens. Most, upon learning the truth, are fearful of what they find and are organizing to extricate the United States from this trap.

Noteworthy, among many such distinguished constitutional Americans, is Lt. Col. Arch E. Roberts, AUS, retired, who on December 8, 1970, addressed a conference with members of the Wisconsin State Legislature at Waukesha, Wis.

I include Colonel Robert's speech, "Invisible Government of Monetary Power"; his proposed bills for State legislatures, drafted by two nationally recognized constitutional authorities, Mr. T. David Horton, of Battle Mountain, Nev., and the late Mr. John Janney; and several pertinent newspaper clippings which follow:

[From the Washington Post, Sept. 10, 1969]

U.N. BUILDING PLAN FUNDED

UNITED NATIONS.—A \$10 million investment by the United Nations Development Program has cleared the way for construction of a major addition to the U.N. headquarters building in New York.

Approval came in a 24-4 vote at a special meeting of the program's governing council on Tuesday. It had been strongly urged by the United States, which has pledged to

provide \$20 million of the estimated \$80 million cost of the new building.

New York City will furnish \$20 million for the project in addition to the \$12 million value of the land on which the seven-story addition is to be located. The regular U.N. budget will supply \$25 million of the cost and the U.N. Children's Fund \$5 million.

In recent years the U.N. Secretariat has been increasingly cramped for space, and both the Development Program and UNICEF have had to rent quarters in private buildings. The new seven-story addition will cost more than the 38-story secretariat building, completed in 1951 for a little over \$65 million.

INVISIBLE GOVERNMENT OF MONETARY POWER (Address by Lt. Col. Arch E. Roberts)

It is appallingly clear that America the beautiful has fallen into the hands of political madmen!

Our citizens are exploited by coercive domestic policy at home, our sons are betrayed in "no-win" military adventures, and our national honor is compromised all over the globe.

This strategy of defeat has led America to the brink of economic collapse, has generated violence in our schools and revolution in our cities, and has resulted in a shocking decay of the American morality.

We believe that these symptoms of decline are interrelated, and that they are inspired by a heretofore invisible government of monetary and political power.

We therefore recommend a public investigation of the men and the system behind "Revolution U.S.A.", and ask the State legislature to enact laws which will neutralize those who secretly promote nihilistic doctrine in this nation.

The Committee to Restore the Constitution, and those affiliated with us, are determined to expose a concealed plan to transform the United States into a soviet America.

Not satisfied to merely unmask the conspiracy, we further propose a practical, attainable solution to this threat to the freedoms of person and property guaranteed to the people by the Constitution.

Let us now sketch the parameters of the problem and outline an approach to its solution.

For the purpose of illustration we refer to the grave situation of revolution in America.

There are few here who would slight the obvious threat to life and property posed by revolutionary violence. It is clear that you and I are exposed to a rising tide of revolt which, unless reversed, will engulf every institution of freedom in this land.

"Revolution U.S.A." has become a crisis of major, and perhaps fatal, proportions.

Most of us are, however, satisfied to identify the bomber and the police killer as the instigator of revolution. This faulty reasoning fails to consider the fact that revolutions cost money, lots of money.

It must be obvious to the most casual observer that the financing of "Revolution U.S.A.", and the intellectual leadership of it, cannot originate within the ranks of the poor, the student, the black, or the working class, as we have been led to believe.

Instead of directing our fear and anger at the street people (who are, of course, our sons and daughters) we must have the wit and the courage to seek out the concealed base of power for this fratricidal conflict—a civil war which threatens to tear our nation apart. When we do, we will find that today's hostilities had their beginnings at the turn of the century.

In 1905 an ambitious and morally degenerate group of financiers and industrialists fixed upon a long range plan which would ultimately deliver control of America and the world into their hands.

The basic objective of their plan was to dismantle the Constitution of the United

States and erect in its place a world government covenant which the Financial/Industrial cartel would command.

To achieve their objective the conspirators adopted an operational procedure of Infiltration, Subversion, and Rebellion aimed at the religious, economic, and social disciplines of the existing order. By massing their wealth and influence to secretly sponsor nihilistic doctrine, they felt that they could capture the intellectual leadership of church and college. Domination of pulpit and professorial chair, they reasoned, would lead to mastery of the entire spiritual-educational process, the corruption of mass-communication media, and the creation of a fractured, rudderless society which would serve their purpose.

Achieving political authority was an obvious prerequisite to success. The cartel therefore, in 1912, forced a major penetration of the United States political structure and elevated Woodrow Wilson to the Presidency.

Quick to capitalize on this advantage the conspirators in the closing days of the 1913 Congress, affected passage of three legislative acts which emasculated the Constitution and established a political power base for succeeding operations. These acts were:

- a. the Sixteenth Amendment to the Constitution.
- b. the Seventeenth Amendment to the Constitution.
- c. the Federal Reserve Act.

Of these three legislative actions by Federal Agents, all of which had the effect of emasculating the Constitution, the most ominous was the creation of a central bank in America. The Federal Reserve Act surreptitiously granted to the conspirators the authority to manipulate the public credit of the United States for private profit.

To appreciate the enormous lien placed upon the American people by such banking manipulation of public credit it must be noted that when the Federal Reserve Banks were set up and began operations on November 15, 1914, their total assets were listed at \$143,000,000.00. On December 23, 1949, testimony before the House Banking and Currency Committee showed that the Federal Reserve Banks listed assets in excess of \$45,000,000,000.00. The percentage of profits is so fantastic that it would take an economist from Rockefeller's University of Chicago to compute it.

Congressman Wright Patman, House Banking and Currency Committee, in a letter dated April 14, 1952, stated:

"The Open Market Committee operations is the most important function of the entire Federal Reserve system. It", he said, "provides either hard money or easy money. It makes conditions good or bad. It determines whether or not we will have a depression in this country or whether or not our country will remain prosperous."

"All central (private) banks", said Mr. Eustace Mullins in his book, *The Federal Reserve Conspiracy*, "have the power of issuing currency in their respective countries. Thus, the people do not own their own money in Europe, nor do they own it here. It (Federal Reserve Bank notes) is privately printed for private profit. The people have no sovereignty over their money, and it has developed that they have no sovereignty over other major political issues such as foreign policy."

Upon this irresistible and unchallengeable base of political and monetary power, the conspirators established a brain trust which was to be shaped into an instrumentality for global conquest. The organization was named the Inquiry and was formed around a nucleus of members drawn from the Intercollegiate Society, a socialist-oriented group of American intellectuals.

The Inquiry, in 1914 began recruiting and training an "intellectual elite" who, under

the guidance of their hidden sponsors, prepared the Covenant of the League of Nations. The League of Nations was, of course, the long-sought world government envisaged by the Industrial/Financial conspiracy.

When the United States Senate, in 1918, refused to ratify the League of Nations for a world government, the Inquiry was reorganized, and in 1919, named the Council on Foreign Relations.

The headquarters of the C.F.R. is at Harold Pratt House, 58 East 68th Street in New York City, which is, of course, the financial center of the world.

Twenty-six years were to elapse before the secret government of monetary power, through its instrument, the Council on Foreign Relations, would reach its long-range goal of world government.

The propaganda climate generated during World War Two provided the opportunity, and on July 28, 1945 a refurbished League of Nations Covenant with a new title—the United Nations Charter—was ratified by a subverted United States Senate and the Constitution of the United States passed into history.

There is a popular and widely promoted myth that the United Nations sprang from the minds and hearts of the People, represented by fifty peace-minded nations meeting at San Francisco. Like most of the political pabulum fed to Americans via television, radio, and press, this concept, too, is false.

The historical fact is that the United Nations Organization, lineal descendant of the star-crossed League of Nations, was spawned two weeks after Pearl Harbor in the office of Secretary of State Cordell Hull.

In a letter to President Franklin D. Roosevelt dated December 22, 1941, Secretary Hull, at the direction of his faceless sponsors in the Council on Foreign Relations, recommended the founding of a Presidential Advisory Committee on Post War Foreign Policy.

All research, interdepartmental government agency coordination, and international cooperation concerning this United Nations planning commission was set up in the Department of State "or under its leadership."

In addition to himself as chairman, Cordell Hull listed the following members for his U.N. brain trust:

Mr. Norman H. Davis, President, Council on Foreign Relations.

Mr. Sumner Wells, Under Secretary of State, Vice Chairman; Member, Council on Foreign Relations.

Mr. Myron C. Taylor, Member, Council on Foreign Relations.

Mr. Dean Acheson, Assistant Secretary of State; Member, Council on Foreign Relations.

Mr. Hamilton Fish Armstrong, Editor of Foreign Affairs, official publication, Council on Foreign Relations.

Mr. Adolf A. Berle, Jr., Assistant Secretary of State; Member, Council on Foreign Relations.

Mr. Asaiah Bowman, President, Johns Hopkins University; Member, Council on Foreign Relations.

Mr. Benjamin V. Cohen, General Counsel, National Policy Committee; Member, Council on Foreign Relations.

Mr. Herbert Fels, Department of State Advisor on International Relations; Member, Council on Foreign Relations.

Mr. Green N. Hackworth, Department of State Legal Advisor.

Mr. Harry C. Hopkins, Chief of State Division of Commercial Policy.

Mrs. Anne O'Hare McCormick, Editorial Staff, the New York Times.

Dr. Leo Pasvolosky, Special Assistant to the Secretary of State; Chief, Division of Special Research; Member, Council on Foreign Relations.

In an obituary dated May 18, 1953, Time magazine credited Leo Pasvolosky with being

"the architect" of the United Nations Charter.

On page 287, Senate Document No. 87, Review of the United Nations Charter, released January 7, 1954, we find the official view of the United Nations Treaty held by elected officials in Washington.

"The Charter (of the United Nations) has become 'the supreme Law of the Land; and the Judges in every State shall be bound thereby, anything in the Constitution or Laws of any State to the contrary notwithstanding."

It is now clear that Federal agents, acting under what they assert to be a legal use of the limited powers enumerated in the Constitution, have negotiated with foreign government and special interests in an attempt to coerce these United States into a United Nations Treaty which, if valid, would surrender to these foreign government and private interests the rights and liberties assured to the people under the United States Constitution.

The conclusion is inescapable:

Our elected and appointed agents in judicial, legislative, and executive office now conduct our affairs in consonance with the provisions of the U.N. Charter.

Americans, of course, have been assured that the constitutional legality for the United Nations Treaty is found in Article VI of our Constitution.

A treaty, however, cannot authorize what the Constitution forbids.

No Federal agent has the power or the authority to modify or to dissolve the Constitutional Compact.

It must be said, too, that the Supreme Court cannot declare a statute of Congress "unconstitutional". The Court can exercise only the judicial power conferred upon it by the Constitution. It can no more "unmake" a legislative act that it can make one.

To strike down a legislative act requires legislative power. No court has such power.

The ordinary citizen also lacks the power to overturn breaches of the Constitution.

Only a State, acting in its highest sovereign capacity can repudiate unauthorized acts of its agents.

Therefore, the proper party to now challenge the validity of the United Nations Treaty, and other ultra vires acts of the Congress, is a party to the Constitutional Compact, a sovereign State.

The sovereign power of the State, through its legislative apparatus, can legally clarify this question of attempted usurpation of governmental power.

Attempts by Federal agents to exceed the limited powers of the Constitution are void and, in law, are no acts at all.

However, when the State fails to repudiate the unauthorized acts of its agents, a presumption arises that the State has approved. The vitality that is thus given to the purported act of the Agent arises from the power of the State in question. The power does not come from the limited agents who had no power to act.

The reason that the People of each State have been burdened with the acts of Federal agents in their surrender of the powers of government is because the State has not repudiated the attempts of its Agents to act beyond their authority. These acts had the effect of "law", not by reason of any non-existent authority of the Federal agents, but because of the authority that the State gave to those acts by failing to challenge the attempts of its Federal agents to exceed their authority.

The emasculation of our Constitution by the so-called United Nations Treaty agreement, the Federal Reserve Act, and other ultra vires acts, most certainly was not authorized by the parties to the Constitutional Compact. Lacking this authority, it is against the law. Being unlawful, it must be put down.

In this respect, State officeholders have a positive duty to enforce the provisions of the Constitution. It is a continuing obligation and may not be met merely by an empty oath taken upon accepting public office.

The language of Article VI, paragraph 3, United States Constitution, ". . . shall be bound by Oath or Affirmative to support this Constitution . . ." imposes a continuing duty upon these officeholders as long as they continue in office.

Therefore, in conformity with these duties and obligations, I propose that the legislators of this State now do what is necessary to defend the Constitution and to protect the rights of the People.

The limits of authority given by the Constitution must be enforced and violations of those limits must be punished.

Events in Washington and in the State disclose a systematic attack upon the liberties and freedoms guaranteed to the People under the Constitution. I, therefore, suggest that the legislators of the State appoint a special committee comprising members of the House and Senate, to investigate the legality of the action of Federal agents with regard to certain ultra vires acts which have had the effect of amending the Constitution without the knowledge or consent of the State or its People.

Such State committee must determine whether there is any change made under the United Nations Treaty and other acts which deprive the State or its People of rights and privileges, or would involve any change in the provisions of the Constitution of the United States or of the several States.

And I suggest that this Committee inquire into what measures may be taken by the State to enforce the Constitution of the United States within the borders of the State, and to punish any infraction thereof resulting from unlawful attempts to use authority by any agency of government not sanctioned by the Constitution of the United States.

Those who occupy executive, legislative, and judicial office at the Federal level of government have demonstrated that they are unwilling or unable to defend the freedom, the proper interest, and the security of the People of the United States and of the several States.

The Financial/Industrial cartel remains invisible and unchallenged in their continuing, long-range conspiracy to overthrow the Constitution and erect upon the ruins of the American civilization a world government covenant which they command.

The manipulators of monetary power, controlling the American economy through the Federal Reserve System, have created a deepening depression so as to coerce Americans into accepting life in their "industrialized society", a soviet America.

They use their vast power over information media and tax-free funds to inspire and support the promotion of nihilistic doctrine so that resulting anarchy will topple our institutions of freedom.

And, they secretly direct a policy of permissiveness in America thus creating a fractured, rudderless society which will serve their one world government scheme.

Effective resistance to tyranny by an invisible government must now, therefore, begin at the source of all governmental power—the American citizen acting through his State legislature.

To initiate corrective legislative action I respectfully invite your attention to two proposed State statutes included in the packet of background information provided to each person attending the conference:

Exhibit 1. A bill to investigate the legality of the actions of Federal agents with regard to the United Nations and to provide means for the enforcement of the Consti-

tution of the United States in relations thereto.

Exhibit 2. A bill to provide for enforcement of the Constitution of the United States with regard to the so-called United Nations Organization.

If it is your desire to explore this proposal further, I will be happy to answer questions to the best of my ability.

Thank you for your attention.

EXHIBIT 1

(A bill to investigate the legality of the action of Federal agents with regard to the United Nations and to provide means for the enforcement of the Constitution of the United States in relation thereto)

Whereas, the State of _____ at the time of its admission into the Union of the States as attested by its ratification of the agreement known as the Constitution of the United States, assumed all obligations to the People of _____, and to the People of the several States that were parties to the same agreement, to insure that all provisions of the Constitution of the United States shall be respected and enforced within the boundaries and under the jurisdiction of the State of _____; and

Whereas, three Federal agencies of government were created by Article I, Article II, and Article III of that compact, and

Whereas, it appears, under what has been asserted to be a legal use of these limited and enumerated delegated powers, that certain of these Federal agencies have purported to negotiate with foreign governments and to coerce these States, as so united, unto an agreement which would constitute a surrender to foreign governments of the rights and liberties assured to the People under the Constitution of the United States, and to surrender the powers of government which this Constitution guarantees to preserve to our People:

Be it enacted by the General Assembly of the State of _____ that:

1. A Special Joint Committee of the Legislature of this State, comprised of four members elected by and from the House of Representatives and four members from the Senate be chosen and elected by the members thereof in session.

2. Such Committee shall be authorized and directed to investigate the question of whether the agreement which is represented to be entered into by Federal agencies acting as representatives of these United States with regard to the so-called United Nations Organization be within the power and authority granted to said agencies under the Constitution of the United States.

3. The Committee shall be further authorized and directed to investigate the question of whether this purported agreement affects the State of _____, or relates to the relinquishment of any of the laws or rights affecting the State of _____, or its People, and whether there is any change proposed to be made which would deprive the State of _____ or its People of rights and privileges, or would involve any change in any of the provisions of the agreement known as the Constitution of the United States without the consent of the government of the people of this State or of the several States.

4. The Committee shall inquire into what measures may be taken by this State to enforce the Constitution of the United States and to punish any infractions thereof that may appear to be sanctioned by any unlawful use of purported authority by an agency not sanctioned by the Constitution of the United States.

5. Said Committee shall report its findings to each House of the State Legislature of

not later than two months following the passage of this Act.

6. The sum of \$100,000.00 shall be appropriated for the uses and purposes of said Committee.

EXHIBIT 2

(A bill to provide for enforcement of the Constitution of the United States with regard to the so-called United Nations organization)

Whereas, by agreement with her sister States, the State of _____ is duty-bound to enforce the Constitution of the United States within her borders; and

Whereas, as the Legislature of this State has inquired into the question of whether certain purported agreements made by certain Federal agencies created by the Constitution of the United States; and

Whereas, authority for said purported acts was not granted under the terms of the Constitution of the United States; and

Whereas, said agreements purported to abridge rights and liberties of this State and her People, without lawful authority:

Be it enacted by the General Assembly of the State of _____, in conformity with the State of _____ to her People and to her sister States, and in further conformity with the oath of office taken by the governmental officials thereof, that:

1. Those purported treaties and agreements relating to the United Nations Organization, now sometimes referred to as the United Nations, are beyond the authority granted to the agencies purporting to make these treaties and agreements and are, therefore, null, void, and of no effect within the jurisdiction of this State, and any attempt to enforce the provisions of any of said treaties or agreements within this State is unlawful.

2. Any person who shall commit an act of violation of the provisions of this statute shall be guilty of a felony and, upon conviction thereof, shall be fined not less than \$2,000.00 nor more than \$10,000.00, or confined in the State Penitentiary not less than three years nor more than twenty years, or both.

3. Any State officeholder, or any Member of the United States Congress from the State of _____, who shall attempt to violate the provisions of this Act shall, by that attempt, automatically vacate his office, and any citizen of this State may bring quo warranto proceedings, in the county in which said offender last resided or was last known to be, to force the abandonment of any pretext of filling said office by the person so disqualified.

4. Any person aggrieved by a State officeholder or by any other person acting in violation of the within Statute shall retain his private action against the offender and all of his aiders, advisors, and abettors, jointly and severally, and shall recover triple costs, besides double damages, which no jury, or Court sitting without a jury, shall assess at less than \$2,500.00.

5. Any person convicted of any criminal offense under the provisions of this Statute shall be incapable of receiving pardon, and shall be incapable of receiving parole or suspension of sentence of confinement.

6. Any person being a defendant in a civil action brought under the provision of this Statute, who shall have had judgment rendered against him which has become final by the expiration of time for appeal or by final determination of an Appellate Court, shall be denied all exemptions from execution under said judgment.

7. Each representative of this State in the House of Representatives of the United States and in the Senate of the United States, before his election to office may be certified, shall be sworn in the County of

his residence in this State, by Oath or Affirmation, to be bound to support the Constitution of the United States, and for breach of this Oath shall be punished as provided by any or all of the provisions of paragraphs 2 through 6 above.

[From the New York Times, Dec. 13, 1969]
SOVIET AND WEST SAID TO PLAN "THINK TANK" ON WORLD ISSUES

A report in the weekly magazine Science says that Soviet and Western representatives have been holding secret discussions on the establishment of a large-scale, internationally staffed "think tank" to study the problems of industrialized societies.

The report, made public yesterday, said "concrete action to set up the proposed institution might possibly come early next year."

The two principals in the deliberations have been Dzherman M. Gvishiani, a first deputy chief of the Soviet State Committee for Science and Technology, and McGeorge Bundy, president of the Ford Foundation, the magazine said.

The report, under a Paris dateline, was from Dan S. Greenberg, the European correspondent of the magazine. Science is published by the American Association for the Advancement of Science.

The magazine said Mr. Gvishiani is the son-in-law of Premier Aleksei N. Kosygin, and is widely regarded as an influential "bridge-builder" to the West. Mr. Bundy became involved in the deliberations in 1966, after leaving his post as President Johnson's special assistant for national security affairs.

Mr. Bundy could not immediately be reached for comment on the report, but a Ford Foundation spokesman confirmed that Mr. Bundy and Mr. Gvishiani had met in the Soviet Union during the summer.

The report said others who took part in the discussions included Sir Solly Zuckerman, chief scientific adviser to the British Government; Aurelio Peccei, an executive of Italy's Olivetti Corporation, and also West German and French representatives.

The article quoted a source as having said that the institution would be concerned with developing techniques that might be universally employed in dealing with such common problems as pollution, transportation, housing and education.

[From the Rocky Mountain News,
Denver, Colo., Oct. 19, 1969]

BUNDY: UNITED STATES NEEDS NEW CONSTITUTION

SOUTH HADLEY, MASS.—McGeorge Bundy, president of the Ford Foundation, suggested Saturday the United States may need a new Constitution to meet the crisis in the nation.

Bundy made the suggestion in remarks prepared for delivery at the inauguration of David B. Truman as president of Mount Holyoke College, a private girls' school.

Bundy, who was a special adviser to President John F. Kennedy and Lyndon B. Johnson, said the conflict in the nation over the "American dilemma—the persistent gulf between our ideals of individual dignity and equal opportunity, and the centuries of behavior which has assumed and enforced both the denial of personal worth and the practice of intense discrimination"—is "sharper, more bitter, more violent and even perhaps more dangerous than anything we have known since the Civil War."

He said that to resolve this conflict requires minimum governmental reforms that would include a radical reconstruction of the executive and congressional branches of the federal government and of state and local governments.

"It is not unthinkable that this country may need a new constitution," Bundy said, adding that if he had to vote on that question today he would vote no "because I believe that we very likely could not do better, even now, than our forefathers."

Bundy said that governmental "transformation of the magnitude I am describing will come only when there is a new politics that learns how to engage an effective majority for a level of social and political change that has no precedent in our history.

"I find my own hope in the rising generation," Bundy said, quickly excluding what he called "the apocalyptic fringe which has renounced politics for force and substituted childish shock for dialogue."

[From the Montrose (Calif.) Ledger,
Nov. 29, 1970]

UN PANEL DOESN'T WANT TO HEAR OBJECTIONS TO WORLD GOVERNMENT

(By Jo Hindman)

Tactics employed by a roving United Nations panel exposes the type of pressure being exerted to promote internationalism instead of Americanism in the U.S.

The President's Commission for the Observance of the 25th Anniversary of the United Nations conducted its first hearing at Atlanta, Ga. Branded by citizens as "farfical," that meeting was followed by others at St. Louis, Des Moines, Rochester, N.Y. with one to go at San Francisco next January, 1971.

Chaired by U.S. Senator-elect the Portland (Ore.) daylong Nov. 18 hearing exposed the commission's methodology of bias. Press releases invited public officials, private citizens and representatives of organizations to testify, but obviously the purpose of the series is to collect feedback from the UN's own propaganda. The slanted findings then are to be used as a base in preparing for the President a report designed to prop the sagging UN.

An observer sent by UN from San Francisco, the commission's next stop, stated enigmatically that she came to learn "how to avoid the errors" made at the Portland meet.

Welcomed affably by the UN panel at Portland were witnesses who proposed: that Communist Red China be granted UN membership, which means that anti-Communist Nationalist China would be expelled from the UN to make room for the Communists. Also requested was repeal of the U.S.-protecting Connally Amendment; ratification of the Genocide Treaty; and mandatory UN membership, to be "not an option but an obligation upon every nation," and so forth.

Panel members plucked eagerly at witness proposals that fell in line with the UN agenda at the Stockholm, proceedings slated for 1972, such as coastal estuaries "which will be a prominent item of business," also United Nations control of the sea and seabeds.

STACKED DECK

The Portland audience was swelled by numerous rejected witnesses, notably individuals with local reputations for promoting USA Constitutional Government rather than observance of the UN's global rule. One who applied early when an abundance of hearing time was available observed that although she was shut out, due allegedly to lack of time, another witness, pro-UN, claimed to have been summoned by a phone call from the arrangements committee to testify.

Procedure required (1) witness to identify self in writing with request to be heard, (2) written copies of remarks.

Two presentations in the morning session critical of the UN proceeded from witnesses who filed their written briefs after, not prior to oral delivery of their remarks. UN panel members made no attempt to conceal suspicion and hostility toward those viewpoints which had slipped through the screening set up by the local arrangements committee.

The National United Nations Research Assn.—perhaps given time due to the words "United Nations" in its title—proved astonishingly critical. NUNRA blasted UN's

Katanga military war in the Congo, UN's economic war against Rhodesia: cited as dangerous the weighted vote conceded to the Soviets, and the Communist control of UN military operations. NUNRA urged the UN Commission to support a complete review and legislative correction of the United Nations organization.

Recommendations of the second witness (yours truly) who also pierced the UN screening net, called for abrogation of the United Nations Charter and eviction of the UN headquarters from the United States of America.

THE MORAL ROT OF OUR TIMES

HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. SCHMITZ. Mr. Speaker, again and again we are told today that—though clearly we do have some problems in this country—we are still great as a nation and as a people, and should take special pride in the high degree of education and sophistication of our young people. Were it not for their idealism, it is said, we would not even recognize the problems and therefore would not be so far along the road to solving them.

Yet actually almost no one in America today—liberal or conservative, young or old, sophisticated or unsophisticated—really believes that we are healthy. But few dare confess openly how sick we have become.

The one major exception to this generalization consists of the would-be-destroyers of America. They trumpet the facts of our sickness from the housetops—but then, in a hideous and consummate perversion of the truth, they ascribe the cause and affix the blame to all that remains in America that is still healthy.

They point to the consequences of our failure to win the war in Vietnam—and turn the blame on anyone who does not want to lose it. They point to the consequences of parents who thought material goods sufficient to meet all the needs of their children—and turn the blame on those who still uphold spiritual and religious values. They point to the rising VD rate—and turn the blame on everyone who still stands for and practices sound sexual morality and opposes amoral sex education in the public schools.

The destroyers are happy with the decline of America and hope to hasten it. But we who would save our country must not, in opposing them, simply pretend that all is well. A Nation which persistently and increasingly violates fundamental moral law, dropping one by one all its defenses against the darkest impulses which move the human spirit, ultimately need no destroyers for it will most assuredly destroy itself.

The antiflife campaign in America, discussed in previous newsletters of mine, is one very striking illustration of the moral rot of our times. Another is the prevalence and increasingly widespread acceptance of the most revolting kinds of pornography, with the virtual blessing of the Federal courts.

I have been shown some of this material, which is being mailed in great quantities to my constituents and throughout the Nation. It is hard to imagine how human degradation could go much further. But if we continue with our present policy of filthy speech on demand, we will find out how much further it can go.

The very least we ought to do, legislatively, is to use the power the Constitution gives Congress over the jurisdiction of all Federal courts, to remove the whole field of State and local antipornography laws and their enforcement from Federal court jurisdiction. This would transfer it to State judges, who have been somewhat less inclined than their Federal counterparts to let the pornographers run wild, and in many States are subject to periodic election by the people, and to recall. I will introduce a bill for this purpose early next year.

In view of the availability of this obvious remedy to an obvious evil, it is an astonishing and deeply disturbing fact that almost no one in Congress has yet seriously proposed adopting it. Such feeble steps in this direction as have been taken have remained quietly buried in committee. Even the serious consideration of this action by Congress would probably in itself apply sufficient pressure on the Federal courts to induce them to begin allowing the enforcement of the antipornography laws. But so long as we simply go on denouncing pornography without taking any specific action against it, we are only adding the moral corruption of hypocrisy to the other moral corruptions of our time.

The next time we hear about how idealistic and morally responsive our young people and their teachers and leaders are today, we should ask what they are doing about the fact that we now live in a country where it is illegal for a child to pray in school, while obscenity may be hawked in the neighborhood bookstore or movie theater with almost complete impunity.

TIMELY COMMENT ON THE INTERNAL SECURITY COMMITTEE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. EDWARDS of California. Mr. Speaker, in line with my remarks earlier on the efforts of the chairman of the House Internal Security Committee to thwart a Federal district court injunction, I include in the extension of remarks the following editorial from today's New York Times:

A LIST IS A LIST

Law and order are being badly served by Representative Richard H. Ichord, who, as chairman of the House Internal Security Committee, has announced his intention to publish a new version of his "radical and/or revolutionary" blacklist of campus speakers. Along with that list he plans to offer a resolution to prohibit the courts from interfering with its public distribution. A Federal Court injunction against such distribution, at public expense, is currently in effect, but has been appealed by the Justice Department.

Representative Ichord apparently prefers not to wait for a judicial decision.

Entirely apart from the legal issue, the un-American nature of the use of blacklists remains the overriding objection to the committee's action. The very label of "radical and/or revolutionary" as a means of characterizing conveyors of ideas illustrates the danger of this form of vigilantism. The fact that the revised list is intended to be more palatable is proof of the committee's inability to comprehend the principles at stake.

There is no way of improving a blacklist by deleting a few victims—any more than the committee would be rendered acceptable by the removal of a few of its members. Nothing was gained by changing the committee's original designation as the guardian of "un-American activities"; nothing is gained by providing a "better" list. The answer is simply—no list and no committee.

SUBSONIC AIRLINER MAKES SUPERSONIC TRANSPORT UNNECESSARY

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. PUCINSKI. Mr. Speaker, Don Kirkman, Scripps-Howard science writer, has performed a notable public service by calling our attention to the fact that the National Aeronautics and Space Administration is now conducting experiments on development of a new subsonic airliner that may by 1980 carry a majority of the Nation's domestic air travelers.

This subsonic transport would fly at 35,000 feet and at a speed of about 650 miles per hour—just a fraction under the speed of sound—or about 120 miles per hour faster than present airliners.

In a report published by Mr. Kirkman in today's Washington Daily News, he points out that the new subsonic carrier would not generate sonic booms and would have engines sufficiently quiet to meet noise standards acceptable to the human ear.

Mr. Speaker, I submit that this report by Mr. Kirkman deserves the widest circulation. Surely, in the light of his revelation, the Congress would be wise to hold up any further appropriations for the development of the SST, at least until such time as we have a full report on this NASA project.

I cannot see how anyone can in good conscience vote to provide \$210 million this year for continued SST development. We know from debate here on the floor that it is contemplated the taxpayers will spend somewhere around \$1½ billion to develop the two SST prototypes and then another \$3 to \$4 billion to start the production rolling of SST's for sale around the world.

Mr. Speaker, last week I said that the United States would have to sell no less than 300 SST's at a cost of no less than \$60 million apiece before we could get one penny of the taxpayers' money back on our initial investment.

I can think of nothing more foolish for the Congress to do than to commit itself to this extraordinary expense in development of an SST when NASA is now developing an aircraft transport that will do everything that the SST can

do and do without sonic booms, or without excessive noise, or without any of the dangers to our ecology that has been predicted about SST performance at higher altitudes.

In view of Mr. Kirkman's report, I submit it is unconscionable for the Congress to appropriate another penny for the SST until we have had a full report on this NASA project.

Mr. Kirkman's article follows:

SUBSONIC AIRLINER IS ON WAY

(By Don Kirkman)

National Aeronautics and Space Administration scientists and engineers are conducting experiments on development of a new subsonic airliner that may by 1980 carry a majority of the nation's domestic air travelers.

NASA sources say this airliner, called the Advanced Technology Experimental Transport, probably will not be as controversial as the proposed multi-million dollar Supersonic Transport because its development would cost much less and the plane itself wouldn't cause sonic booms or pollute the atmosphere, as critics charge the SST would do.

As now conceived, the ATET would fly at 35,000 feet at a speed of about 650 miles per hour (a fraction under the speed of sound), or about 120 miles per hour faster than present airliners.

QUIETER ENGINES

The ATET also would have quieter jet engines, cause less air pollution and use fuel more economically, NASA planners say. How many passengers ATET would carry as yet hasn't been determined.

"The basic idea of the ATET is to have an airliner that will fly at the maximum possible speed without causing a sonic boom, an airliner that would carry a heavy share of the nation's coast-to-coast and interstate airline passengers," a NASA source explained.

The ATET, then, is viewed as the "ultimate" subsonic passenger airliner, which manufacturers would build after they shut down their Boeing 747, McDonnell Douglas DC-10 and Lockheed 1011 production lines.

The first experiments toward development of the ATET are just beginning, NASA's Gerald G. Kayten, director of the ATET program told the Washington Daily News and other Scripps-Howard newspapers. They involve testing one of the ATET's most important components, a new-style wing that would enable the ATET to fly at speeds close to the sound barrier.

LAST FIVE YEARS

Preliminary research for this new "supercritical" wing has been carried out over the last five years by NASA aerodynamicist Dr. Richard T. Whitcomb. In wind tunnel tests at NASA's Langley Research Center, Hampton, Va., he showed the supercritical wing permits smooth flight near the sound barrier and eliminates the buffeting airliners presently encounter.

The key to this success is a wing design with a flattened top wing surface, a curved bottom, and a downward curl of the wing's trailing edge which eliminates most of the shock wave conventional wings encounter.

TRIBUTE TO BOYD CRAWFORD

SPEECH OF

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 9, 1970

Mr. BINGHAM. Mr. Speaker, I am delighted to join in the many resounding

and well deserved tributes to Boyd Crawford upon his retirement.

I have the unusual distinction of having known Boyd Crawford "from the other side of the witness table" when I appeared before the Foreign Affairs Committee as Acting Administrator of the Technical Cooperation Administration, point 4 in 1952.

He was then, as he has always been since, kindly and considerate. He set the tone for what has always been a remarkably nonpartisan staff.

My wife and I join in wishing to Boyd and Mrs. Crawford many years of happiness in well-earned retirement.

OPERATION KEELHAUL REVISITED

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. RARICK. Mr. Speaker, the tragic incident of U.S. officials forcefully repatriating the defecting Lithuanian seaman, Simas Kudirka is not without precedent.

The Polish Freedom Fighters report a similar incident involving a defecting Polish seaman, Mr. Lewandowski some 3 years ago.

Previous international harm to our image as a humanitarian refuge to escapees from tyranny followed World War II. At that time thousands of Russians and other Iron Curtain nationals who had been liberated from German prison camps or defected to the West were forcefully repatriated by U.S. authorities in what is recorded in history as Operation Keelhaul. The fate of those forced to return behind the Iron Curtain against their will was undoubtedly the same as the fate that awaited Kudirka—death or the concentration camp.

By every measure of humanity, Operation Keelhaul is the darkest blot on the history of the American people. Unfortunately, many Americans do not know of the incident and few understand it or know who ordered it. It is tragic to the point of disbelief—mainly because the facts are hidden.

Legal steps under the Public Information Act to gain public access to the files of Operation Keelhaul here in Washington were recently concluded unsuccessfully. Twenty-five years after World War II, the President and his executive branch of Government maintain that the Operation Keelhaul documents must be continued as "Top Secret" and suppressed from public view. The Federal courts have sustained the Executive and denied public access. Book burning without the fire for the obvious purpose of affecting history.

Who, and what facts are being protected from the American people? Why? To shield Russians or Americans?

Most were proud of President Nixon's announcement that as a national policy we offer asylum to all who seek escape to freedom. While deplorable that a President had to await the public indignation of the Kudirka incident to act,

there is more that our Executive can do to reassure oppressed people behind the Iron Curtain of our sincerity in offering asylum to oppressed people.

President Nixon can order the release of the Operation Keelhaul files and documents so that our people know the full story behind that atrocity.

A related news clipping, an article by Thomas A. Lane, and a letter from the Anti-Communist Confederation of Polish Freedom Fighters in U.S.A., follow:

[From the Evening Star, Dec. 7, 1970]

DEFECTOR RULING LAID TO ADMIRAL; ELLIS UN-ADVISED BY STATE DEPARTMENT, REPORT SHOW

(By Garnett D. Horner)

Rear Adm. William B. Ellis, commander of the Coast Guard's 1st District at Boston, acted on his own when he ordered the return of a defecting Lithuanian seaman to Soviet hands Nov. 23, reports made public by the White House indicated today.

The reports from the Transportation and State Departments on what President Nixon has called an "outrageous" incident also made clear that the Coast Guard and Ellis did not have adequate policy guidance from the State Department.

The Coast Guard report said the order for the return of the seaman, Simas Kudirka, was issued by Adm. Ellis to the Vigilant's skipper, Cmdr. Ralph Eustis at about 5 p.m.—several hours after the defection, and hours before the Soviets were allowed to take back the seaman.

CONFERENCES FOLLOWED

It said the orders from Ellis were that "the Soviets should be informed that the defector was on board OGC Vigilant, and, if the Soviets requested that the defector be returned, he should be returned to the Soviet vessel."

After this, there were a series of conferences between Eustis and the defector, between Eustis and representatives of the Soviet ship, between Eustis and Capt. Fletcher W. Brown, chief of staff under Ellis, and between Brown and Ellis.

"At approximately 6:30 p.m.," the Coast Guard report said, "Rear Adm. Ellis issued orders through Capt. Brown which reiterated his previous orders."

It added that "Capt. Brown also specifically told Cmdr. Eustis that he should take all precautions to prevent an incident from occurring."

The only advice from the State Department to the Coast Guard came before the seaman actually defected. At that time the only word from the Vigilant had been that a crewman of the Sovietsaya Litva, a Soviet fishing vessel, might attempt to defect to the cutter Vigilant.

MIDAFTERNOON MESSAGE

Edward L. Killham of the State Department's office of Soviet Affairs informed the Coast Guard at about 3:15 p.m. that "the possible defector should not be encouraged and noted the possibility of an attempted provocation," both reports said.

However, Killham asked that the State Department be kept informed of developments, noting that if the man actually tried to defect the handling of the case "would be determined by the circumstances."

Killham also advised the Coast Guard, the two reports agreed, that "when the defection had taken place and the man was on board the Vigilant," the department would be in a position to offer detailed guidance.

The State Department received no further information until 7:45 p.m., when the duty officer at Coast Guard headquarters here advised a State Department watch officer that "the man in question had come aboard the Vigilant, requested to stay, and is being returned at this time at written request of his ship's master."

Actually, the defecting seaman was not returned to the Russian ship until approximately 11:55 p.m. that evening, after being beaten, wrapped in a blanket and bound by other Soviet sailors the reports today said.

The Vigilant had been moored beside the Sovietskaya Liva off Martha's Vineyard for a meeting between representatives of the U.S. fishing industry and the Soviet fishing fleet to discuss Russian fishing activities in the area.

It appeared from the reports that the Adm. Ellis and Capt. Brown were influenced by fear of creating an incident that would jeopardize results of the fishing conference. The conference was said to have gone well.

The State Department report noted that a Mr. Dubs, of the State Department of Soviet Affairs Office, told a Coast Guard official the day after the incident that "the department considered the return of the seaman unfortunate, but that he could appreciate that many thoughts had run Eustis' mind, including the questions of the negotiations that were in train."

One of the factors said to have upset Nixon was that the White House was not notified of the incident in time to do anything about it. Actually, the President did not hear of it until the following weekend—some four or five days after it happened.

The only reference in the Coast Guard report to notification of the White House was that on the morning of Nov. 24, the day after the incident, the Transportation Department's Office of Public Affairs advised the office of Herbert G. Klein, director of communications for Nixon, of the incident.

NO POLICY GUIDANCE

The Coast Guard report emphasized that before the incident the Coast Guard had not received from the State Department general policy guidance regarding defectors, although such guidance had been furnished by the State Department to other U.S. military services and embassies.

Strictly on a local basis, the report said, the Coast Guard in Miami had been given instructions by State Department officials concerning actions relative to refugees from Cuba.

"When this incident arose," the Coast Guard report said, "the State Department did not inform the Coast Guard of the existence of these general guidelines relating to defectors."

For its own part, "the Coast Guard did not retain the defector on board the Coast Guard cutter pending receipt from the State Department of specific guidance and the Coast Guard did not notify in a timely fashion the State Department of subsequent developments."

Both reports also noted there was "inadequate understanding" on the best means of communications between the Coast Guard and the State Department on refugee and defector cases."

NIXON ISSUES ORDER

To prevent such an incident from happening again, Nixon has ordered that no would-be defector be returned except on guidance from the State Department after consulting the White House. He also has ordered the establishment of direct communication links between Coast Guard and State Department operation centers and the White House.

The first word from the Vigilant of a possible defection came in a radio message to district headquarters at Boston at 12:43 p.m. Nov. 23 reporting:

"Estimate with 80 percent probability that one crewman from Soviet mother ship will attempt defection to Vigilant. Defection was not enticed. Crewman spoke in broken English to operations officer that he wished asylum. Same man later indicated to executive officer that water not too cold and that he would swim."

Capt. Brown telephoned Rear Adm. Ham-

mond, chief of the Coast Guard office of operations at headquarters here, at 1:15 p.m. relaying the gist of the message.

Adm. Hammond then asked Capt. Dahlgren, chief of the Coast Guard intelligence staff, to contact the State Department for possible instructions.

Capt. Dahlgren, the Coast Guard report went on, contacted Capt. David Webb, a Coast Guard officer detailed to the Science and Technology office of the State Department, and asked him who in State should be contacted regarding the matter. At about 2 p.m., after receiving some names from Webb, Dahlgren decided he should contact the office of Soviet Union affairs. Dahlgren reached Killham of that office at 2:45 p.m., who advised that he would call back after studying the Vigilant's message.

Since the Vigilant's message indicated that the defector expected to jump into the water, Killham advised that if the man were swimming between the ships "he might be considered a mariner in distress and rescued in accordance with the Coast Guard's traditional role."

But instead of swimming, the defector apparently went aboard the Vigilant with a group of Soviet officers invited aboard after the close of the fishing talks, the report indicated. The report mentioned no contact between the district office at Boston and Coast Guard headquarters here between the time of the Vigilant's first message relayed to Washington at 1:15 p.m. reporting that the defector was being returned to the Soviet vessel.

The report said Capt. Dahlgren called Capt. Brown at 3 a.m. the following morning and requested the latest information regarding the situation.

RUSSIANS USE MEGAPHONE

Brown then reported that at approximately 4:30 p.m. the defector had jumped from the Soviet vessel to the Vigilant. (Other sections of the report had indicated that he might have come aboard with other Soviet visitors instead of jumping.) At about 5 p.m., Brown said, a message from the Russian vessel to the Vigilant by voice megaphone said in effect "We are missing a crewman and know he is on board your ship."

Cmdr. Eustis had not been able to contact his superior officers in Boston, so, through radio telephone, he contacted Ellis, who was at home on sick leave.

The admiral told Eustis the Soviet vessel's commander should be informed that the defector was aboard the Vigilant.

At one point Ellis told Eustis: "In view of the nature of present arrangements with them and in the interest of not fouling up any of our arrangements as far as the fishing situation is concerned, I think they should know this and if they choose to do nothing, keep him on board, otherwise put him back."

FEARS FOR LIFE

In a later radio conversation, the Vigilant advised Boston headquarters that the "defector is definitely in fear of life," and asked for more instructions. Capt. Brown then came on the phone and Eustis told him that he believed the Soviet seaman "is sincere in his intentions to defect to this country."

Eustis added that "the political situation is tense at this time," and that the fishing conference had gone "pretty well until this situation arose."

Later, after talking with Adm. Ellis, Capt. Brown ordered that "the man is to be returned to the Russian vessel" if the Soviets say they want him back.

Cmdr. Eustis, obviously reluctant to return the man, told Capt. Brown that the Soviet officers had not yet requested the defector's return. He said the situation appeared to raise the possibility of "individual rights at stake." He said he believed the defector's life probably would be in jeopardy if he was returned.

RETURN ORDERED

Capt. Brown replied, "You are directed to get a positive directive from the master of the vessel as to whether he wants individual returned aboard . . . if his reply in the affirmative, the individual will be returned to the vessel."

Later in the same conversation Brown told Eustis, "You ordered to take all necessary precautions to preclude any type of incident from occurring."

The Coast Guard report says Eustis asked the defector to return to the Soviet vessel, but he refused to do so.

Eustis then told the Russians that they could send Soviet crewmen aboard the Vigilant to apprehend the defector. They sent six men. The account continued:

"A scuffle occurred while the four were apprehending Simas on the flight deck of CGC Vigilant.

"Simas broke free from the Soviets and appeared to jump from the flight deck into the water.

SHIPS SEPARATE

"At the time, Cmdr. Eustis, fearful of crushing Simas between the two ships as they worked together while they were moored, decided to unmoor from the Soviet vessel. In so doing some damage occurred to the Vigilant's communication antennas. . . .

"Later information indicates that Simas never did go overboard from Vigilant but actually swung from the flight deck to the main deck. . . .

"Simas was again apprehended by the Soviet party on the main deck. At this time he was beaten by the apprehending party and finally securely wrapped in a blanket and bound by rope.

"Simas and the Soviet apprehenders were returned to the Sovetskaya Litva by a Vigilant small boat (where he) was subjected to additional physical punishment."

OF SLAVERY, ASYLUM, AND DEATH

(By Thomas A. Lane)

WASHINGTON.—We must in all honesty blame President Nixon for the brutal seizure of a Lithuanian refugee sailor on the U.S. Coast Guard Cutter Vigilant and for his forcible return to a Soviet ship. The President of course did not know of the incident until too late to save the man; but he had set the false course of American foreign policy which led to this tragic betrayal of freedom.

The U.S.S. Vigilant lay alongside a Soviet ship off Martha's Vineyard for discussion of a fishing treaty when a Lithuanian radio operator on the Soviet ship crossed to the U.S. ship and asked for asylum. He should have been just as free as any refugee who successfully passed the Berlin Wall to asylum in West Berlin. But he was not—such is the cowardly caste of U.S. diplomacy.

Someone—apparently in the State Department—decided that the refugee should be returned to the Soviet vessel to avoid disrupting the treaty negotiations. This was an incredibly cruel decision for any American to make who knew the quality of Soviet justice. He was imposing a death sentence on the man who made a break for freedom.

The Captain of the Vigilant knew that he could not order his American seamen to carry out this heartless directive. He therefore allowed Soviet sailors to come aboard the Vigilant and take the Lithuanian back to the Soviet ship. The U.S. crew had to stand by while the desperate man was brutally mauled and subdued.

It is incredible that the Captain of the Vigilant did not immediately grant the requested asylum to the refugee sailor. Apparently in the Nixon administration too, our representatives are not allowed to act in accordance with law and common sense but must refer all questions to Washington.

It was clearly no responsibility of any

American that the Soviet seaman had escaped from his ship. It is the responsibility of regimes which operate slave societies to guard their slaves. There is no reason for free men either to share the duty of slave guard or to amend the errors of the slave masters.

When political refugees from these slave societies escape to American soil they expect to be free. They must be free! There can be no possible excuse for denying them the sanctuary they have reached. Every diplomat and every military man in government service should know this as his first general order. When the President has not imbued his whole administration with this spirit, he has failed to set a proper course for American diplomacy.

Perhaps the State Department was confused by its policy of not giving asylum in our embassies abroad. It should not have been. The embassy is an enclave on foreign territory. In the slave states, our embassies would be overwhelmed with refugees and would have no way to transfer them to the United States. The practical impossibility of giving asylum is the basis for limiting it in this special case.

The refugee who escapes to an American ship should be as free as though he had reached U.S. soil. No foreign power can then deny his freedom. It is incomprehensible that any American diplomat could be confused about the matter.

As for the treaty, our obsequious behavior will cost us points in the negotiation. If we are so weak and confused on such an issue, Soviet negotiators will demand and get all the advantages they seek in the treaty. Our treaty interests would have been better served if we had forthrightly granted asylum to the Lithuanian sailor.

This sorry affair is part of a greater tragedy—the failure of President Nixon, despite all his experience, to deal realistically with the Soviet enemy.

ANTI-COMMUNIST CONFEDERATION OF POLISH FREEDOM FIGHTERS IN U.S.A., INC.,

Salem, Mass.

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

DEAR MR. PRESIDENT: Two days ago, as a result of a misunderstanding and the mistaken tactics of the State Department, an unusual scandalous case came up when a Lithuanian seaman, begging for the right to secure asylum in the U.S.A., and being held by the U.S.A. Coast Guard, not only was rejected but also handed over in a rough manner into the hands of communist bandits, and when they got him they had beaten him unmercifully until he lost consciousness. And, today, if he is still alive, then certainly he must be suffering it out in a communist jail.

I am writing upon this subject, in order that I might add something to this scandalous report, just one more fact, since three years ago a similar scandal had occurred in Boston with a Polish seaman involved.

I was an eye-witness to this latter happening, and, from the location where I was at that time I immediately communicated with the television station, WHDH in Boston and with the Boston Globe newspaper, to where we personally had transported the Polish seaman (Mr. Lewandowski) who gave the facts that, the Polish as well as the Russian trawlers, were the ones who, having made a good catch of fish, later on had tried to sell it to the American market, which, if it had succeeded would have taken away work from the American seamen, and, in addition the trespassers were spying on us for the cause of communism.

This information we had given to the television station, WHDH and to the Boston Globe, since, we tried at first to reach the

airwaves of the radio station WEEI, and, instead we were cut off by Paul Benziquen.

For permission to remain here in the U.S.A. and to demand the right of asylum, Mr. Lewandowski had begged the police department in Salem, Mass., from where we were connected with the Immigrant-Bureau in Boston, and, there we spent six long hours, before we had communicated with the State Department in Washington, and then the decision was made there that Mr. Lewandowski would have to be deported.

I was also a witness of this scandal and I had seen with my own eyes at the East Boston port, how the Polish seamen halfway across the bridge, between the landing and the ship that, not only they had beaten him but that they were also kicking him, i.e. Mr. Lewandowski, who crying bitterly, defended himself and refused to be carried away into the hands of the communists.

From the Immigration Bureau we were transported to the port in a police-car, with the assistance of two inspectors, and, I must add, that at the moment when we entered the police car, neither I nor Mr. Lewandowski did not know where we were being taken, but, when I asked where we were being driven, a reply was given that Mr. Lewandowski was going to be deported, but, neither I nor the seaman with us could not believe that such a thing would happen.

We were very frightened, when we reached the port, and, here we saw several inspectors (without uniforms, but, two of them were armed) and they were waiting for our arrival.

When we were informed that Mr. Lewandowski is being deported and must return to his native land aboard a Polish ship, which was anchored at the East Boston seaport, then I and Mr. Lewandowski replied in the negative. In the meantime, when I and Mr. Lewandowski would prefer to jump into the ocean rather than to be handed over to the communist-police, then, several rough policemen in civilian style went up to Mr. Lewandowski and with force he was taken out of the police car.

Our threats of jumping into the ocean were of no avail; three burly inspectors, American, forcibly led him towards the landing-plank, and while he was standing at half-distance between the land and the ship, and there, I stood frozen and the several inspectors who were involved in the scene, were shocked at what we saw, that Mr. Lewandowski, while stubbornly refusing to be hauled away to the ship, was immediately beaten and kicked by the Polish seamen, those communist bandits.

Crying loudly and shouting for help, Mr. Lewandowski was not helped by anyone, instead he was forcefully being deported, and, like the Lithuanian seaman, he was given a severe beating. In such an inhuman and miserable manner human rights and international laws of free asylum were transgressed.

We must add here, that neither WMDH nor the Boston Globe, nor Station WEEI, would not release the facts to the public, although I personally had given them all the information they might have been seeking.

This happened three years ago, and the Salem Police Station as well as the Immigration Bureau in Boston, must have the report in their files, and it would be proper if today the case of the Lithuanian seaman were compared to the refusal of asylum to the Polish seaman, also.

In the name of the Anti-Communist Confederation of the Polish Freedom Fighters in the USA, Inc., we beg of you, Mr. President, to intervene in this case and we believe that you will not refuse our plea.

In the service of God, Freedom and Country.

JOZEF MLOT-MROZ,
President.

SUPPORT FOR MEDICAL SCHOOLS

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. CARTER. Mr. Speaker, the schools of medicine at the University of Kentucky and the University of Louisville are among the outstanding schools in the country and these schools provide the greater part of the medical manpower for the State of Kentucky. However, due to the great need for physicians in Kentucky, 35 residents of Kentucky have applied for enrollment in the Georgetown University and the Georgetown University Schools of Medicine. Further, there are approximately 26 physicians graduates of Georgetown and George Washington practicing in Kentucky.

The funds requested in this bill are support funds that I believe to be proper.

In my State of Kentucky the costs of the schools of medicine are for the major part borne by the State of Kentucky.

The shortage of physicians throughout the nation is a great concern to all members of Congress. The closing of these two schools would be a loss to the Nation that it can ill afford in its desperate need for additional physicians.

I have no hesitation in supporting this legislation.

FARMER ON BOTTOM RUNG OF ECONOMY LADDER

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 14, 1970

Mr. ZWACH. Mr. Speaker, Fran LeRoux, in his book, "1961 to 1970, the Farmers' Worst Nine Years," points out that by almost every conceivable business standard, these years have been the worst for the American farmer than any other period in history.

He points out that the farmer has had:

The lowest share of gross national product;

The lowest return on gross sales;

The lowest return on total capital investment;

The lowest return on capital investment per farm;

The lowest share of the consumer dollar;

The lowest share of the retail food dollar;

The lowest level of parity of income;

The lowest return for farming versus all other major businesses;

The lowest return for farmers versus government salary increases.

We must strive to increase the parity of farm prices if we hope to keep this vast segment of our economy from complete financial ruin. We must do all that can be done here in Washington.

HOUSE OF REPRESENTATIVES—Tuesday, December 15, 1970

The House met at 12 o'clock noon.

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

The people who walked in darkness have seen a great light.—Isaiah 9: 2.

Almighty God, who by the birth of the Babe of Bethlehem has given light to those who sit in darkness, love to those who would live with ill will in their hearts, and life to those who walk through the valley of the shadow of death: Grant that in Thy light we may see light clearly, in Thy love may we possess love fully, and in Thy life may we learn to live all our lives.

Guide the citizens of our Nation in the ways of righteousness and the people of the world in the paths of peace. May good will live in all our hearts binding us together in the bond of true brotherhood, to the glory of Thy holy name. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 16498. An act to permit the sale of the passenger vessel *Atlantic* to an alien, and for other purposes; and

H.R. 19888. An act to provide for the inspection of certain egg products by the U.S. Department of Agriculture; restriction on the disposition of certain qualities of eggs; uniformity of standards for eggs in interstate or foreign commerce; and cooperation with State agencies in administration of this act, and for other purposes.

The message also announced that th

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. 19928. An act making supplemental appropriations 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. 19928) entitled "An act making supplemental appropriations 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. BYRD of West Virginia, Mr. PASTORE, Mr. HOLLAND, Mr. ELLENDER, Mr. MCCLELLAN, Mr. MAGNUSON, Mr. STENNIS, Mr. MCGEE, Mr. YOUNG of North Dakota, Mrs. SMITH, Mr. HRUSKA, and Mr. AROTT to be the conferees on the part of the Senate.